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 – Ohkay Owingeh – Pueblo of Jemez

REGIONAL COALITION MEETING AGENDA
Hernandez Community Center
19418 A US Highway 84/285, Hernandez, NM
November 13, 2015
9:00a-11:12a

A. Call to Order – Commissioner Trujillo – 9:00a-

B. Confirmation of Quorum – Commissioner Trujillo

C. Approval of Agenda – Commissioner Trujillo

D. Approval of Meeting Minutes - 9:15a (Tab A)

E. Discussion/Action Items (1hr 30 mins) 9:15 – 10:50a
   1. Briefing from NM Congressional Delegation (5 mins)
   2. Presentation by Secretary Ryan Flynn, New Mexico Environment Department (30 mins)
   3. Presentation by Doug Hintze, Manager, EM-LA Field Office (30 mins)
   4. Board Member Action Items
      a. 2016 Meeting Schedule Approval (2 mins)
      b. Proposed change of Coalition meeting time (3 mins)
      c. JLH Media Contract Amendment (10 min)
      d. Executive Director Services RFP Review and Approval (10 min)
   5. Updates
      a. Budget Update (Brian Bosshardt) (2 mins)
      b. Executive Director Update (3 mins)

F. Meetings at a Glance (2 mins) 10:50a-10:52a (Tab H)

G. Public Comment (20 mins) 10:52a-11:12a

H. Adjournment – 11:12a
About the Regional Coalition of LANL Communities:

The Regional Coalition is comprised of nine cities, towns, 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, Commissioner Barney Trujillo, Rio Arriba County; Vice-Chair, Mayor Javier Gonzales, City of Santa Fe; Secretary/Treasurer, Councilor Kristin Henderson, Los Alamos County; Mayor Alice Lucero, City of Española, Commissioner Henry Roybal, Santa Fe County; Andrew Gonzales, Town of Taos; Commissioner Mark Gallegos, Taos County; Governor Earl Salazar, Ohkay Owingeh; and Governor Raymond Loretto, Pueblo of Jemez.

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

Contact: JLH Media
518 Old Santa Fe Trail, Santa Fe, NM 87505
Office: 505.603.8643
REGионаl 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 – Ohkay Owingeh – Pueblo of Jemez

Taos County Chambers
105 Albright Street
Taos, NM 87571

October 9, 2015
9:00a-11:00a

Meeting Minutes

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Attendance
Chair, Commissioner Barney Trujillo, Rio Arriba County; Fabian Trujillo, proxy for City of
Santa Fe; Brian Bosshardt, proxy for Los Alamos County; Mayor Alice Lucero, City of
Española; Commissioner Henry Roybal, Santa Fe County; Commissioner Mark Gallegos,
Taos County; Governor Raymond Loretto, Pueblo of Jemez.

A. Call to Order – Chair Trujillo
Chair Trujillo called the meeting to order at 9:24 a.m.

B. Confirmation of Quorum – Chair Trujillo
Executive Director Andrea Romero took attendance and Chair Trujillo confirmed there was
a quorum.

C. Approval of Agenda – Chair Trujillo
Chair Trujillo asked the Board to review and approve the agenda as presented.
Mayor Alice Lucero moved to approve the agenda.
Governor Raymond Loretto seconded the motion to approve the agenda.
Chair Trujillo called for a vote to approve the agenda.
The Board voted unanimously in favor of approving the agenda.

D. Approval of Meeting Minutes – Chair Trujillo
Chair Trujillo asked the board to review and approve the meeting minutes as presented for
the RCLC Board meeting that was held on September 11, 2015.
Fabian Trujillo moved to approve the meeting minutes.
Mayor Alice Lucero seconded the motion to approve the meeting minutes.
Chair Trujillo called for a vote to approve the minutes.
The Board voted unanimously in favor of approving the meeting minutes.

E. Discussion/Action Items
1. Introduction by Doug Hintze, Manager, Environmental Management Los Alamos Field
Office
Chair Trujillo stated that the next item on the agenda was an introduction from Doug
Hintze, the new Manager of the Environmental Management Los Alamos Field Office (EM-
LA).

Mr. Hintze previously served as the Assistant Manager for Mission Support and the Chief
Financial Officer at the Department of Energy Savannah River Operations Site (DOE-SR)
beginning in September of 2012. Mr. Hintze gave RCLC board members a brief overview
of his history working for the Department of Energy (DOE) and his experience managing
TRU level waste remediation activities. He expressed that his three priorities as the new
EM-LA manager were to run a safe, transparent, and efficient cleanup operation.

Mr. Hintze stated that over the past six to eight months they’ve been taking over the project
management scope of work from the National Nuclear Security Administration (NNSA)
and will focus on environmental cleanup moving forward. He continued that a plan was in
place for EM-LA to have their own contract going forward beginning at the end of FY17.
During the bridge contract period they have already identified the scope of work they will
be focusing on.

2. Presentation from Carla Rachkowski of Accelerate Program
Chair Trujillo thanked Mr. Hintze for his introduction and said that the board was looking
forward to working with him. The next item on the agenda was a presentation from Carla
Rachkowski of the Accelerate Technical Training and Job Placement Program.

Carla thanked the board for allowing her to speak at their meeting. The Accelerate Program
is a program of the Regional Development Corporation in collaboration with six
community colleges in northern New Mexico. It has been funded for the past five years by
the Department of Energy’s (DOE) Office of Environmental Management. Their goals are
to stimulate economic growth, increase college graduation rates, workforce training and
job placement. They strive to graduate more technical career students in NM in order to
aid economic development. They are especially keeping an eye on LANL’s estimated 36%
attrition rate over the next five years.

The Accelerate Program was launched as a pilot project in 2011 through a partnership
with the New Mexico Regional Development Corporation and six northern New Mexico
colleges including UNM Taos, Northern New Mexico College, UNM Los Alamos, Santa Fe Community College, Luna Community College, and Highlands University. Their focus is on technical career students, specifically, preparing them for career and educational advancement and placing them in jobs. The current average graduation rate is 14% for two-year technical degree students in northern New Mexico. Some of the school’s graduation rates are actually closer to only 7%. The program has been extremely successful, with an independent study finding that Accelerate has delivered a 20% increase in graduation rates over non-participating students. In addition, 44% of Accelerate students who interned with regional employers were offered jobs by those employers. The Accelerate Program is in the final seven months of a five-year DOE-EM grant award. Accelerate is working now to diversify their program funding.

They also focus on preparing students to succeed in the workforce. They provide career readiness training as part of the project and hope to help them find jobs in their fields of study. They have had 664 students go through the program, and 374 students in a separate component of the program finish the basic math requirements before they can begin college level mathematics. The average age of a student in the Accelerate Program is 28 years old. They have career advisors in place at each of the participating campuses that recruit students into the Accelerate program and then proactively work with them on any issue that gets in the way of schoolwork. This is a big issue for non-traditional students who are working full-time, trying to raise families, and have other things that can interfere with the completion of schoolwork. They function as part mentor and part advisor, basically doing whatever they can to help program students get through school. The program also offers resume writing classes, leadership training, and Office 101 courses.

The program partners with regional employers to place students in internships and students are paid stipends for their work. Accelerate students showed a 20% increase in persistence, time to degree, and completion rates. They are currently looking at different foundations and have hired a grant researcher and writer in an attempt to diversify their funding.

Commissioner Mark Gallegos inquired about high school students participating in the program in anticipation of enrolling in college. Carla stated that they are currently focusing on two-year degree students. She stated that she hopes in the future that they can expand the program to promote awareness of the program to high school students so that they can consider participation in the program as they look toward their career preparation.

3. Intergovernmental Meeting with the U.S. Department of Energy Invitation. Approval of ED and/or Board travel

Chair Trujillo thanked Carla for her presentation and stated that the next agenda item was approval of Executive Director and/or Board travel to the Intergovernmental Meeting with the U.S. Department of Energy taking place in New Orleans from November 18-20. Chair Trujillo asked the Board to review and approve the travel for Andrea Romero as presented. Mayor Alice Lucero moved to approve Andrea Romero’s travel and recommended that any other board members attempt to attend as well. She also stated that she would like to attend, but moved to at least approve the Executive Director travel. Brian Bosshardt seconded the motion to approve the Executive Director travel. Chair Trujillo called for a vote to approve the travel.
The Board voted unanimously in favor of approving the travel for Andrea Romero and any other interested board members. Governor Raymond Loretto stated that he would be attending to represent the Pueblo of Jemez and that his cost of travel would be covered by Jemez. Brian Bosshardt reminded the board that the ECA would cover the cost of travel for one representative from the RCLC and that Los Alamos County would be represented by Kristin Henderson. Chair Trujillo stated that Rio Arriba County would cover his cost of travel if he were able to attend. Commissioner Mark Gallegos requested a calendar of potential travel meetings for the upcoming year so the board could better plan their travel in advance of meetings. Andrea Romero said a calendar would be compiled.

F. Board Closed Session – Personnel Matter: Discussion Regarding Limited Personnel Matter(s) – Review of JLH Media’s Provision of Executive Director Services and Agreement AGR14-01. (Session Closed Pursuant to NMSA 10-15-1 (H) (2))

G. Adjournment

At the conclusion of the closed session Chair Trujillo asked the board for a motion to open the meeting to the public. Mayor Alice Lucero moved to end the closed session. Governor Raymond Loretto seconded the motion to end the closed session. Chair Trujillo called for a vote to end the closed session and reopen the meeting. The Board voted unanimously in favor of ending the closed session and Chair Trujillo stated that the record should show that no action was taken during the closed session.

Governor Raymond Loretto requested changing the next RCLC meeting location for November 13 as Jemez Pueblo has a scheduled Feast Day on November 12. Chair Trujillo said Rio Arriba County could host the November 13 meeting and Governor Loretto said Jemez could host in December.

Chair Trujillo adjourned the meeting at 10:45 a.m.

Attest:

___________________________________
Commissioner Barney Trujillo, Chair

___________________________________
Andrea Romero, Executive Director
2015

Friday, November 13, 2015
9am to 11am
Hernandez Community Center
19418 US-84, Hernandez, NM 87537

Friday, December 11, 2015
Jemez Pueblo Council Chambers

2016*

Friday, January 8, 2016
Española City Council Chambers

Friday, February 12, 2016
Los Alamos County Council Chambers

Friday, March 11, 2016 – Strategic Planning, Closed Session
Santa Fe Convention Center, Tesuque Room

Friday, April 8, 2016
Española City Council Chambers

Friday, May 13, 2016
Town of Taos Council Chambers

Friday, June 10, 2016
Rio Arriba County Chambers

Friday, July 8, 2016
Los Alamos County Municipal Building

Friday, August 12, 2016
Santa Fe County Chambers

Friday, September 9, 2016
Ohkay Owingeh Conference Center

Friday, October 14, 2016
Taos County Council Chambers

Friday, November 11, 2016
Jemez Pueblo Council Chambers

Friday, December 9, 2016
City of Santa Fe Council Chambers

*2016 Meeting times TBD
AMENDMENT NO.1
REGIONAL COALITION OF LANL COMMUNITIES
SERVICES AGREEMENT NO. AGR14-01

This AMENDMENT NO. 1 is entered into by and between the Regional Coalition of LANL Communities (Coalition) and JLH Media, LLC, a New Mexico limited liability corporation ("Contractor"), to be effective for all purposes, November 13, 2015.

WHEREAS, the Coalition and Contractor entered into Agreement No. AGR14-01 dated November 11, 2013 (the “Agreement”) for the provision of Executive Director Services for the Regional Coalition of LANL Communities; and

WHEREAS, both parties wish to amend the agreement to extend the term for an additional six (6) month period as allowed under the same terms and conditions.

NOW, THEREFORE, for good and valuable consideration, the Coalition and Contractor agree as follows:

1. To delete SECTION B. TERM in its entirety and replace it with the following:

   SECTION B. TERM: The term of this Agreement shall commence November 11, 2013 and shall continue through May 12, 2016, unless extended or sooner terminated, as provided herein. At the sole discretion of the Regional Coalition, this contract may be renewed for an additional year under the same terms and conditions, mutually agreed upon by the parties. The monthly fixed fee and other associated costs may be considered for an annual adjustment if such is warranted.

Except as expressly modified by this Amendment, the terms and conditions of Agreement No. AGR14-01 remain unchanged and in effect.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 1 on the date(s) set forth opposite the signatures of their authorized representatives to be effective for all purposes on the date first written above.

ATTEST
REGIONAL COALITION OF LANL COMMUNITIES

__________________________
By: ________________________________
CHAIR

DATE

Services Agreement No. AGR14-01-A1
JLH Media
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

REQUEST FOR PROPOSALS (“RFP”)
FOR
EXECUTIVE DIRECTOR SERVICES
REGIONAL COALITION OF LOS ALAMOS NATIONAL LABORATORY COMMUNITIES

GENERAL INFORMATION

Sealed proposals, in one (1) unbound original and ten (10) bound copies, will be received at the County of Los Alamos, Procurement Office, 101 Camino Entrada, Bldg. 3, Los Alamos, NM 87544, until 5:00 p.m. MST, December 11, 2015. Clearly mark the RFP name on the outside of the sealed proposal.

DIRECTIONS TO PROCUREMENT OFFICE:
Drive WEST on NM-502 to Los Alamos.
   ○ Camino Entrada (formerly known as Airport Basin) is 0.4 miles past East Gate Drive, just past East Entrance Park Rest Area.
2. Turn RIGHT on Camino Entrada.
   ○ Road slopes downhill and curves to the right.
3. Take second RIGHT into driveway through gated fence (before the stone sign “Pajarito Cliffs Site”).
   ○ Follow the signs to Building 3, the L-shaped building in the center of the complex.
   ○ If you pass the Holiday Inn Express and the Airport, you've gone too far.

4. Enter glass door marked “PROCUREMENT.”

Regional Coalition of LANL Communities (“Regional Coalition”) invites Proposals from all qualified respondents. The Board of Directors of the Regional Coalition highly encourages local respondents from the region represented by the Regional Coalition. No Proposal may be withdrawn after the scheduled closing time. Proposals will not be accepted after the scheduled closing time. Please make note of the submittal requirements outlined in this solicitation. Read and follow the instructions carefully. Include the required documents provided in this RFP as part of your submittal packet. Any misinterpretation or failure to comply with the submittal requirements could result in rejection of the proposal. Proposal preparation is at the Offeror’s expense. Regional Coalition reserves the right, at its sole discretion, to accept or reject any proposals; to waive any and all irregularities in any or all statements or proposals; to request additional information from any or all respondents; and to award a contract to the responsible Offeror whose proposal is most beneficial to Regional Coalition. While Regional Coalition intends to execute a contract for the services listed herein, nothing in this document shall be interpreted as binding Regional Coalition to enter into a contract with any Offeror or Proposer.
BACKGROUND
The Regional Coalition of LANL Communities, “Regional Coalition” was founded in 2011 and is comprised of seven municipalities and two pueblos surrounding Los Alamos National Laboratory ("LANL"). The goal of the Regional Coalition is to proactively address issues of the neighboring cities, counties and pueblos directly impacted by LANL site activities. By working together, regional governments are better poised to define the public interest and to work with DOE, NNSA, contractors and Congress to ensure that state and federal policies protect and promote local interests. The Regional Coalition was formed through a Joint Powers Agreement and all of the participating local governments provide funding for the Regional Coalition’s operating budget.

The Regional Coalition is focused on three specific issues:

1. Environmental remediation; monitoring the levels of funding provided for environmental cleanup and advocating for increased funding; and,
2. Regional economic development and site employment; working to train local residents for jobs available at LANL and creating economic opportunities around LANL.
3. Ensuring adequate federal funding for LANL; working in partnership with New Mexico’s Congressional Delegation to emphasize the importance of budget stabilization for our communities.

In furtherance of this mission, the Regional Coalition has adopted a strategic plan that focuses on four principal areas:

1. Site Mission/Mission Diversification/Economic Development
2. Environmental Stewardship
3. Communications and Engagement
4. Business Operations

The Regional Coalition is a policy-making forum, and thus, requires Executive Director Services that can bring together governments with varied interests and goals to develop and advocate for policies that address the needs and interests of the region. Given that the Board of Directors is comprised of elected officials, the contractor will also need to be well versed in local political issues and concerns.

The Regional Coalition is committed to exploring issues and identifying solutions that are broadly representative of the regional communities’ needs, interests and goals. The Board of Directors will seek to reach a broad consensus on policy matters, working collaboratively with the Department of Energy, Los Alamos National Laboratory, Congress, the regulatory agencies, site contractors and other community members as decisions are formulated and policies are implemented.

SCOPE OF WORK
The Contractor shall provide the following services:

1. Continue and build upon the Regional Coalition’s efforts as an effective advocacy organization.
2. Manage the organization and help ensure its legal and financial responsibilities are met.
3. Advise the Board of Directors on the group’s strategic direction and policies, including legislative strategies, to achieve the organizational mission. Make recommendations where appropriate.
4. Provide technical assistance to the organization. Summarize and analyze issues, and provide comment and advice as necessary or requested. Prepare technical memos and issue briefs as needed.
5. Serve as an independent facilitator for the Board meetings.
6. Develop and circulate agenda items and briefing memos for the Board meetings.
7. Prepare and distribute minutes of the Board meetings.

8. Make presentations to each participating members governing body, at least annually, or as requested by board members.


10. Negotiate and collaborate with outside entities, and convey and advocate for organizational policies, as directed by the Board.

11. Implement public information strategies on behalf of the organization.

12. Serve as spokesperson of the Regional Coalition with the Department of Energy, state and federal agencies, the media and the public.

13. Monitor regional and national issues and coordinate with outside agencies on issues affecting
   1. LANL.

14. Make monthly presentations to the Board and at other forums on a range of issues.

15. Represent the organization at national meetings as directed by the Board.

16. Prepare monthly updates on relevant congressional and DOE policies and actions.

17. Report progress on the strategic plan, and annually provide an updated plan for the Board’s discussion and approval.

18. Prepare the draft annual budget for approval by the Board, and implement as appropriate.

19. Generate supporting funds from a variety of sources to continue the operations of the Regional Coalition.

20. Provide monthly updates to the Board regarding progress.

21. Develop and present to the Board an Annual Report, detailing the prior year’s activities and achievements.

22. Other tasks that are identified and assigned by the Board.

**SERVICE COSTS:**

1. List monthly fixed fee and number of work hours to be provided exclusive of New Mexico gross receipts tax (NMGRT).

2. The Contractor may invoice for any travel costs incurred in the performance of this contract. (Such expenses are not considered to be covered by and included in the monthly fixed fee. Reimbursement of travel costs shall be subject to the annual budget as approved by the Board and shall be in accordance with the Regional Coalition’s travel policy resolution.)

3. Provide listing of all proposed services that will be included in the monthly fixed fee such as reproduction costs, internet services, mobile phone services, insurance, equipment and office expenses.

4. List any services that will be contractually provided by another party under the purview of the proposer, along with estimated cost.
TERM:
The initial term of the contemplated agreement shall be for two (2) years commencing from the date of entering into a contract. At the Regional Coalition’s sole option, the term of the agreement may be further extended, in one-year increments for up to two (2) additional years, under the same terms and conditions. In no event, however, shall the term of the agreement, including any and all extensions, exceed four (4) years from the initial effective date of the agreement. The monthly fixed fee and other associated costs may be considered for an annual adjustment if such is warranted.

PROPOSAL FORMAT
In order to facilitate evaluation, please format your proposal in the same order indicated below. Proposals shall address the following items:

   I. Introduction and Statement of Qualifications.
   II. Proposal for building on the recent success of Regional Coalition in regards to:
       a. Firm's/Individual's experience in the field and with inter-governmental facilitation, coordination, and policy development.
       b. Discussion of experience and knowledge in the items identified in the mission statement and strategic plan.
       c. Discussion of your experience working with Pueblos and other sovereign governmental entities.
   III. Organization and Capacity: Describe roles, resources and responsibilities and provide a statement about the capacity of the proposer to complete work described herein.
   IV. List number of clients currently represented (internationally, nationally, and within the state of New Mexico)
   V. List all members of company employed.
   VI. Provide a listing of only individuals who will be directly involved with this service, including resumes, certifications and home office location of each key person.
   VII. Provide a statement on capacity to complete the work listed herein.
   VIII. Provide at least three letters of professional references.
   IX. Provide Cost – fixed monthly, exclusive of NMGRT and reimbursable expenses.

PROPOSAL EVALUATION CRITERIA
Proposals will be evaluated on the following criteria and weighted points:

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>WEIGHTED POINTS</th>
</tr>
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<tbody>
<tr>
<td>Qualifications, Capacity &amp; Experience</td>
<td>60</td>
</tr>
<tr>
<td>References</td>
<td>10</td>
</tr>
<tr>
<td>Cost</td>
<td>30</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100</td>
</tr>
</tbody>
</table>

PROCUREMENT PREFERENCES
Preferences in purchasing by formal bid, or request for proposal or qualifications shall be in accordance with New Mexico Statutes, Section 13-1-21 NMSA 1978 et al.

SPECIAL CONDITIONS
Following award of the solicitation by the Board of the Regional Coalition, the successful Offeror will be required to execute a contract with the Regional Coalition in accordance with the terms and conditions set forth in the Services Agreement, a sample of which is attached as Exhibit “A”. Offeror may identify any exception or other requirements to the terms and provisions in the Services Agreement, along with proposed alternative language addressing the exception; the Regional Coalition may, but is not required to, negotiate changes in contract terms and provisions. The Services Agreement as finally agreed upon must be in form and content acceptable to the Regional Coalition.
CERTIFICATION FORM REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS
An Offeror shall complete the Certification Regarding Debarment, Suspension, and Other Responsibility Matters Form, attached as Exhibit “B”, and submit with the proposal. This Form serves as a warrant of the vendor’s responsibility, and may not necessarily preclude the vendor from consideration for award.

CAMPAIGN CONTRIBUTION FORM
A CAMPAIGN CONTRIBUTION DISCLOSURE FORM is attached as Exhibit “C”. Upon award, Contractor must submit this form, in accordance with Chapter 81 of the laws of 2006 of the State of New Mexico.

CONTACT
Prospective Offerors wishing additional information regarding this request for proposal should contact Los Alamos County Deputy Manager Brian Bosshardt, at (505) 663-1779 or e-mail questions to: brian.bosshardt@lacnm.us
Exhibit “A” SAMPLE AGREEMENT

This SERVICES AGREEMENT (this “Agreement”) is entered into by and between the Regional Coalition of LANL Communities, ("Regional Coalition"), and ______________________, a ___ corporation ("Contractor"), to be effective for all purposes ________________.

WHEREAS, the Regional Coalition issued Request for Proposals No___________________ ("the “RFP”) on_____________________, requesting proposals for______________________ services as described in the RFP;

WHEREAS, Contractor timely responded to the RFP by submitting a proposal, dated ____________________ ("Contractor’s Response");

WHEREAS, based on the evaluation factors set out in the RFP, Contractor was the successful offeror for said services;

WHEREAS, Contractor will provide the following Services, as described below;

NOW THEREFORE, for and in consideration of the premises and the covenants contained herein, the Regional Coalition and Contractor agree as follows:

SECTION A. SERVICES:

1. Contractor Services.

2. Deliverables.

SECTION B. TERM: The term of this Agreement shall commence on or about ___ and shall continue for ___ year/s thereafter unless extended or sooner terminated as provided herein. [At the sole discretion of the Regional Coalition, this contract may be renewed for ___ additional one (1) year periods, under the same terms and conditions, contingent upon Regional Coalition appropriating funding.]

SECTION C. COMPENSATION:

1. Amount of Compensation. The Regional Coalition shall pay compensation for the performance of the Services an amount not to exceed ____________________($__________) which amount includes / does not include applicable New Mexico gross receipts taxes (NMGRT). [Compensation and reimbursable expenses shall be paid in accordance with the rate schedule set out in Attachment X, attached hereto and made a part hereof for all purposes.]

a. Reimbursables—Travel mileage will be paid based on the Regional Coalition’s travel policy and annual budget.
2. **Invoices and Payment.** Contractor shall submit itemized monthly invoices to the County of Los Alamos showing the amount of compensation due, the amount of any NMGRT, and the total amount payable. Payment of undisputed amounts shall be due and payable thirty (30) days after County’s receipt of the invoice.

**SECTION D. TAXES:** Contractor shall be responsible for remittance of the NMGRT levied on the amounts payable under this Agreement.

**SECTION E. STATUS OF CONTRACTOR, STAFF, AND PERSONNEL:** This Agreement calls for the performance of services by Contractor as an independent contractor. Contractor is not an agent or employee of the Regional Coalition and will not be considered an employee of the Regional Coalition for any purpose. Contractor, its agents or employees shall make no representation that they are Regional Coalition employees, nor shall they create the appearance of being employees by using a job or position title on a name plate, business cards, or in any other manner, bearing the Regional Coalition’s name or logo. Neither Contractor nor any employee of Contractor shall be entitled to any benefits or compensation other than the compensation specified herein. Contractor shall have no authority to bind the Regional Coalition to any agreement, contract, duty or obligation. Contractor shall make no representations that are intended to, or create the appearance of, binding the Regional Coalition to any agreement, contract, duty, or obligation. Contractor shall have full power to continue any outside employment or business, to employ and discharge its employees or associates as it deems appropriate without interference from the Regional Coalition; provided, however, that Contractor shall at all times during the term of this Agreement maintain the ability to perform the obligations in a professional, timely and reliable manner.

**SECTION F. STANDARD OF PERFORMANCE:** Contractor agrees and represents that it has and will maintain the personnel, experience and knowledge necessary to qualify it for the particular duties to be performed under this Agreement. Contractor shall perform the work described herein in accordance with a standard of care for performance of the Services that exceeds industry standards.

**SECTION G. DELIVERABLES AND USE OF DOCUMENTS:** All deliverables required under this Agreement, including material, products, reports, policies, procedures, software improvements, databases, and any other products and processes, whether in written or electronic form, shall remain the exclusive property of and shall inure to the benefit of the Regional Coalition as works for hire; Contractor shall not use, sell, disclose, or obtain any other compensation for such works for hire. In addition, Contractor may not, with regard to all work, work product, deliverables or works for hire required by this Agreement, apply for, in its name or otherwise, any copyright, patent or other property right and acknowledges that any such property right created or developed remains the exclusive right of the Regional Coalition. Contractor shall not use deliverables in any manner for any other purpose without the express written consent of the Regional Coalition.

**SECTION H. EMPLOYEES AND SUB-CONTRACTORS:** Contractor shall be solely responsible for payment of wages, salary or benefits to any and all employees or contractors retained by Contractor in the performance of the Services. Contractor agrees to indemnify, defend and hold harmless the Regional Coalition for any and all claims that may arise from Contractor's relationship to its employees and subcontractors.

**SECTION I. INSURANCE:** Contractor shall obtain and maintain insurance of the types and in the amounts set out below throughout the term of this Agreement with an insurer acceptable to the Regional Coalition. Contractor shall assure that all subcontractors maintain like insurance.
Compliance with the terms and conditions of this Section is a condition precedent to the Regional Coalition's obligation to pay compensation for the Services, and Contractor shall not provide any Services under this Agreement unless and until Contractor has met the requirements of this Section. The Regional Coalition requires Certificates of Insurance or other evidence acceptable to the Regional Coalition that Contractor has met its obligation to obtain and maintain insurance and to assure that subcontractors maintain like insurance. General Liability Insurance and Automobile Liability Insurance shall name the Regional Coalition as an additional insured.

1. **General Liability Insurance.** $1,000,000 per occurrence; $2,000,000 aggregate.

2. **Workers’ Compensation.** In an amount as may be required by law. The Regional Coalition may immediately terminate this Agreement if Contractor fails to comply with the Worker’s Compensation Act and applicable rules when required to do so.

3. **Automobile Liability Insurance for Contractor and its employees:** An amount at least equal to the minimum required by state law on any owned, and/or non-owned motor vehicles used in performing Services under this Agreement.

4. **Professional Liability Insurance.** $1,000,000 per occurrence; $2,000,000 aggregate. Professional Liability Insurance shall provide coverage for Services provided hereunder during the term of this Agreement and for a period of at least three (3) years thereafter.

**SECTION J. RECORDS:** Contractor shall maintain throughout the term of this Agreement and for a period of six (6) years thereafter records that indicate the date, time, and nature of the services rendered. Contractor shall make available for inspection by the Regional Coalition all records, books of account, memoranda, and other documents pertaining to the Regional Coalition at any reasonable time upon request.

**SECTION K. APPLICABLE LAW:** Contractor shall abide by all applicable federal, state and local laws, regulations, and policies and shall perform the Services in accordance with all applicable laws, regulations, and policies during the term of the Agreement. In any lawsuit or legal dispute arising from the operation of this Agreement, Contractor agrees that the laws of the State of New Mexico shall govern. Venue shall be in the First Judicial District Court of New Mexico in Los Alamos County, New Mexico.

**SECTION L. NON-DISCRIMINATION:** During the term of this Agreement, Contractor shall not discriminate against any employee or applicant for an employment position to be used in the performance of the obligations of Contractor under this Agreement, without regard to race, color, religion, sex, age, national origin, sexual orientation or gender identity, disability or veteran status.

**SECTION M. INDEMNITY:** Contractor shall indemnify, hold harmless and defend Regional Coalition, its members, employees, agents and representatives, from and against all liabilities, damages, claims, demands, actions (legal or equitable), and costs and expenses, including without limitation attorneys’ fees, of any kind or nature, arising from Contractor’s performance hereunder or breach hereof and the performance of Contractor’s employees, agents, representatives and subcontractors.

**SECTION N. FORCE MAJEURE:** Neither the Regional Coalition nor Contractor shall be liable for any delay in the performance of this Agreement, nor for any other breach, nor for any loss or damage arising from uncontrollable forces such as fire, theft, storm, war, or any other force majeure that could not have been reasonably avoided by exercise of due diligence.
SECTION O. NON-ASSIGNMENT: Contractor may not assign this Agreement or any privileges or obligations herein without the prior written consent of the Regional Coalition.

SECTION P. LICENSES: Contractor shall maintain all required licenses, including without limitation all necessary professional and business licenses, throughout the term of this Agreement. Contractor shall require and shall assure that all of Contractor’s employees and subcontractors maintain all required licenses, including without limitation all necessary professional and business licenses.

SECTION Q. PROHIBITED INTERESTS: Contractor agrees that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. Contractor further agrees that it will not employ any person having such an interest to perform services under this Agreement.

SECTION R. TERMINATION:

1. Generally. The Regional Coalition may terminate this Agreement with or without cause upon ten (10) days prior written notice to Contractor. Upon such termination, Contractor shall be paid for Services actually completed to the satisfaction of the Regional Coalition at the rate set out in Section C. Contractor shall render a final report of the services performed to the date of termination and shall turn over to the Regional Coalition all originals of all materials prepared pursuant to this Agreement.

2. Funding. This Agreement shall terminate without further action by the Regional Coalition on the first day of any Regional Coalition’s fiscal year for which funds to pay compensation hereunder are not appropriated by the Board of Directors. The Regional Coalition shall make reasonable efforts to give Contractor at least ninety (90) days advance notice that funds have not been and are not expected to be appropriated for that purpose.

SECTION S. NOTICE: Any notices required under this Agreement shall be made in writing, postage prepaid to the following addresses, and shall be deemed given up hand delivery, verified delivery by telecopy (followed by copy sent by United States Mail), or three days after deposit in the United States Mail:

Regional Coalition of LANL Communities:  
Contractor:

SECTION T. INVALIDITY OF PRIOR AGREEMENTS: This Agreement supersedes all prior contracts or agreements, either oral or written, that may exist between the parties with reference to the services described herein and expresses the entire agreement and understanding between the parties with reference to said services. It cannot be modified or changed by any oral promise made by any person, officer, or employee, nor shall any written modification of it be binding on the Regional Coalition until approved in writing by both the Regional Coalition and the Contractor.
IN WITNESS WHEREOF, the parties have executed this Agreement on the date(s) set forth opposite the signatures of their authorized representatives to be effective for all purposes on the date first written above.

ATTEST
By:__________________________

REGIONAL COALITION OF LANL COMMUNITIES
By:____________________________

__________________________, a _____ corporation

By:______________________________

DATE
Exhibit “B”

Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transactions

(1) I or We, ________________________________ (the “Vendor”) hereby certify to the best of our knowledge and belief that neither the Vendor nor any of its principals:

(a) are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal, state, or local department or agency;
(b) have, within a 5-year period preceding this proposal, been convicted of or had a civil judgment rendered against them for - commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery; falsification or destruction of records; making false statements; or receiving stolen property;
(c) are presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
(d) have within a 5 - year period preceding this Application had one or more public transactions (federal, state, or local) terminated for cause or default.

(2) If we are unable to certify to any of the statements in this certification, we shall attach an explanation hereto.

(3) Certification to any of the statements in this certification will be thoroughly reviewed, and may not necessarily preclude the Vendor from consideration for award.

(4) Falsification of any statement in this Form shall constitute grounds for non-consideration of the vendor’s proposal or rescinding of a contract award.

________________________________________  __________________________________________
Date                                      Authorized Representative’s Signature

________________________________________
Print Name

________________________________________
Print Title
Exhibit “C”

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to Chapter 81, Laws of 2006, any prospective contractor seeking to enter into a contract with any state agency or local public body must file this form with that state agency or local public body. The prospective contractor must disclose whether they, a family member or a representative of the prospective contractor has made a campaign contribution to an applicable public official of the state or a local public body during the two years prior to the date on which the contractor submits a proposal or, in the case of a sole source or small purchase contract, the two years prior to the date the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor, a family member or a representative of the prospective contractor to the public official exceeds two hundred and fifty dollars ($250) over the two year period.

ANY PROSPECTIVE CONTRACTOR MUST FILE THIS FORM WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

“Applicable public official” means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

“Campaign Contribution” means a gift, subscription, loan, advance or deposit of money or other things of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official’s behalf for the purpose of electing the official to either statewide or local office. “Campaign Contribution” includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

“Contract” means any agreement for the procurement of items of tangible personal property, services, professional services, or construction.

“Family member” means spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law or son-in-law.

“Pendency of the procurement process” means the time period commencing with the public notice of the request for proposals and ending with the award of the contract or the cancellation of the request for proposals.

“Person” means any corporation, partnership, individual, joint venture, association or any other private legal entity.
“Prospective contractor” means a person who is subject to the competitive sealed proposal process set forth in the Procurement Code or is not required to submit a competitive sealed proposal because that person qualifies for a sole source or a small purchase contract.

“Representative of a prospective contractor” means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

DISCLOSURE OF CONTRIBUTIONS: (Report any applicable contribution made to current elected members of the Board of the Regional Coalition of LANL Communities:

<table>
<thead>
<tr>
<th>Contribution Made by:</th>
<th></th>
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<tbody>
<tr>
<td>Relation to Prospective Contractor:</td>
<td></td>
</tr>
<tr>
<td>Name of Applicable Public Official:</td>
<td></td>
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<tr>
<td>Date Contribution(s) Made:</td>
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<tr>
<td>Amount(s) of Contribution(s)</td>
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<tr>
<td>Nature of Contribution(s)</td>
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<tr>
<td>Purpose of Contribution(s)</td>
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<td>(The above fields are unlimited in size)</td>
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_____________________________   ______________________
Signature                                      Date

_____________________________
Title (position)

--OR--

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS ($250) WERE MADE to an applicable public official by me, a family member or representative.

_____________________________   ______________________
Signature                                      Date

_____________________________
Title (position)
### RCLC OPERATING BUDGET SUMMARY

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<tr>
<th>Inception Estimated through 6/30/15</th>
<th>November 2015 Update</th>
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<td><strong>Beginning Fund Balance</strong></td>
<td><strong>Adopted Budget</strong></td>
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<td><strong>Inception</strong></td>
<td><strong>Actual FY 16</strong></td>
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<td><strong>Restricted DOE Funding</strong></td>
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#### Coalition Member Contributions

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<tr>
<th></th>
<th><strong>City of Española</strong></th>
<th><strong>Los Alamos County</strong></th>
<th><strong>Pueblo of Ohkay Owingeh</strong></th>
<th><strong>Rio Arriba County</strong></th>
<th><strong>City of Santa Fe</strong></th>
<th><strong>Santa Fe County</strong></th>
<th><strong>Taos County</strong></th>
<th><strong>Town of Taos</strong></th>
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<tr>
<td><strong>Total Member Revenues</strong></td>
<td>$16,000.00</td>
<td>$585,000.00</td>
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<td>$22,500.00</td>
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#### Expenditures

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<th><strong>Executive Director Services</strong></th>
<th><strong>Legal Services</strong></th>
<th><strong>Memberships &amp; Subscriptions</strong></th>
<th><strong>Travel</strong></th>
<th><strong>Other Professional Services</strong></th>
<th><strong>Other Meeting Expenses</strong></th>
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<tr>
<td><strong>Total Expenditures</strong></td>
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#### Ending Fund Balance

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**Note:** The projected figures for FY 18 are based on the updated projections from the previous budget cycle.
Recap of ECA Meeting with EFCOG & ECA

- Chair Henderson and Mayor Gonzales attended the Energy Communities Alliance meeting representing the Coalition as we spoke with the Energy Facility Contractors Group (EFCOG) about aligned interest in DOE negotiations. Our group came up with an eight-point joint statement of requests to DOE, including:
  - Ensuring the Regional communities are part of contract planning at DOE
  - Local contractors are of preference to sub-contractors of prime contracts and DOE gets the credit for this small business contracting
- It is a goal to have a similar structure of meeting here in NM with LANL’s prime contractor (or the Board representation) and best decide how to collaborate.

DOE Cleanup Workshop

Workshop provided insight into the broad work of EM throughout the DOE complexes, including those sites that are decommissioned and are solely functioning as cleanup sites. Key insights include:

- 107 cleanup sites across the country. 15 sites still need cleaning up.

Regarding WIPP:
- Frank Marcinowski, Acting Associate Principal Deputy Assistant Secretary, DOE-EM: ‘March 2016 unachievable. The performance management baseline was just crafted and is under review. The review of the baseline and timeline hopes to be decided upon soon.’
- Christine Gelles, Associate Deputy Assistant Secretary for Waste Management, DOE-EM
  - Legacy TRU waste cleanup has been suspended since May 2014.
  - Area G, TA-54 operations have been limited "pending additional safety analyses"
- DOE EM Office at EM-LA Operational since March 2015
  - 26 approved FTEs
- Currently, TRU waste is stored in a Perma-Con. "Not a lot of capacity basis to store" new NewGen waste.
  - 29 unremediated barrels still need attention.
  - Nitrate salts made up only 3% of the waste stream.
  - New update to Coalition to take place on Dec 11.
  - A baseline plan for LANL has been established. Is at EM headquarters under review.
- EM's portfolio is much larger than $6B, but they must be able to create a program that sits within the budgeted items.

Waste classification that ECA is asking for to change is more in alignment for IAEA

- Resource Conservation and Recovery Act (RCRA) Regulations - they regulate: Non-hazardous Waste, Hazardous Waste, and Other RCRA Regulations

ROUNDTABLE: Improving Acquisitions and Contract Management for Our Energy Communities

Robert Cochran, President, CB&I Federal Services. William Morrison, Vice Chair, EFCOG; President, EnergySolutions Government Group; Michael Graham, Vice Chair Elect, EFCOG; Principal Vice President, Bechtel National; Greg Meyer, Senior Vice President, Fluor; Mayor Steve Young, Vice Chair, Energy Communities Alliance

- Performance based incentives are favorable to EFCOG contractors. Revisions to the clauses that are most problematic, the issues they've expressed have been outright.
  - Draft RFPs out so as to give the contracting community and allow for everyone to have time to comment.
- Open discussions to have an open dialogue on the contractor proposal is fine, as long as they're not going back to the drawing board altogether on the projects they're pursuing
- WIPP closure and the effects of the shutdown and the catastrophe they were dealing with all affects the ways in which the contractors respond to their situation relative to their site.
An enterprise quality council is instituted within Bechtel. Quality meetings are held and any reports are available to general public.

Operational excellence council is at Fluor. They review the process in which any anticipated safety issues might come up.

- Communities are looking for new businesses and opportunities to expand jobs in the community. More can be done to set aside funds for technology creation through EM.

DOE-EM Acquisition Outlook and Challenges. Ralph Holland, Director, Consolidated Business Center, DOE-EM; Jack Surash, Deputy Assistant Secretary for Acquisition and Project Management, DOE-EM; John Hale, Director, Office of Small and Disadvantaged Business Utilization, DOE

- Consolidated Business Center is looking at small businesses that can be approached to do the work
- Why can't DOE standardize the procurement process and schedule?
  - Challenges: construction, disposal, demolition and decommissioning, and other areas in which they operate, understanding that much of their work is not universally defined.

- Strategies:
  - Increase "meaningful work" for small business prime contracting by working closely w/ EM
  - $560M - work executed by small business under DOE. 10.6% of all business.
  - LANS EM contract start date is Oct 1, 12-mo option. Follow on efforts of what the proposals will be issued in calendar year 2016. Still no RFPs issued.

Coalition Introduction to Mora County Commission

- October 15, 2015, made a presentation to the Commission on the Coalition’s work and pursuits. They are interested in learning more, especially as it pertains to the LANL Community Commitment Plan and other economic development opportunities coming out of the Lab. They will follow up with their interest.

Northern New Mexico Regional Economic Development Initiative (REDI) Summit

- Rehashed original goals from 2008 and reviewed current state of affairs from various development perspectives to review what new possibilities could be initiated
- Various local economic development departments provided feedback on successes and case studies from local area
  - Councilor Andrew Gonzales and Kit Carson Electric Cooperative Government Affairs and Marketing Advisor discussed KCEC as a leader in designing electric and broadband for the community and what could be leveraged as potential business creation in Taos.
- RDC will compile ideas from perspectives and ideas shared to decide building blocks for way forward

NNMCAB meeting attendance – Reviewed Section C of NNSA/EM-LA Bridge Contract

- Reviewed implementation and budget for cleanup at LANL. The current budget states $309.

Upcoming

- New RFP to go out from RCLC for Executive Director Services. Responses due by December 11, 2015.
LANL Security Changeover – SOC to Centerra

Centerra was awarded a two-year LANL Security Forces contract over SOC LLC, the previous contract awardee. SOC protested the contract award claiming ‘legal and process’ issues. A resolution has yet to be reached, though LANL expects a decision to be made by January 2016.

In September 2015, LANS awarded the LANL ‘Protective Force’ contract to Centerra, changing course after a long-term relationship with SOC LLC, the previous security contractor. LANL called the move to work with Centerra a ‘best value’ procurement acquisition to taxpayers. In October 2015, SOC LLC protested the award to investigate legal and process evaluation on the contract award, though the changeover to Centerra continues.

SOC ends a three-year, plus two 1-year extension contracts at the value of about $251 million with LANL. It has been reported the Centerra bid to LANS was of a lower dollar value than the SOC bid, though the full terms and value of the contract have not been unveiled.

There is yet to be clear data on the breakdown of possible job changes at LANL through the changeover to Centerra, though the RCLC will be watching any changes very closely.

HOW THE CHANGE AFFECTS THE REGION

It has been reported by SOC and LANL that there may be job losses through the transition to Centerra. Though LANL has expressed not wanting to see any job downsizing, the continued changeover to Centerra will eventually reveal the overall implication of the contract shift. LANL expects the guard force size will remain fairly stable, while the quality of employment and benefits in comparison to SOC’s reign has yet to be known. It is also unknown what the community commitment capacity of the contract will yield. Under SOC’s direction, they provided $160,000 in scholarships to local, high-achieving graduating high school seniors since 1998. Each year, they provided around $10,000 in scholarships. The Coalition is hopeful that if Centerra is awarded the contract following the protest investigation, they will become a leader in providing high-quality, well-paying jobs and expand efforts in community relations.

Regional Coalition Interests

Regardless of the security forces contract recipient, the Regional Coalition has a vested interest in the actualization of the following:

- Maintain Employment levels
- Maintain Benefit levels
- Maintain a local community liaison
- Request for introduction to contract recipient at a future Regional Coalition Meeting
- Letter and follow-up to General Klotz, NNSA on Coalition and broader, local community interests

Security Forces Snapshot

1998 – SOC is awarded first Security Forces contract at LANL for the first time
2010 – $251M Contract awarded to SOC LLC for protective force services
Spring 2015 – RFP goes out for security protection in Spring
Summer 2015 – RFP responses reviewed by LANS
September 2015 – SOC loses security bid to Centerra
September 2015 – SOC protests LANS’ award to Centerra
September 2015 – LANS award Investigation process begins
November 2015 – SOC contract extension ends in November
November 13, 2015

The Honorable Frank G. Klotz
Under Secretary for Nuclear Security
Administrator, National Nuclear Security Administration
Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

Dear General Klotz,

We are writing to you on behalf of a very important matter that is affecting our northern New Mexico community. There was a recent change in the security forces contract from contractor SOC LLC to the Centerra Group at the Los Alamos National Laboratory (LANL). We understand that the contract recipient change may also bring job and/or benefit losses to our community, and we are greatly opposed to any such changes to our prosperous and pragmatic security workforce.

In September 2015, prime contractor Los Alamos National Security, LLC (LANS) awarded the LANL ‘Protective Force’ contract to Centerra, changing course after a long-term relationship with SOC LLC, the previous security contractor. LANL called the move to work with Centerra a ‘best value’ procurement acquisition to taxpayers. In October 2015, SOC LLC protested the award to investigate legal and process evaluation on the contract award, though the changeover to Centerra continues.

SOC ends a three-year, plus two 1-year extensions, contract with LANL at the value of about $251 million. Reports indicate that the Centerra bid to LANS was of a lower dollar value than the SOC bid, though the full terms and value of the contract have not been unveiled. SOC and LANL also stated possible job losses may occur through the transition to Centerra. Though LANL has expressed their desire to not incur any job downsizing, the continued changeover to Centerra will eventually reveal the overall implication of the contract shift.

LANL has stated they expect the guard force size will remain fairly stable, while the quality of employment and benefits in comparison to SOC’s reign has yet to be revealed to the community. Whatever the final effects of the changeover will be, we ask that the NNSA maintain or exceed employment levels at LANL, including maintaining or exceeding benefit levels to workforce, including salary structure, paid leave and other like remunerations. Along with support for employment and benefit levels, we also ask that community giving remain a mainstay of new contractors.

Under SOC, $160,000 was provided in scholarships to local, high-achieving graduating high school seniors since 1998. Each year, they provided around $10,000 in scholarships. The Coalition is hopeful that if Centerra is awarded the contract following the protest investigation, they will become...
a leader in providing high-quality, well-paying jobs and expand efforts to grow their presence in the community by ensuring they have a designated liaison to engage with the community.

The Regional Coalition of LANL Communities is devoted to supporting the northern New Mexico workforce and seeing that we do our utmost to voice the concerns of our communities. As the security forces transition continues, we ask that you please ensure Centerra maintains workforce numbers and the same level of benefits to these workers. Ensuring this security forces contract represents the highest quality of work and work environment shows our communities that the NNSA is dedicated to our citizens locally and nationally.

Please feel free to contact us with any questions or comments. We look forward to hearing from you.

Sincerely,

Chair, Commissioner Barney Trujillo, Rio Arriba County
Vice Chair, Javier Gonzales, Mayor of Santa Fe
Secretary/Treasurer, Chair Kristin Henderson, Los Alamos County Council
Mayor Alice Lucero, City of Española
Governor Raymond Loretto, Pueblo of Jemez
Governor Earl Salazar, Ohkay Owingeh
Commissioner Henry Roybal, Santa Fe County
Commissioner Mark Gallegos, Taos County
Councilor Andrew Gonzales, Town of Taos

CC: Senator Martin Heinrich, U.S. Senate
    Senator Tom Udall, U.S. Senate
    Representative Ben Ray Luján, U.S. House of Representatives
    LANL Major Subcontractors Consortium
ALBUQUERQUE - The New Mexico District Office of the U.S. Small Business Administration is seeking nominations for the 2016 National Small Business Week Awards.

For more than 50 years, SBA has recognized the outstanding achievements of America’s small businesses. Although communities change, small businesses continue to grow, create relevant jobs, inspire innovation and keep America globally competitive. SBA’s National Small Business Week awards honor individuals and businesses that reflect our nation’s rich diversity.

New Mexico’s Small Business Person of the Year for 2015 was Richard "Rick" Jackson of Las Cruces. Before starting American Document Services (ADS), LLC in 2001, Rick engaged the technical services of the Small Business Development Center (SBDC) and, later, loan packaging assistance from the U.S. Small Business Administration. ADS is a full-service records management company that provides customer information security, document destruction, and imaging of historical and current business information. Rick has been the SBDC’s "Star Client" for four years. In addition to being New Mexico’s top honoree, he competed in the national competition and was selected as a runner-up for the National Small Business Person of the Year. Rick is a United States Army veteran.

New Mexico District Director John Woosley states that, "Our resource partner, the Small Business Development Center and our loan division are proud to work with Mr. Jackson. His business is crucial to the area as he has created jobs, assisted other small businesses and provided economic development to the community."

If you know of a small business in your community that is worthy of recognition, please consider nominating them today. Also, if you are a small business owner with a compelling success story to tell, you can nominate yourself or your small business. All nominations must be submitted online at http://awards.sba.gov, postmarked or hand delivered to the New Mexico District Office no later than 3:00 p.m. ET on January 11, 2016. Guidelines for the categories listed below are contained within the link above. Winners will be announced during National Small Business Week, May 1-7, 2016.

National Small Business Week award categories include:

Small Business Person of the Year Award

- Small Business Exporter of the Year
- Phoenix Award for Small Business Disaster Recovery
- Phoenix Award for Outstanding Contributions to Disaster Recovery
- Federal Procurement Award- Small Business Prime Contractor of the Year Award
- Federal Procurement Award- Small Business Subcontractor of the Year Award
- Federal Procurement Award- Dwight D. Eisenhower Award for Excellence
- 8(a) Graduate of the Year Award
- Small Business Development Center Excellence and Innovation Award
- Veterans Business Outreach Center Excellence in Service Award
- Women’s Business Center of Excellence Award
- Jody C. Raskind Lender of the Year
- Small Business Investment Company of the Year

Awards will be presented in Washington, DC, in May 2016. If you have any questions or need further clarification, please contact Sandra Duran Poole, EDS/PIO at sandra.duran-poole@sba.gov.
What We Bought in NM in FY 15

Total Procurement Spend in NM: $317.7 Million

- Services: 49.0% of Total Spend
  - $155.8M
- Construction: 7.4% of Total Spend
  - $23.6M
- Engineering: 10.2% of Total Spend
  - $32.5M
- Environmental: 5.7% of Total Spend
  - $18.1M
- Goods: 12.1% of Total Spend
  - $38.3M
- IT: 15.5% of Total Spend
  - $149.4M

NNM Numbers for FY15

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September 16, 2015

The Honorable Ernest J. Moniz
Secretary
U.S. Department of Energy
1000 Independence Ave. S.W.
Washington, D.C. 20585-0001

Dear Dr. Moniz:

I continue to have grave concerns with NNSA’s implementation of enterprise-wide agreements through the Supply Chain Management Center (SCMC). For example, I understand the sites are encouraged by SCMC to directly source contracts as additions to existing contracts at another NNSA site with no opportunity for local small businesses to compete. Thus, companies that have successfully provided goods and services to our laboratories are losing business, while being denied even a chance to compete on a level playing field. In my state, Sandia and Los Alamos National Laboratories together represent more than half of NNSA’s annual purchasing; consequently SCMC’s closed procurement practices are having an unacceptably large impact on small businesses in New Mexico. I strongly believe full and open competitions for goods and services should be the rule so that local businesses have a fair chance to participate.

In addition, there may be hidden costs to the sites when they use SCMC’s enterprise-wide agreements. I believe local companies can often best address site-specific requirements and provide value-added services that are lost in enterprise-wide agreements. Moreover, maintaining a vibrant local ecosystem of small businesses helps build community support for the nuclear enterprise. These businesses are the lifeblood of my state’s economy, and gutting them destroys a driver of local economic growth. NNSA’s relationships with the local communities are being harmed when SCMC conducts enterprise-wide closed competitions and only a select handful of pre-selected businesses are invited to bid. As SCMC expands to include work under the Office of Environmental Management, I believe the mutually beneficial relationship among our laboratories, local businesses and host communities can be strengthened if SCMC offered all contracts for goods and services on a regional basis without penalty to local bidders.

As you know, the communities that host NNSA facilities make profound accommodations to support the nation’s nuclear security enterprise. Our communities face the hazard to health and safety of tons of legacy nuclear waste. New Mexicans are proud of the work they do for our nation; however, I respectfully urge you to take into account the unequal burden shouldered by the energy communities when developing DOE’s acquisition policies.

Sincerely,

[Signature]

MARTIN HEINRICH
United States Senator

[Address details for Albuquerque, Farmington, Las Cruces, Roswell, Santa Fe]
The Honorable Martin Heinrich  
United States Senate  
Washington, D.C. 20510

Dear Senator Heinrich:

Your correspondence to Secretary Moniz, dated September 16, 2015, was forwarded to my office for response. Thank you for your letter concerning the National Nuclear Security Administration’s (NNSA) implementation of the Office of Management and Budget strategic sourcing policy through the NNSA Supply Chain Management Center (SCMC) and the SCMC impact on small businesses in New Mexico.

NNSA is committed to providing best value acquisition solutions for the U.S. taxpayer. One key way NNSA has saved money is by using government-wide strategic sourcing vehicles, in order to lower prices and reduce duplication and administrative costs. As a result, NNSA management and operating (M&O) contractors generate significant savings through smarter acquisition processes. For example, in Fiscal Year (FY) 2015, NNSA M&Os saved the taxpayer over $185 million by using the SCMC tools and agreements.

SCMC agreements offer NNSA M&Os cost effective solutions while providing small businesses with opportunities to expand their local base to a regional or national one. As new opportunities are identified for creation of strategic sourcing agreements, the SCMC works with representatives from each of the sites to identify local site specific requirements and high performing vendors to participate in the procurement. Site specific requirements that are incorporated into SCMC agreements level the playing field for competition and performance. For example, in 2014, a national level agreement for Dell computers was awarded to Wildflower International, a small business, from Santa Fe, New Mexico with an estimated value of $200 million. In August 2015, a regional agreement for industrial supplies was awarded to Frank’s Supply Company, a woman-owned small business from New Mexico, worth an estimated $35 million over seven years.

Beyond strategic savings targets, every M&O contractor has within its contract requirements to meet small business participation goals, community involvement, and, in the case of Los Alamos, support of vendors in Northern New Mexico. It is incumbent upon each M&O to determine how best to meet those goals. SCMC is one set of tools, of many, available to the M&Os to satisfy their small business goals. Since 2013, available M&O procurement dollars have decreased across the NNSA sites, yet the percentage spent in New Mexico has remained fairly constant at roughly 26 percent. As of August 2015, the total amount of dollars paid to businesses in New Mexico surpassed $530 million, a $5 million increase over all of FY 2014.
As the Department and SCMC continue to mature our supply chain initiatives we will ensure the needs of local business and our impact on local economics remain considerations in our decision making processes. Please feel free to Clarence Bishop at (202) 586-8343 for any questions regarding this matter.

Sincerely,

[Signature]

Barbara H. Stearrett
Director, Office of Acquisition Management
National Nuclear Security Administration
September 18, 2015

The Honorable Frank G. Klotz
Under Secretary for Nuclear Security
Administrator, NNSA
Department of Energy
1000 Independence Ave, SW
Washington, DC 20585

Dear General Klotz:

We are writing in strong support of an unsolicited proposal submitted to NNSA by the Regional Development Corporation, Northern New Mexico’s DOE Community Re-Use Organization. The RDC requests funding for a pilot project, “Preparing Small and Disadvantage Businesses for Enterprise Agreements,” to support development of small and disadvantaged business who wish to be competitive within the NNSA’s Supply Chain Management System (SCMC).

For a number of years, we have heard concerns in Northern New Mexico about SCMC and its potential impacts on regional small and disadvantaged businesses that have a long record of success in providing goods and services to both Los Alamos and Sandia National Laboratories. With the two labs responsible for over fifty percent of NNSA’s procurements, we believe the growing role of SCMC presents a serious threat to the viability of many smaller suppliers in Northern New Mexico and a potential significant impact on the region’s economy.

The RDC requests funding from NNSA for a pilot project that will first assess the capacity of local small suppliers to participate fully and compete in the SCMC process and then develop innovative business solutions that will help increase the opportunities for small, local and disadvantaged businesses to be competitive in further SCMC solicitations. We believe the very modest funding requested by RDC would help demonstrate NNSA’s strong commitment to utilizing small and disadvantage businesses, and we urge you to give the proposal your full and careful consideration.

Thank you for your attention to this important matter.

Sincerely,

TOM UDALL
United States Senator

MARTIN HEINRICH
United States Senator

BEN RAY LUJÁN
Member of Congress
October 22, 2015

The Honorable Martin Heinrich
United States Senate
Washington, DC 20510

Dear Senator Heinrich:

Thank you for your letter to the National Nuclear Security Administration’s Administrator, Gen. Frank G. Klotz (Ret.), dated September 18, 2015, concerning a proposal submitted by the Regional Development Corporation (RDC), Northern New Mexico’s DOE Community Re-Use Organization. Your letter was forwarded to my office for response.

RDC submitted the suggestion as an unsolicited proposal, which was subsequently registered in the Department of Energy’s Unsolicited Proposal Program to ensure that the action is formally managed and tracked. The Unsolicited Proposal Program provides certain protections for the party submitting the noncompetitive action while its merits are being assessed by this office. Upon completion of the review, the Unsolicited Proposal Program Manager will provide a formal response and determination to the RDC.

Please be assured that the proposal will be given full and careful consideration during this time. If you have any further questions, you may contact Gary Lyteke, of my staff, at (202) 586-8304.

Sincerely,

[Signature]

Barbara H. Stearrett
Director, Office of Acquisition Management
National Nuclear Security Administration
Congress of the United States
Washington, DC 20510

September 25, 2015

The Honorable Ernest J. Moniz
Secretary
U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Dear Secretary Moniz:

The attached letter and position paper were sent to us by Ms. Liddie F. Martinez, President of the LANL Major Subcontractors Consortium (MSC). MSC has a number of very serious concerns with NNSA’s implementation of the Supply Chain Management Center (SCMC) for purchasing goods and services. MSC’s members believe SCMC’s procurement rules are unfair and not transparent. We share many of their concerns and do not believe SCMC’s practices are in line with the Administration’s commitment to establish a system of transparency and open government, or the Department of Energy’s commitment to ensure equal opportunity for small businesses. We seek your assistance in correcting the situation.

In her letter, Ms. Martinez indicates MSC has tried working with acquisition management at NNSA but fear their members are being arbitrarily excluded from competitive procurement opportunities at both Sandia and Los Alamos National Laboratories by SCMC’s use of closed bids with only pre-selected businesses invited to compete. MSC identifies three specific steps NSAA and SCMC could take to level the playing field for New Mexico’s businesses. First, SCMC should be required to use only fair and open bid processes, second, SCMC must allow the sites to go beyond lowest cost and consider the best value and third, NNSA should fully fund the proposal submitted by the Regional Development Corporation for a pilot project to support development of small and disadvantaged businesses in Northern New Mexico. The position paper provides full details regarding MSC’s concerns as well as specific action requests.

We strongly believe it is in DOE’s interest to be supportive of the local communities that host its facilities, including their economic well-being. We urge you to review carefully MSC’s position paper and specific requests concerning SCMC and to assure the sites can continue to rely on local businesses that provide unique value. We look forward to hearing from you.

Sincerely,

TOM UDALL
United States Senator

MARTIN HEGINRICH
United States Senator

BEN RAY LUJÁN
Member of Congress

MICHELE LUJÁN GRISHAM
Member of Congress
September 4, 2015

The Honorable Senator Udall,
The Honorable Senator Heinrich,
The Honorable Congressman Lujan,
The Honorable Congressman Pearce,
The Honorable Congressionalwoman Lujan Grisham,
NM Congressional Delegation
Washington, DC

Dear Senators and Members of Congress:

Over the last three years, the Los Alamos National Laboratory (LANL) Major Subcontractors Consortium (MSC) has engaged the procurement experts at the Department of Energy (DOE) and the National Nuclear Security Administration (NNSA) on an issue of vital importance. Specifically, how the Supply Chain Management Center (SCMC) in Kansas City, MO can work with local New Mexico small businesses to ensure they are given a fair opportunity to compete for NNSA contracts.

Through numerous meetings with officials from the SCMC, our organization was led to believe that long-standing New Mexico small businesses who serve Los Alamos National Laboratory (LANL) would not be adversely impacted by the activities of the SCMC. Our membership was encouraged to form local business partnerships, cut costs, and update our purchasing systems to meet current LANL procurement requirements to make us more competitive on both the local and national front. Even with these significant efforts, it has come to our attention that several of our members are under the immediate threat of losing their LANL contracts to out-of-state small and large businesses affiliated with the SCMC.

This would be a very detrimental outcome and one we would view as a direct assault on our local small business community who depend on LANL for their livelihood. Because LANL and Sandia National Laboratories (SNL) amount to roughly 50 percent of all NNSA procurement spending, we are now concerned that the actions of the SCMC simply amount to a funding transfer away from the State of New Mexico. You have asked us to keep you apprised of our interactions with the SCMC and alert you if we believe any of our members are in danger of losing their contracts. Given the information our members have gleaned, we now believe that there is a very real possibility that the SCMC is about to engage businesses from outside the State of New Mexico to potentially service contracts our members hold.

We understand that, as good stewards of federal funding, finding the lowest possible price is important, in fact, SCMC Director Bissen has reiterated that it is their only goal. However, we believe that a level competitive playing field is core tenant of federal procurement rules and regulations. We also believe that when issues arise, the best solutions can be found when local stakeholders are engaged in addressing these concerns. In fact, DOE purports such in their Code of Federal Regulations (DOE CFR 970.5226-3) Community Commitment - It is the policy of the DOE to be a constructive partner in the geographic region in which DOE conducts its business. The basic elements of this include:

www.lanlmsc.org
(1.) Recognizing the diverse interests of the region and its stakeholders,
(2.) Engaging regional stakeholders in issues and concerns of material interest, and
(3.) Recognizing that giving back to the community is a worthwhile business practice.

LANL MSC believes that the rules the SCMC is forcing our local vendors to operate under are both unfair and designed to give out-of-state businesses, both large and small, an advantage. Frank’s Supply was the first company to lose business at LANL because of the SCMC and we object to losing any more. The NNSA has a long history in New Mexico both good and bad. Our local communities need the business opportunities the Laboratory provides because our region lacks a high paying robust economy.

We have tried working with the NNSA procurement staff to express our concerns, but it appears our efforts have fallen on deaf ears. As a result, we are asking that each of you personally intervene to ensure New Mexico businesses are not frozen out of procurement opportunities at LANL and SNL. Specifically we are asking that;

1. SCMC be required to fully engage in an open bid process in which any business can bid if they meet the requirements. We insist that they stop their closed bid process where only a handful of pre-selected businesses are invited to bid.
2. End their lowest price selections and rather seek out the best value contractors that can deliver for a fair price while engaging in and supporting a vibrant local economy that benefits everyone including DOE.
3. Work to see that DOE/NNSA actively support and fund the proposed RDC pilot project.

Given that some of our members are under imminent threat of losing their contracts, we would appreciate a prompt response to our concerns. The attached SCMC Position Paper developed by LANL MSC provides background and detailed information. Please do not hesitate to contact us for any additional information you may require.

Thank you for your consideration and longtime support.

Sincerely,

[Signature]

President
LANL Major Subcontractors Consortium

CC: Governor Susana Martinez
NM State Senator Richard Martinez
NM State Representative Stephanie Garcia- Richard
Regional Coalition of LANL Communities
New Mexico Citizens Advisory Board
New Mexico Association of Commerce and Industry

www.lanlMSC.org
1 Executive Summary

Over the past decade, due to budget cuts and increased emphasis on cost reduction and process efficiencies, various federal agencies have begun implementing more and more enterprise-wide purchasing agreements (EAs). The Supply Chain Management Center (SCMC) in Kansas City was created in 2006 by the National Nuclear Security Agency (NNSA) to spearhead NNSA’s efforts to create and implement enterprise-wide agreements throughout the Nuclear Security Enterprise (NSE), NNSA’s complex of Management and Operating (M&O) contractor run facilities, including the National Nuclear Security Laboratories. This is part of the NNSA’s focus to “Drive an Integrated and Effective Enterprise”. Today, the SCMC’s role has expanded within Department of Energy (DOE) to include the DOE Office of Environmental Management (EM) and is expected to expand further to ultimately support all of DOE and, for the first time, to include services in addition to commodities.

As of today, most Enterprise-wide procurement programs, such as SCMC, have one over-riding priority: Cost Savings. This narrowly focused goal has the potential to have a dramatic and devastating impact on communities surrounding NNSA and DOE sites, which will be adversely impacted with the loss of regional business to out-of-state, national firms that have the broad and deep resources needed to support nationwide procurement contracts. This will result in lost local jobs, reduced community involvement, and harm to the local communities’ economies. Ultimately, these impacts have the potential for deteriorating the relationships that are so hard to create with local communities where hazardous DOE activities are often conducted. Addressing this deterioration of relationships with the communities, as exemplified in the discussions and recommendations of the Blue Ribbon Commission and other reports, such as the Energy Communities Alliance’s (ECA) “A Community Handbook on Nuclear Energy” is an essential element critical to the future success of the DOE mission.

Understanding that the momentum behind Enterprise Agreements is increasing, the MSC is focused on promoting solutions that not only minimize the potential negative impacts, but are directed at increasing the opportunities for small regional businesses to participate in Enterprise Agreements while helping the SCMC achieve its true goals. In partnership with various regional and national organizations over the past three years, the MSC has worked with the SCMC to address our concerns and to suggest ways to improve the program. To that end, we are pleased to report that the SCMC has made several changes that we feel are a positive step in the right direction, including allowing regional contract awards and better addressing site-specific requirements. With that said, several major concerns remain that the MSC is focused on addressing:

1. The SCMC’s bid process is closed. SCMC bids are not publicized and only a select handful of businesses pre-selected by SCMC are invited to bid. The MSC strongly supports a fully open bid process in which any business can discover upcoming bids and have an opportunity to submit a proposal. If they believe they can meet the bid requirements.

2. There remain challenges with the scope of services required in the Enterprise Agreements. To date, the requirements have either been severely restricted to only the most basic services, rendering the agreement incomplete from the sites’ perspective, or overly broad, making it very difficult for any business to meet the requirements. The MSC believes the SCMC needs to further refine its criteria to better balance the requirements.

3. Geographically, even though the SCMC has allowed regional bidders in its most recent RFP(s), it still greatly favors the national business over the regional businesses. MSC believe a more balanced approach is required here as well, allowing both national and regional businesses to both win and succeed.

4. Based on input from various contractors and sites, it appears that SCMC and/or NNSA is applying pressure to the sites to use the SCMC contracts even when the sites feel they are getting a better value from the local subcontractors. Some sites are succumbing to that pressure, even when they...
Background and Position on SCMC Enterprise Agreements

know they are not getting the best value solution. MSC strongly encourages the SCMC to focus more efforts on expanding the value proposition of their contracts instead.

5. The SCMC will not disclose detailed information regarding its Enterprise Agreements and we don’t really know if SCMC’s cost savings are real or significant, or even if they are real, at what cost they come to communities around the sites. The MSC requests that the SCMC make detailed performance data available publicly and enter into an ongoing open discussion regarding its results as well as methods for continuous improvement.

6. Many small regional businesses have weaknesses and gaps that will make it difficult for them to successfully compete for these contracts. The MSC strongly supports the RDC pilot project focused on identifying those weaknesses and gaps and putting in place solutions that assist those businesses in overcoming those weaknesses.

The remainder of this paper provides additional details regarding Enterprise Agreements and the MSC’s concerns as well as the MSC’s specific action requests of the SCMC, the NNSA, and the DOE regarding its concerns.

<table>
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<tr>
<th>Specific actions that the MSC is requesting that SCMC, NNSA, and DOE take are detailed throughout this document. At a high level, these requested actions can be summarized as follows:</th>
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<tr>
<td>• Implement a fully open and transparent bid and contracting process that is fair to all potential bidders</td>
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<tr>
<td>• Award contracts based on best-value, not just price, taking into consideration individual site and regional community needs</td>
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<tr>
<td>• Actively support the local communities’ efforts, especially the RDC pilot project, to grow stronger and more capable small businesses that can better serve the needs of the SCMC, NNSA, and DOE</td>
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The MSC welcomes the opportunity to work more closely with the SCMC and other concerned organizations to improve the Enterprise Agreement program and ultimately create a win-win situation for all parties involved. Ultimately, we believe that the NNSA can achieve both its Small Business Vision to “provide NNSA’s programs with only the highest quality, technically superior, and competitively-priced small business suppliers” and meet its business goal to “Drive an Integrated and Effective Enterprise”.

2 SCMC Background

In the past, each of the NNSA and DOE sites (e.g. LANL, LLNL, Pantex, and SNL) competed, awarded, and managed their own purchasing subcontracts for various commodities and services (e.g. office supplies and staff augmentation). The result was dozens of separate purchasing contracts throughout the NNSA and DOE complex for the same items. Typically these contracts were awarded to local small businesses and the terms of the contracts varied greatly, including pricing and service requirements.

Due to budget cuts and increased emphasis on cost reduction and process efficiencies, federal agencies such as the NNSA and DOE have implemented enterprise-wide purchasing agreements (Enterprise Agreements). These agreements are typically issued for individual categories of goods and/or services to a single or a few national suppliers and are intended to replace the traditional local contracts issued by each site. The Supply Chain Management Center (SCMC) in Kansas City was created in 2006 by the NNSA to spearhead its efforts to create and implement Enterprise Agreements throughout the NSE as part of the NNSA’s focus to “Drive an Integrated and Effective Enterprise”.

It is important to note that the SCMC is not a government agency – it is a program run by a government contractor. Enterprise Agreements issued by the SCMC are actually issued by the contractor, not the federal government. The SCMC claims that, as a government contractor, they are not wholly subject to the same procurement rules as the government agencies that they serve.

Initially, the following NNSA sites were authorized by the NNSA to use SCMC Enterprise Agreements:

- Kansas City Plant (KCP) (now also known as the NNSA National Security Campus, NSC)
- Lawrence Livermore National Laboratory (LLNL)
- Los Alamos National Laboratory (LANL)
- Nevada National Security Site
- Pantex Plant
- Sandia National Laboratories (SNL)
- Savannah River Site (SRS)
- Y-12 National Security Complex

Today, the SCMC’s role has expanded within the Department of Energy (DOE) complex to include DOE Environmental Management (EM), expanding access to SCMC’s Enterprise-wide Agreements to 17 additional sites in 11 states including WIPP in New Mexico. SCMC’s role is expected to further expand to ultimately support all of DOE and, for the first time, to include services in addition to commodities.

By consolidating purchasing agreements and suppliers, there is an expectation that the SCMC will:

- Obtain better pricing by purchasing in larger volumes from fewer suppliers;
- Gain operating efficiencies by reducing the effort required to bid and operate many different contracts; and
- Improve standardization and integration across the sites/departments within each agency and its suppliers.
3 Areas of Concern with SCMC’s Approach to Enterprise Agreements

3.1 Closed-Bid Process

As a government contractor, the SCMC asserts that it is not required to have a fully open and transparent bid process. Further, according to the SCMC, a fully open and transparent bid process would introduce a number of challenges, including delays and extra cost in the bid process and potentially leading to contract awards to suppliers who were not truly capable of meeting their requirements or delivering maximum cost savings. Instead of a fully open and competitive bid process, SCMC has typically awarded contracts in one of two ways:

- Sole-source award to a business that already has an agreement with an NNSA site, effectively extending that business’ site-specific contract to all sites authorized to use SCMC contracts.
- Invitation-only Request for Proposal (RFP) process, each limited to a small group of suppliers that the SCMC has pre-selected who, in the SCMC’s opinion, have a track record of successfully delivering on the scope of their contracts.

In the MSC’s opinion, it is difficult to ensure that the SCMC has received the best value possible when it does not look at all possible options. Further, questions and doubt will linger about the award and its value even when the SCMC actually did obtain a best value solution. The best way to ensure a fair process, eliminate lingering doubts and concerns, and consistently obtain the best value for SCMC is through an open and publicized bid process.

Specific actions that the MSC is requesting that SCMC, NNSA, and DOE take in regards to this concern:

- Make public a list of every contract awarded by SCMC, including details on what the contract is for specifically, who it is awarded to, award date(s), and expiration date(s) including options to extend.
- Provide a list of target RFPs for the next three fiscal years, broken down by fiscal year.
- Going forward, publicly announce at least six months in advance each and every anticipated upcoming RFP.
- Allow every business to submit a response or, at a minimum, have a simplified qualification process that allows every business to be at least considered prior to issuing an RFP.

3.2 Scope of Services Included in the Enterprise Agreements

SCMC agreements have historically been based on a minimal set of service requirements that are in common between all sites within the NNSA and DOE. Essentially the SCMC used the lowest-common-denominator – unique site-specific value-added requirements were not included (e.g. configuring the equipment to the site’s specification; applying site-specific asset tags and labels; onsite, local technical support services; community engagement; and other local economic benefits). In these cases, each site had to arrange to provide those services themselves or under separate contract with the SCMC contract holder or local provider. This added work at each site offset many of the hoped-for efficiency gains of issuing a single enterprise-wide RFP.

In an attempt to address each sites’ unique requirements, and thus make the Enterprise Agreements more appealing to each site to use, SCMC has begun to include each site’s specific requirements into its RFPPs. In a more recently issued RFP, the SCMC worked more closely with each NNSA and DOE site to ensure that each site’s individual service requirements were all fully accommodated. However, rather than working together to craft a single Statement of Work and Terms and Conditions that would accommodate each site’s needs, the RFPPs essentially incorporated separate Statement of Work and Terms and Conditions documents for each site. These separate documents were clearly from each sites’ current contracts and had conflicting and vague requirements.
Background and Position on SCMC Enterprise Agreements

Further, terms were not included for all sites. Finally, the RFP stated that the documents included were representative of individual site requirements and were subject to change, each site could unilaterally modify and add to those requirements at any time, and that each bidder must accept those changes without recourse or renegotiation.

It is questionable in the MSC’s mind how much effort was really saved by the SCMC in this process given that each site had to produce its own requirements and the SCMC had to take the time to try to incorporate those requirements into the RFP. Further, the complexity and diversity of the requirements will likely increase the operating costs of the contractors and therefore reduce the cost-savings achieved.

Ultimately, this is a balancing act. In the MSC’s opinion, there is no clear right solution and we encourage the SCMC to look at balancing the need for a simple agreement and addressing each site’s unique requirements. As it stands, both approaches have gone to one extreme to other and they need to be re-evaluated.

**Specific actions that the MSC is requesting that SCMC, NNSA, and DOE take in regards to this concern:**

- Engage with the MSC or other small business advocacy group(s) to review the SCMC approach to scoping RFPs and obtain recommendations for improving that approach.

3.3 Geographic Scope of Agreements

Originally, each SCMC Enterprise Agreement required each business awarded a contract to support all SCMC sites across the country. SCMC had predetermed that most small regional businesses simply didn’t have the resources to be successful with these agreements on a nation-wide level and therefore SCMC decided to exclude small regional businesses from bidding. This practice almost guaranteed the loss of local jobs and negative impact to the local communities. Further, this approach limited each site’s ability to address their unique service needs. The MSC and other concerned organizations confronted the SCMC with our concerns.

To address this concern, SCMC has stated that they will allow for regional bidders going forward. In their most recent Request for Proposals (RFPs), the SCMC has provided an option for bidding on a regional basis. However, SCMC has specifically stated that failure to bid every region would result in a proposal being penalized and scored lower. The fewer regions bid, the greater the penalty, thereby putting the small regional businesses at a major disadvantage to the national businesses.

The MSC encourages the SCMC to create a more balanced approach that allows for both regional and national contract awards. By providing both, the SCMC provides the greatest flexibility to each site to best meet its own needs and allows the small regional businesses an opportunity to compete and grow over time.

**Specific actions that the MSC is requesting that SCMC, NNSA, and DOE take in regards to this concern:**

- Level the playing field by eliminating the penalties applied to regional bidders and eliminating any preferences or advantages given to national bidders.
- Beyond any national contracts awarded, also award a least one regional contract per region.
3.4 Pressure to Use SCMC Enterprise Agreements

In the past, many of the sites within the NNSA and DOE complex, recognizing the limitations of and challenges presented by the SCMC Enterprise Agreements, have frequently chosen to maintain many of their own subcontracts with their local suppliers to best meet site-specific requirements. This has resulted in a low adoption and utilization rate of the Enterprise Agreements. Because of the historically low adoption and utilization rates of the SCMC Enterprise Agreements, the NNSA and DOE complex are expanding rules and incentives to force the individual sites to make the shift. This is most clearly seen throughout the NNSA complex with SCMC. As the subcontracts between the individual sites and their local suppliers expire, it appears that the individual sites are strongly pressured by NNSA and SCMC to shift to an Enterprise Agreement for the same commodity without re-competing the local contract.

MSC adamantly believes that the long-term viability of the Enterprise Agreement program is dependent on that program offering a best value proposition rather than through pressure and coercion. We encourage the SCMC to focus on delivering greater value to its customers as its primary method for improving utilization and adoption rates.

SCMC has strongly denied this is happening. However, the SCMC has not provided a clear explanation of or detailed data on what targets or other goals are assigned to each site for SCMC utilization compliance and what the penalties are for failing to meet those goals. Ultimately, these concerns cannot be laid to rest until such data is provided.

Specific actions that the MSC is requesting that SCMC, NNSA, and DOE take in regards to this concern:

- Provide detailed information on SCMC utilization requirements and goals set for each site:
  - In detail, identify each and every metric, target, and/or goal that is set for each site by SCMC, by NNSA, by DOE, and/or by any other agency
  - In detail, identify any and all mechanisms by which the sites are encouraged to meet the goals assigned to them and/or punished in any way if they fail to meet those goals
  - Provide a breakdown of the information provided above by fiscal year for the past three years, the current year, and the next three years
  - Going forward, update and publically publish this information on an annual basis
- Provide any and all information SCMC, NNSA, and DOE have regarding the impact to date and projected for the next three years on:
  - Regional small businesses
  - Local communities around each site
  - The sites themselves
  - Going forward, update and publically publish this information on an annual basis
- Allow individual sites to utilize locally issued contracts without penalty when a site can demonstrate that the locally issued contract offers a better value to the site
3.5 Pressure to Move to Firm-Fixed Pricing Agreements

The MSC is concerned that the SCMC is moving towards adopting general federal procurement guidance regarding firm-fixed-price (FFP) contracts. The guidance states that contracting officers “will first consider the use of a firm-fixed-price contract...” when selecting the contract type. This has led to a bias towards FFP contracting strategies that are challenging healthy competition in the face of perceived high risks and volatility in contract execution. A lack of competition can ultimately reduce value to the taxpayer while the inherent risks in execution of these contracts can result, and have resulted, in significant cost overruns against an FFP.

**Specific actions that the MSC is requesting that SCMC, NNSA, and DOE take in regards to this concern:**

- Avoid using firm-fixed-pricing on contracts with perceived high risks and/or volatility
- When utilizing a firm-fixed-pricing methodology, ensure the scope of work is exceptionally explicit and allows for the contractors to fairly adjust pricing and deliverables when the scope of work needs to change.
4 Measuring the True Cost and Benefits of Enterprise Agreements

The SCMC has provided basic roll-up information on its performance and cost savings achieved; however, the MSC is very concerned about the basis of comparison used by the SCMC in determining its cost savings figures, especially given the findings of DOE OIG’s audit report (OAS-L-15-05) which stated that the OIG had “found that the Department had overstated savings by approximately $8.7 Million, or about 22% claimed in FY13 for the six sites we evaluated.” Is the SCMC comparing its price to standard government list price, which no site ever really pays? Is SCMC comparing its price to what each site pays on its current subcontracts? If so, did the SCMC account for the differences in services rendered and the cost of those services?

As mentioned earlier, without detailed accurate data, it is impossible to really know if the SCMC’s cost savings are real or significant, or even if they are real, at what cost they come to communities around the sites. The MSC requests that the SCMC make detailed performance data available publically and enter into an ongoing open discussion regarding its results as well as methods for continuous improvement.

**Specific actions that the MSC is requesting that SCMC, NNSA, and DOE take in regards to this concern:**

- Identify the specific method(s) that SCMC uses to determine cost savings, including how it handles differences in scope between a local contract
- Publish SCMC’s detailed cost-saving data annually

5 Focus on Cost Savings is Inconsistent with DOE Policy and Interests

The DOE Code of Federal Regulations (CFR) Chapter 9 (10-1-11 Edition) (970.5223-3) Community Commitment section states:

> It is the policy of the DOE to be a constructive partner in the geographic region in which DOE conducts its business. The basic elements of this policy include:

1. Recognizing the diverse interests of the region and its stakeholders,
2. Engaging regional stakeholders in issues and concerns of mutual interest, and
3. Recognizing that giving back to the community is a worthwhile business practice.

Accordingly, the Contractor agrees that its business operations and performance under the contract will be consistent with the intent of the policy and elements set forth above.

The MSC fully agrees with and supports this policy. It is absolutely in DOE’s interest to support the communities in which they reside, including those communities’ economic well-being. These communities have invested significant resources in being DOE’s partners and are critical to DOE being able to successfully operate its sites in a positive way. Awarding contracts to non-local national businesses does substantial harm to DOE’s community partners and will ultimately lead to a deterioration of relationships between each DOE site and the local communities in which they reside.

**Specific actions that the MSC is requesting that SCMC, NNSA, and DOE take in regards to this concern:**

- When making a contract award decision, utilize a broad set of published criteria to determine best value to DOE, including regional community support and economic development, rather than focusing on cost savings as the primary award determination criteria
Background and Position on SCMC Enterprise Agreements

6 Readiness of Small Regional Businesses.

The SCMC has awarded contracts to businesses that meet the SBA’s definition of a “Small Business”. However, as it applies to commodity contracts, the SBA generally classifies any business with 1,000 employees or less as a “Small Business”. These “Small Businesses” that have received an SCMC contract have almost universally been on the upper end of that limit and have a national scope.

There are many more small regional businesses that have been left out. These are very small businesses, typically with less than 50 employees and below $25,000,000 per year in revenue. They’ve been in business several years and may be working with an individual site (e.g. LANL) or two, but they have not expanded much beyond their local area. Unlike their larger national “Small Business” counterparts that the SCMC has typically engaged with, their processes and resources may not be completely adequate to successfully service multiple sites on a larger regional or national basis.

The SCMC has historically excluded these businesses from even bidding on SCMC contracts due to concerns about these businesses’ capacity and capability to handle the work involved. The MSC agrees that the SCMC’s concern in this matter is a valid concern and that many smaller regional businesses are not quite prepared to succeed in this new environment. However, rather than ignoring and excluding those businesses, the MSC believes it is in the NNSA and DOE’s long-term interest to find ways to help these businesses to get up to speed. To that end, the MSC strongly encourages the NNSA and DOE to support the RDC small regional business pilot project specifically targeted at preparing and supporting these businesses. MSC will be an active participant in the program as well, providing both financial and support resources for the project.

Specific actions that the MSC is requesting that SCMC, NNSA, and DOE take in regards to this concern:

- Actively support and provide funding to the RDC pilot project for the next three years at the level requested by the RDC.

7 The Impact

What is the impact on the DOE, the NNSA, each site, the business community, and the local communities that they reside in if the open issues are not addressed? Without the requested information, this is a very difficult question to answer exactly. However, the MSC can estimate the impact on the Northern New Mexico based on the actual experiences to date of and the feedback from Northern New Mexico suppliers and community organizations. Using LANL as an example, and assuming that 10 contracts are shifted from local suppliers to national SCMC suppliers over the next five years and assuming an average sales volume of $3,000,000 per year each, the direct hit to the Northern New Mexico small regional business community will be $30,000,000 per year. Depending on the specific contracts lost, this will translate to between 100 and 500 or more local jobs lost. The indirect financial impact of such losses on the community will be much greater, well into the hundreds of millions of dollars, further depressing the local economy when it has already been negatively impacted by the budget cuts at LANL already. This example represents just Northern New Mexico. What is the impact nationally?

To fairly determine impacts across the board, both positive and negative, it is critical that the SCMC, NNSA, DOE, and each site provide accurate and detailed data. Until such time, the MSC stands by its estimations of likely impact to the local community and its questions on the actual value achieved overall by the SCMC.
Background and Position on SCMC Enterprise Agreements

8  About the LANL MSC

The LANL Major Subcontractors Consortium (MSC) was created in April, 2004 for the purpose of making Northern New Mexico a better place to live and work by facilitating cooperative, strategic, and leveraged economic development investments in the region by Consortium members. All LANL subcontractors awarded contracts valued at five million dollars or greater are automatically members of the Consortium. As of May 2015 there are thirty-five member companies.

The mission of the LANL Major Subcontractors Consortium is to positively impact the economy of the Northern New Mexican region through collaborative investment in qualified economic development programs and projects which will result in the diversification of Northern New Mexico’s economy and reduce its dependency on federal dollars.

Based on member companies surveyed, it is estimated that the MSC collectively employs about 2,000 New Mexicans which equates to $110 million dollars in payroll annually.

In the last five (5) years the MSC has invested over $14 Million dollars in the northern New Mexico Region and provided over 15,000 hours of volunteer service to rural communities across the region.

9  Support

There are a number of community organizations that have officially issued statements that are consistent with one or more of the MSC’s positions as represented in this paper. Please see the following documents (available at lanlMSC.org) for more information on these organizations’ positions:

- State of New Mexico 51st Legislature House of Representatives – House Memorial 79 – supporting MSC and other regional organizations efforts to mitigate the impact of the SCMC system on local New Mexico businesses
- Regional Coalition of LANL Communities – Resolution dated February 21, 2014 – supporting MSC and other regional organizations efforts to mitigate the impact of the SCMC system on local New Mexico businesses
- Rio Arriba Board of County Commissioners – Resolution 2014-055 – supporting MSC and other regional organizations efforts to mitigate the impact of the SCMC system on local New Mexico businesses

10  For Further Information

For current contact information, please visit www.LANLMSC.org.
The Honorable Martin Heinrich
United States Senate
Washington, D.C. 20510

Dear Senator Heinrich:

Thank you for your letter to Secretary Moniz dated September 25, 2015, regarding the procurement practices of the Supply Chain Management Center (SCMC). Your correspondence was forwarded to my office for response. Your letter requested that we address three issues, and our reply is below.

The SCMC was established within our National Security Campus contract with Honeywell FM&T, in 2006, to establish and promote strategic sourcing efforts in response to the 2005 Office of Management and Budget’s direction to all agencies to further the benefits of strategic sourcing.

The SCMC uses fair commercial practices through their approved purchasing system that balances the centralization aspects of strategic sourcing with the unique local business aspects of the Department’s prime contracts they support. Additionally, the SCMC has launched a web-site where small business suppliers can go to understand the SCMC better and self-identify as a potential supplier identifying their capabilities at the following address: www.thescmcgroup.com. Small businesses can get a glimpse of what types of business characteristics the SCMC is looking for in potential strategic partners and allow small businesses to self-identify for future opportunities by filling in the pre-arranged template and submitting the form.

The SCMC uses contracting criteria that ensure fair, market competition and uses overall best value in the contracts they award. The SCMC follows commercial best practices in establishing their competitive pool of proposers and considers the inclusion of local suppliers with requisite experience and past performance based on input from each site. The SCMC strives to consider the unique impact DOE’s contracts have on local economies. Site specific requirements are incorporated into SCMC agreements to level the playing field for competition and performance. The SCMC began by creating enterprise-wide (i.e. national) agreements; however, the SCMC has recently begun to note the need for more regional type opportunities. This was recently demonstrated through the issuance of an Industrial Supplies SCMC Request for Proposal (RFP). This opportunity was structured in a manner which promoted multiple regional SCMC agreement awards and New Mexico small businesses were invited to bid.

The Regional Development Corporation (RDC) submitted the suggestion as an unsolicited proposal and, was subsequently registered in the Department of Energy’s Unsolicited Proposal Program to ensure that the action is formally managed and tracked. Upon completion of the
review, the Unsolicited Proposal Program Manager will provide a formal response and determination to the RDC. Please be assured that the proposal will be given full and careful consideration.

Since 2013, available M&O procurement dollars have decreased across the NNSA sites, yet the percentage spent in New Mexico has remained fairly constant at roughly 26 percent. As of August 2015, the total amount of dollars paid to businesses in New Mexico surpasses $530 million, a $5 million increase over all of FY 2014. In 2014, a national level agreement for Dell computers was awarded to Wildflower International, a small business, from Santa Fe, New Mexico with an estimated value of $200 million. In August of 2015, a regional agreement for industrial supplies was awarded to Frank’s Supply Company, a woman-owned small business from New Mexico, worth an estimated $35 million over 7 years.

As the Department and SCMC continue to grow and mature our supply chain initiatives, we will ensure the needs of local business and our impact on local economies remain prime considerations in our decision making processes. Please feel free to contact Clarence Bishop at 202-586-7343 for any questions regarding this matter.

Sincerely,

[Signature]
Barbara H. Stearrett
Director, Office of Acquisition Management
National Nuclear Security Administration
Consent order on Los Alamos lab clean-up facing changes
By Mark Oswald / Journal Staff WriterFriday, October 9th, 2015 at 12:02am

The New Mexico Environment Department is working on a revised legal agreement with the federal Department of Energy and Los Alamos National Laboratory over the huge undertaking of cleanup of decades of hazardous waste at the lab as milestones for progress established under a previous, 10-year-old “consent order” are set to run out in December.

Environment department officials say what they want is a more “performance-oriented” document that will generate actual cleanup or remediation of radioactive and other kinds of waste rather than focusing on preparatory work that only sets the stage.

The 2005 deal was focused on investigative work and characterization of LANL’s legacy waste, said Kathryn Roberts, NMED’s resource protection division director. “That was all necessary work,” but it hasn’t allowed “a lot of field work and remediation to be accomplished,” she said.

“The goal is to get work done up there,” Roberts added. The environment department is also promising plenty of opportunity for public comment and participation in development of a revised agreement with the DOE and the lab.

But Nuclear Watch New Mexico is raising questions about how NMED is proceeding. The watchdog group says the state is violating the existing 2005 consent order by not following strict public participation rules that are part of the agreement.

“Our core fear is, we’re afraid that the public participation ends up being public comment on a done deal already negotiated between DOE, Los Alamos National Laboratory and the environment department,” said Nuclear Watch’s Jay Coghlan. “We are just not confident that deep changes would occur that way.

“What Nuke Watch wants is genuine, comprehensive cleanup that would be real win-win for New Mexico, permanently protecting New Mexicans while creating hundreds of high-paying jobs,” said Coghlan.

The 2005 consent order was LANL’s agreement for “fence-to-fence” cleanup of Cold War-era legacy waste by December 2015. That hasn’t happened, and all the agencies and parties involved have known for years the 2015 goals wouldn’t be met.

There has been cleanup work, notably demolition and other improvements at the lab’s Technical Area 21 that was paid for with much of the $212 million in post-recession federal stimulus dollars received by the lab. Just this week, officials announced demolition of another formerly contaminated warehouse at TA-21, one of the early sites for Manhattan Project and Cold War-era work, and location of the world’s first plutonium processing facility.

But LANL’s Area G waste dump still contains an estimated 80 percent of the lab’s buried waste inventory and what happens there is a big issue moving forward. “It’s the big elephant in the room,” said Coghlan. The lab’s final “milestone” from the 2005 consent order was supposed to be a “remedy completion report,” due on Dec. 6, on how Area G had been cleaned up.
A chromium plume in the Los Alamos area’s aquifer is another major priority.

No comment was provided by the DOE or the lab this week. “We cannot comment on ongoing negotiations,” a statement said.

**Cleanup deal**
The cleanup fight started in 2002 when the state environment department issued a finding that 60 years worth of old industrial dumps, discarded high explosives, solvents and other hazardous waste at Los Alamos posed an “imminent and substantial endangerment to human health and the environment.” The state also issued a 300-page cleanup order requiring LANL to investigate its 40-square-mile property for waste.

The DOE and LANL contested the finding and the order, arguing its own cleanup schedule was better, and sued in federal court. The 2005 deal ending the legal dispute was said to have “set in stone” a framework for cleaning up the lab’s 40-square-mile site.

The consent order laid out milestones toward cleanup by 2015, enforceable by financial penalties. Both the state and the lab viewed the deal as a way to pressure the federal government to provide the money for dealing with environmental messes at Los Alamos. But getting enough funding for the work – in recent years, federal dollars have been mostly in the range of $200 million – has become increasingly difficult.

State and federal officials began raising the possibility of renegotiating the consent order in 2011. Then, in 2012, the two sides reached a non-binding side deal focusing on one particular waste issue – 3,706 cubic meters of nuclear waste stored at Area G. All of the aboveground “transuranic” waste barrels, which were considered at risk of being reached by wildfire, were to be gone by the end of June 2014.

DOE leaders acknowledged then that the lab couldn’t meet the consent order’s broader deadlines or milestones. But NMED officials said they would consider renegotiating the 2005 deal if there was substantial progress on getting the TRU barrels to the Waste Isolation Pilot Plant near Carlsbad.

Then, in February 2014, one of the Los Alamos drums, which had been improperly packed with a combustible mix of materials, breached at WIPP and contaminated the underground storage facility. WIPP remains closed as a result. The DOE has agreed to pay $73.25 million to resolve NMED fines over the WIPP leak.

The WIPP accident also kept LANL from meeting the agreed-upon deadline to get rid of the barrels, putting what happens next with its consent order and site-wide lab cleanup front and center.

**Revisions under consideration**
NMED’s Roberts said one change in the consent order that the state wants is to replace the incremental milestone approach to cleanup with a series of “campaigns,” with dates for completion “from start to finish” of a prioritized list of specific remediation projects. “We really want to show progress,” she said.

State environment secretary Ryan Flynn has been “really adamant” about getting a revised consent order by the end of 2016, Roberts said. That may be optimistic, but “there is a sense of urgency on behalf of New Mexicans,” she said.
Roberts said the public will have a chance to comment on and ask questions about proposed consent order changes during a designated public comment period and at meetings of two groups – the Northern New Mexico Citizens Advisory Board, a federally appointed group that considers LANL and DOE issues, and the Regional Coalition of LANL Communities, which consists of leaders from local governments and pueblos.

That’s different from the stringent rules for a major modification of the lab’s hazardous waste facility permit issued by the state, under which interested parties can request hearings to resolve disagreements and call witnesses that can be cross-examined. A hearing officer then makes recommendations to the environment department.

Nuclear Watch’s Coghlan and Scott Kodak point to a portion of the existing consent order that mandates using the permit rules for public participation before certain kinds changes to the consent order, including “extension of final compliance date.”

“It’s there in black and white,” said Coghlan.

In a letter to NMED, Nuke Watch’s leaders say “we seek the full public participation process required by the existing Consent Order, which includes the opportunity for a hearing if negotiations are not successful.”

Coghlan said the rigorous public participation rules “get to disagreements before there is a done deal.” Nuke Watch wants to assure that the public has “a role in defining a matter of public interest – cleanup at Los Alamos to protect our water supply,” he said.

Coghlan said NMED has in the past granted more than 100 extensions of the consent order milestones and that its previous effort at a “campaign” approach – the 3706 Campaign to push the lab to move out all of the TRU waste drums – “ended in disaster with the closure of WIPP.”

“Can we be confident that the environment department is going to meet the genuine expectations of the public and that the lab will thoroughly be cleaned up? The answer to that is no.”

**Timing an issue**

In a formal statement, NMED said that, under the consent order revisions, “We’ve received Nuclear Watch’s letter indicating that they believe that the revision of the CO agreement should be treated as a permit renewal instead, with public involvement to include full, year-long adjudicative hearings and we are taking that point of view into consideration because we agree that active public involvement improves outcomes.”

In an interview, NMED secretary Flynn said there has been no final decision on whether or not to use the more extensive and formal public participation process. He noted that the 2005 consent order was approved with only a 30-day public comment period. “We think more can be done with face-to-face meetings with stakeholders such as Nuclear Watch and other NGOs, and we also have and will continue to meet with local communities” including Santa Fe, Los Alamos, Española and area pueblos, he said.

Flynn said a big issue is timing and trying to get changes in place as soon as possible. If administrative
hearings are held on proposed revisions and a hearing officer has to make recommendations to Flynn, in the end, NMED will still have to “sit down and negotiate with DOE.” The state can't unilaterally impose changes in a consent order, he said.

And Flynn said there would still be a full administrative hearing on actual remedies to LANL’s various waste problems, including Area G, where the options run from a relatively cheap “cap and cover” approach to actual removal of decades of waste buried in pits and shafts that would cost billions. In the consent order, “we’re talking schedules, we’re not talking remedies,” Flynn said.

Coghlan said Nuclear Watch realizes full-blown public participation in revising the consent order would take more time. “That’s why they (NMED) should have started this long ago,” he said. “... In effect, NMED is saying we can’t do this because we waited too long.”
The state of New Mexico is losing patience with the failure to yet finalize settlements with the Department of Energy over high-profile incidents at the Waste Isolation Pilot Plant and waste management problems at the Los Alamos National Laboratory, state Environment Secretary Ryan Flynn told WC Monitor.

DOE in April announced a deal under which it would provide $73 million in support for infrastructure and emergency response improvements for the regions surrounding WIPP and Los Alamos, including $34 million to improve roadways and transportation routes near the transuranic waste storage facility in southeastern New Mexico and $10 million for water infrastructure upgrades in the Los Alamos area in the state’s north. These followed a February 2014 fire in WIPP’s underground and a subsequent, unrelated radiation release there that was ultimately connected to waste shipped from Los Alamos.

Flynn, though, said the sides have yet to reach agreement on the schedule for the projects to be carried out.

“Honestly, the last piece of the puzzle right now is figuring out a schedule for implementing the projects that the Department of Energy agreed to perform as part of the settlement agreement,” he said in an Oct. 9 telephone interview. “The state does not believe that those projects should just kind of be allowed to be completed whenever it’s convenient for the department. We expect those projects will be either completed or in progress and nearing completion within two years.”

Finalizing the plans for the settlement projects must precede any serious negotiations for revising the decade-old consent order for environmental remediation at the Los Alamos National Laboratory, Flynn said. The document sets a schedule that requires DOE to finish all major cleanup work by December of this year, a deadline the department will not meet. The consent order itself expires only when the New Mexico Environment Department determines that cleanup is complete, and DOE has called for revising the document. “We’ve indicated that we will absolutely be willing to work with the department and provide them with relief from the liability [in the form of fines] that has accumulated thus far under the consent order, but that’s contingent on the settlement agreements getting finalized,” Flynn said.

In a wide-ranging Q&A, Flynn also addressed the schedule for reopening WIPP, a potential interim consolidated waste storage site in the state, and whether WIPP might one day be used for storage of downblended nuclear weapon-usable plutonium.

**Generally how would you characterize the Department of Energy’s response to the situations at WIPP and the Los Alamos National Lab, in terms of reopening the former and then addressing the waste management issues at the latter?**

It’s a tough question to answer. I think it’s a work in progress. There’s been a lot of positive developments over the past couple of months. The most recent development involved the closure of Panels 6 and Room 7 of Panel 7 at WIPP. Over the past year there’s been a lot of progress being made there. They continue to increase the scope of their staging area in the underground so that they can continue to expand their operations in the underground. The interim ventilation system is another
positive development that allows them to do more work getting hybrid equipment in the underground for the bolting to maintain the structural stability of the mine itself. I think there’s been progress that’s been made over the past year, and we still have a lot of work that remains to be done.

I think from the state’s perspective we are fully committed to getting the site reopened as efficiently as possible, although we need to make sure it’s done safely. We haven’t set any sort of arbitrary deadline for reopening the facility. We’ll continue to work with the Department of Energy and allow the facility to be reopened as soon as we’ve determined that it’s safe to do so. Hopefully it’ll be done sooner rather than later, and we’d like to make sure that they continue to make progress over the next couple of months, so that hopefully by the end of next year it can be opened.

From the state’s perspective what are the major projects or major work that still remain to be done on WIPP?
The most significant milestone that needs to be addressed right now is we need to settle the compliance orders that we issued to the facility. We had a settlement agreement that, were able to settle on the terms of the settlement agreement, we still haven’t been able to finalize the actual full settlement agreement. There’s been, quite frankly, too much time passed where we’ve been waiting for the Department of Energy to kind of respond. … We’ve been working on this going back and forth over the past, gosh, six months on this now, and those settlement agreements first and foremost need to be finalized.

One of the reasons why those settlement agreements were so critical is the corrective actions that are contained within the settlement agreements. So the settlement agreement settles regulatory issues related to the fire and release that we identified, and we have a major component on the settlement agreement is the Department of Energy will be required to implement corrective actions that will improve the safety of the facility and address the issues that we identified. So we have to get those settlement agreements finalized.

After those settlement agreements are finalized we still have to maintain the structural stability of the facility itself, and that’s just the constant for the facility. It is a mine that they need to continually make sure that people are safe to enter and work down there.

The biggest issue beyond structural stability, decontamination in the mine, will continue to be ventilation and increasing the ventilation of the underground. The ventilation limits that are currently in place on the amount of people and the equipment that can be utilized in the underground. That’s going to be a major milestone that’ll need to be crossed. Those are some of the big issues.

They’ve got a good team in place down in Carlsbad right now. I think the contractor, [Nuclear Waste Partnership], they’ve got strong people in place, and I think the leadership at [DOE’s Carlsbad Field Office] that they’ve put in place is eager to get to work. … Congress has been very supportive in terms of budget so far, so I think the pieces are there, it’s really going to relate to a sustained commitment from leadership of the Department of Energy, as well as the state, to make sure that we keep this as a top priority and keep moving forward.

What is the status, and what still needs to be done to get those settlement agreements finalized? Honestly, the last piece of the puzzle right now is figuring out a schedule for implementing the projects that the Department of Energy agreed to perform as part of the settlement agreement. The state does not believe that those projects should just kind of be allowed to be completed whenever it’s convenient for the department. We expect those projects will be either completed or in progress and nearing
completion within two years. That’s our expectation, that’s been our expectation from the outset, and that’s what we’re working to come to an agreement on, is that schedule for the upgrades to transportation routes, the opening of an emergency operations center, the watershed improvements up in the Los Alamos area, etc. There are a lot of really great projects that were identified as part of the settlement agreement, and we just want to ensure that they’ll be completed on a timely basis.

**Do you have a hope for when you’ll get the agreements finalized, and after that how do you hope to use the funds from the settlement?**

Our goal was to have the agreements finalized by the summer, by July, and that has obviously come and gone. So we’d like to have them finalized a long time ago. We’re running out of patience on how long it’s taking to get the agreements finalized, and so that’s kind of where we’re at right now on the settlement agreements. We’ve been extremely responsive to turning around documents, and the Department of Energy has not shared the same commitment to really aggressively turning documents around and sending them back to us. We’re certainly hopeful that the WIPP settlement, as the very least, will be finalized as soon as possible. There really is not a good reason for it taking this long. That one we’d like to finalize any day now.

The Los Alamos settlement is a little bit different. We don’t want to sign or finalize that agreement until the department has completed their extent of condition review up at the lab. A lot of that agreement is really going to be identical to what’s in the WIPP settlement agreement. Once we get the WIPP settlement agreement finalized, it should not take very long to get the Los Alamos agreement finalized. But there is this extent of condition review that’s currently under way. We’re comfortable with where things are with respect to the Los Alamos settlement agreement right now, because we just don’t think it makes sense to rush to finalize the agreement before the extent of condition review is completed. We don’t anticipate any surprises as a result of the extent of condition review. We anticipated some of the conditional items that the department has flagged as far that review. We fully anticipated those. We had kind of suggested that some of those issues would be identified a couple of months ago, and I think we were proven correct on that.

I think we’re in two different places. Los Alamos, the extent of condition review should be completed by the end of this month, and ideally we’d be in position to finalize that settlement agreement in the mid-November time frame. WIPP … that one should have been finalized long ago, and I just don’t think there’s a real justification for it taking so long.

**What is the status for talks on revising the state consent order for the cleanup at Los Alamos?**

We started having initial conversations when we might sit down and start having those conversations, and procedurally what that process would look like. We haven’t actually engaged in any substantive conversations with respect to the consent order at this point. Really, again, we have to let those settlement agreements get finalized before we’ll agree to sit down and revise the consent order. There’s a necessary order in how we’re going about our business here.

That consent order provides the state with leverage to ensure that various sites at Los Alamos are cleaned up. Those deadlines that are currently in effect in the consent order are certainly something that are very serious and have major consequences if they’re not met. We’ve indicated that we will absolutely be willing to work with the department and provide them with relief from the liability that has accumulated thus far under the consent order, but that’s contingent on the settlement agreements getting finalized.
I think that hopefully illustrates kind of why we think the order is critical here. We’re not going to give that up until we have assurances, until we have a finalized, fully executed settlement agreement. Once we have that in place then we’ll absolutely sit down with the department and engage in good-faith negotiations concerning a new schedule for completion of the remaining scope of work at Los Alamos. We also will need to go to the public and to solicit feedback and have dialogue with the public in order to determine their priorities with respect to completion of the consent order.

**How far would you say DOE has come in addressing the issues at Los Alamos, the waste issues, that then led to the problems at WIPP, and what remains to be done?**

WIPP has been much further ahead than Los Alamos has, really from the outset. I think they’ve done a really outstanding job … working with us, sitting down with staff, identifying all the potential issues, and agreeing on a series of corrective actions that will need to be taken.

Los Alamos has taken longer, and it’s not necessarily surprising. I think there were more issues up there that needed to be investigated. And so I think it required more thought and work. They’ve made progress on a number of fronts, they are working to address things like, I think there were a lot of issues with respect to the lack of subject matter expertise and lack of secondary levels of assurance with respect to waste characterization work that was being done that was identified by any number of the investigative reports, from the OIG report to the root cause analysis that the laboratory had prepared, to the AIB. …

What we’ve done is, has been really go through all the issues that have been identified, both though our own investigation and compliance orders as well as through those various other independent or DOE-initiated reviews, and we’ve been able to fix most of them. The one big issue that I think we have conceptual agreement on but we still need to iron out all the details is on how the central characterization process will be revised. I think we both agree that there needs to be better, stronger communication between the generator of the waste and the repository, WIPP. I think some of the lines that have been drawn, there seemed to be [barriers] set between the sites and the WIPP facility. The facility here, WIPP and their contractor, really need to have a hand in the characterization process so that they can validate what they’re receiving is in fact allowable, that they’re allowed to receive it and that it’s safe. … There’s just a lot of details that need to be hashed out in order to fully articulate what the changes will be. I think that conversation is going well, but it’s just a matter of being actually putting these changes in writing and memorialize what exactly what we’re going to do.

That should be done soon, and I’m optimistic if we can get the settlement agreement for WIPP done in the next couple days and the laboratory can complete their extent of condition review by the end of this month, then there’s no reason we shouldn’t be in position to have the LANL settlement agreement finalized by mid-November. We’re not going to be able to get a new consent order in place by the end of the year, but we should be able to get a draft … revised document in place and out to the public for public comment and for individual stakeholder meetings with various interests in the area, by the first of the year.

**When we spoke to you last month at the RadWaste Summit, you said that the state’s focus is on WIPP recovering before you consider a consolidated interim storage site in New Mexico. When WIPP is ultimately up and running again, would you support hosting such a waste storage facility?**

I support that order of how we go about doing things. I think it’ll depend on, No. 1, what the community wants, and the community in that area, Carlsbad, both Eddy and Lea counties, there’s been really strong
support for the siting of an interim storage facility for spent nuclear fuel. … We are supportive of going through this consent-based process. I think we need to understand exactly what the details will be, we need to understand what the benefits will be for the state in hosting such a facility before we agree to provide our unconditional support for a project. But I think at this point we’re certainly very interested, and we want to participate in that process, we think that we have a potential site in the southeastern part of the state that would be ideal for hosting this sort of facility.

Now, in terms of a final decision on whether we would in fact agree to site it if that process moves along and identifies our state as being the spot, the location for it, I think it’s premature at this point to provide an unconditional yes or no. But the community’s supportive and we certainly want to support the community, and we want to fully participate in this process so that we have that opportunity if and when DOE is in a position to actually make that position.

There’s been a lot of talk recently about the possible end to the MOX facility program at the Savannah River Site and then using a downblending process to deal with that 34 metric tons of plutonium under the U.S.-Russian agreement from 2000, and then sending the downblended material to WIPP. How would WIPP need to change its safety basis and maybe even make physical changes if it were to host that material?
The Department of Energy has already downblended plutonium and shipped that to the WIPP facility. What the [DOE MOX] Red Team had proposed was not something unprecedented. That has already occurred at the facility.

I’m really hesitant to start having this conversation, because we don’t oppose the construction of the MOX facility. We really don’t want to get involved in trying to compete against South Carolina or for the state of South Carolina to think that we’re trying to endorse the opinion that was provided by the Red Team. Ultimately, we’d rather avoid getting into a discussion of what we would need to do and how that could occur here.

We have a strong relationship with the state of South Carolina, both at the federal level and the state level, and we certainly think that there’s a number of states to continue to work with the Department of Energy to fulfill their mission, including storing defense-related waste.

New Mexico Environment Secretary Ryan Flynn will also speak on WIPP reopening at the 2015 Decisionmakers’ Forum, which is scheduled for Oct. 19-22 on Amelia Island, Fla. The conference will include presentations from a host of government and industry speakers; registration and agenda details can be found here.
Regional Coalition of LANL Communities Meets New Manager of Environmental Management Los Alamos Field Office and Receives Insights on Accelerate Educational Program

FOR IMMEDIATE RELEASE—October 20, 2015; Taos, New Mexico: The Regional Coalition of LANL Communities (RCLC) held their monthly board meeting in Taos on Friday, October 9. The first item on their agenda was an introduction from Doug Hintze, the manager of the new Environmental Management Los Alamos Field Office (EM-LA).

Mr. Hintze previously served as the Assistant Manager for Mission Support and the Chief Financial Officer at the Department of Energy Savannah River Operations Site (DOE-SR) beginning in September of 2012. Mr. Hintze gave RCLC board members a brief overview of his history working for the Department of Energy (DOE) and his experience managing TRU level waste remediation activities. He expressed that his three priorities as the new EM-LA manager were to run a safe, transparent, and efficient cleanup operation.

“We’re going to make sure that we do the best job we can to be transparent about what we’re doing, when we’re doing it, and what it costs,” Mr. Hintze stated. “We need the input from all of our stakeholders to make sure we’re achieving the scope of work and addressing the priorities that are the best for all of us.”

Following Mr. Hintze’s introduction the board received a presentation from Carla Rachkowski, Manager of the Accelerate Technical Training and Job Placement Program. The Accelerate Program was created in 2011 through a partnership with the New Mexico Regional Development Corporation, six northern New Mexico colleges, and regional employers to provide assistance to students in order to increase the graduation rates. Their focus is on technical career students, specifically, preparing them for career and educational advancement and placing them in jobs. The program has been extremely successful, with an independent study finding that Accelerate has delivered a 20% increase in graduation rates over non-participating students. In addition, 44% of Accelerate students who interned with regional employers were offered jobs by those employers. The Accelerate Program is in the final seven months of a five-year DOE-EM grant award, and in September RCLC board members wrote a letter to the Associate Principal Deputy Assistant Secretary at DOE-EM, Dr. Monica Regalbuto, requesting continued funding for future years of sustained and expanded programming. Accelerate is working now to diversify their program funding.

The next RCLC board meeting will be held on November 13 in the Rio Arriba County Chambers from 9:00-11:00 a.m. The Regional Coalition of LANL Communities will receive an update from the New Mexico Environment Department Secretary Ryan Flynn and offer input regarding the new Consent Order that is currently being drafted for LANL. The meeting is free and open to the public.
NM wrangling with DOE over WIPP settlement
By Lauren Villagran / Journal Staff Writer - Las Cruces Bureau
Friday, October 23rd, 2015 at 12:05am

Six months after reaching a $73 million settlement to resolve permit violations at LANL and WIPP, the New Mexico Environment Department and U.S. Department of Energy have yet to ink the deal.

Environment Secretary Ryan Flynn said the state is wrangling with DOE over the schedule for when infrastructure projects funded by the settlement should be completed.

“I’m frustrated that it’s taking us this long,” Flynn said.

DOE said in an emailed statement that it “continues to have very productive conversations with the state of New Mexico.”

“We look forward to finalizing this agreement in the near future.”

The tentative agreement reached in April is supposed to resolve more than three dozen permit violations at DOE facilities related to an underground fire and a radiation release at the Waste Isolation Pilot Plant outside Carlsbad – for which Los Alamos National Laboratory is largely to blame, according to investigators.

LANL improperly packaged drums of nuclear waste bound for WIPP. Incompatible materials caused a hot reaction inside one drum in February 2014, bursting the lid and leaking radiation into the underground repository and, at low levels, into the environment.

NMED initially fined DOE $54 million in penalties associated with permit violations stemming from the WIPP incident.

The department negotiated a higher-dollar settlement in order to resolve those and potential future fines related to the incident and tied the funding to specific infrastructure improvements near the lab and around Carlsbad, where WIPP is located – a request by stakeholders from the affected communities to prevent the funds from getting lumped into the state’s general fund.

The $73 million includes money to repair water infrastructure near Los Alamos and improve water quality. The settlement will also pay for an emergency operations center in Carlsbad and an audit of WIPP safety compliance every third year.

Flynn said NMED wants assurance that DOE intends to complete the infrastructure projects within two years. The schedule is the “last piece of the puzzle,” he said.

“We want those projects to be completed as efficiently as possible, and we are running into challenges to getting alignment for a schedule,” he said. “That is still the last piece of the puzzle here. Once we resolve that, we’ll be able to sign.”

In its statement, DOE said it is “fully committed” to the principles agreed upon in April.

LANL and WIPP watchdog groups expressed concern over the fine print of the settlement.
Don Hancock of Albuquerque’s Southwest Research and Information Center said he hopes the state is driving a hard bargain.

“I am concerned about what is happening with some of the specifics,” particularly with regard to waiving future penalties related to the WIPP incident, he said. “The actual language in this agreement is going to be important.”

“These negotiations behind closed doors are always a concern to us,” said Jay Coghlan, executive director of Santa Fe-based Nuclear Watch New Mexico. “We know Los Alamos and DOE will always push for whatever it can get. The Environment Department has to hold strong on this and not give DOE and the lab carte blanche.”
DOE Aims to Boost Economy Through National Lab Tech Transfer
Thu, 10/29/2015 - 3:07pm by Sandia National Laboratories

The U.S. Department of Energy (DOE) is intensifying efforts to move technology developed at the national laboratories into the private sector to boost the economy and create jobs, says the acting director of the department’s new Office of Technology Transitions.

“Tech transfer is a mission of the DOE and all our national labs,” said Jetta Wong. “It is a complementary mission that enhances what we do to meet our security, energy and environment missions.”

Wong spoke at a technology transfer roundtable organized by U.S. Sen. Tom Udall, D-N.M., and hosted by Sandia National Laboratories at its Science & Technology Park in Albuquerque. Udall was joined by U.S. Sens. Martin Heinrich, D-N.M., and Barbara Mikulski, D-Md., Sandia President and Laboratories Director Jill Hruby, Sandia Vice President and Chief Technology Officer Rob Leland, and Carol Burns, deputy principal associate director for science, technology and engineering at Los Alamos National Laboratory.

The roundtable discussion included the heads of six companies — HT MicroAnalytical Inc., mPower Technology, Aquila and Abbott Medical Optics, all of Albuquerque; Flow Science Inc. of Santa Fe; and UbiQD LLC of Los Alamos — that are working to bring lab technologies to market. The Albuquerque companies said partnerships with Sandia through such programs as New Mexico Small Business Assistance (NMSBA), Entrepreneurial Separation to Transfer Technology (ESTT) and licensing were critical to their success.

Udall and Heinrich said it is important to step up tech transfer through legislation and policy. “How do we segue the great things we work on in the labs — nuclear engineering, nuclear nonproliferation, cybersecurity, nanotechnology, renewable energy, and on and on — into the marketplace?” Udall said. “We want to move forward in this crucial area. It means jobs and economic development.”

Mikulski, past chair and current vice chair of the Senate Appropriations Committee, said she is passionate about creating markets for U.S.-developed technology. “I represent great federal labs in my state, the National Institutes of Health, the Goddard Space Agency, the National Security Agency. We win Nobel Prizes but we don’t win markets,” said Mikulski, who later toured Sandia Labs with Hruby. “I want to work with our incredible assets and win markets and create jobs.”

Sandia tech transfer produces more commercial licensing

Hruby told the senators Sandia is proud of its tech transfer record. From fiscal year 2014 to fiscal year 2015, which ended Sept. 30, Sandia saw a 38 percent increase in commercial licenses, and a 130 percent rise from fiscal year 2012 to fiscal year 2015. She cited NMSBA, a public-private partnership among Sandia, Los Alamos and the state of New Mexico that connects small business owners with scientists and engineers who provide technical help. The program in 2014 provided $4.7 million worth of assistance to 352 small businesses in 31 New Mexico counties.

Six researchers left Sandia this year through ESTT, setting up four companies, the highest number since 2007, Hruby said. And Sandia was selected as one of five national labs to lead implementation of DOE’s Small Business Voucher pilot, which will offer clean-energy companies technical help.
“Looking ahead, we have big plans,” she said. “Our Center for Collaboration and Commercialization concept, right here in the Science & Technology Park, will be the public face for Sandia to provide easier access and build links to the community. We care about the community we live in and care about getting our technology out for the public good.”

**Energy commercialization fund promotes technologies**

Wong said DOE established the Office of Technology Transitions eight months ago to expand the commercial impact of the department’s research and development portfolio. “The office is trying to make the handoff of early stage science more effective by making the department’s work with the private sector more streamlined, so they can help commercialize technologies,” she said.

The office also will oversee the Energy Technology Commercialization Fund established in the Energy Policy Act of 2005. It uses 0.9 percent of the funding for DOE’s applied energy research, development, demonstration and commercial application budget for each fiscal year, producing about $20 million annually. It provides matching funds with private partners to promote promising energy technologies for commercial purposes.

“There are lots of opportunities now to talk about how to shape the fund to be most valuable to communities and the laboratories,” she said.

The new office also will be responsible for delivering a Technology Transfer Execution Plan to Congress and reporting annually on DOE’s technology transfer and partnership activities.

“Over the past 70 years, the DOE national labs system has been an integral part of the science and technology backbone of the country,” Wong said. “DOE scientists and technicians not only focus on our missions, they play a huge role in the development of products that create economic growth. Look at solid-state lighting, vehicle battery technology, solar energy. They came from foundational science from the national labs.

“If you seed early stage science, you can do all these things that transition to the marketplace. There’s a direct connection to our local communities.”
Q&A: What’s Next for America’s Nuclear-Waste Clean-Up

*Wall Street Journal*
November 2, 2015

The Senate and House are expected as early as this week to take up the defense authorization bill President Barack Obama vetoed last month and try to push a version of it through again. Buried in the bill is a proposal that could dramatically re-order nuclear-weapons cleanup activities, a decades-long effort that is costing taxpayers hundreds of billions of dollars.

The proposal is five paragraphs, barely noticeable in the 1,000-plus-page document. But, if implemented, its effects could be felt in communities around the country. Here’s a Q&A:

What is the problem?

Creating America’s nuclear arsenal left thousands of structures around the U.S. tainted with radioactive and chemical contamination. Over the past quarter century, the Energy Department cleanup office has disposed of about 2,800 of them with a like number still to do. However, for various reasons some of the dirtiest and most dangerous buildings aren’t yet on that cleanup list and might not be added for decades.

How many structures are in this sort of limbo?

An Energy Department inspector general’s report this year put the number at over 350. Among them is Alpha 5 in Tennessee. Larger than ten football fields, it produced uranium for the Hiroshima bomb but is now a decaying structure of radioactive and chemical contamination where “the speed of degradation is far outpacing” maintenance funding, said an Energy Department report.

Why aren’t these places getting addressed?

The issue, as with many things, is money. The Energy Department’s money for the weapons program and the cleanup effort come from the same the same kitty. A quarter century ago, with the end of the Cold War, more money for the first time started flowing into cleanup than weapons. In recent years that situation has reversed. Plus, much of the money available to the cleanup operation is committed at various sites and there isn’t enough money to take to address some of these other buildings—even if they are more in need of attention than some of the structures being dealt with.

What are Congress and the administration doing?

The energy secretary has appointed a working group to review cleanup priorities. The provision in the vetoed defense bill would require buildings such as Alpha 5 to be added to the cleanup operation within three years—a timetable the Obama administration says isn’t possible.
Regional Coalition of LANL Communities Sponsors and Participates in REDI State of the Region Summit

Board members received an update on the Kit Carson Broadband Network, a snapshot of the economic state of northern New Mexico, and a presentation from Dr. David Ivan on how to reinvest in small communities

FOR IMMEDIATE RELEASE—November 9, 2015; Española, NM: The Regional Coalition of LANL Communities (RCLC) sponsored and participated in the REDI State of the Region Summit hosted by the Regional Development Corporation (RDC) on November 2, 2015. Participants received updates from Town of Taos Councilor and RCLC board member Andrew Gonzales on the Kit Carson broadband network in addition to reports and case studies of best practices from Los Alamos and Rio Arriba County.

The RDC facilitated a statistical economic overview of the region and an interactive presentation on how the small towns of northern New Mexico could retain talent and reinvest in their communities. Each of the participants, made up of economic development practitioners, were invited to share their own ideas on what the next steps would be in improving the economic outlook of the region. Each attendee was asked what would be worthwhile in focusing effort in broadband, green and outdoor industries, healthcare, media and film, high-technology and value added agriculture, while recognizing the high-performing businesses or organizations in each of the sectors as case studies for growth. The RDC will aggregate the results and update the 2008 plan to reflect stakeholder ideas and interests.

The Regional Economic Development Initiative (REDI) was developed in 2008 through collaboration between the Eight Northern Pueblos, Los Alamos County, Santa Fe County, the City of Santa Fe, Rio Arriba County, the City of Española, Taos County, and the Town of Taos. The Regional Coalition has elected and tribal officials sitting on their Board to assess the regional economic development potential from each of the community groups represented by REDI. The public and private sectors of these communities are partnering to “strengthen and diversify the economy of northern New Mexico” by developing a high-quality workforce and increasing the number of higher paying jobs, attracting and retaining youth and families, and making their rural communities vibrant and dynamic. The Regional Coalition has its own designated economic development stake in which it seeks to participate in and monitor the results of the REDI process and seeks to be integral to the desired outcomes.

The next RCLC board meeting will be held on Friday, November 13 at the Hernandez Community Center from 9:00-11:00 a.m. The Regional Coalition of LANL Communities will receive an update from the New Mexico Environment Department Secretary Ryan Flynn and offer input regarding the new Consent Order that is currently being drafted for LANL. Doug Hintze, manager of Environmental Management in Los Alamos will also present on the Consent Order negotiations. The meeting is free and open to the public.
## Regional Coalition of LANL Communities
### Meetings at a Glance – December 2015, January, February 2016

<table>
<thead>
<tr>
<th>MEETING DATE</th>
<th>POTENTIAL BUSINESS ITEMS</th>
<th>POTENTIAL BRIEFING ITEMS</th>
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<tr>
<td>December 11&lt;sup&gt;th&lt;/sup&gt;</td>
<td>• Plan Jan/Feb trip to DC for EM FY17 advocacy</td>
<td>NNSA</td>
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<td>Jemez Pueblo Council Chambers</td>
<td>• Ensure LANL Community Commitment Plan Receives full funding</td>
<td>• Update from LANS on Community Commitment Plan funding decision</td>
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<td>• Review RFPs for Executive Director Services</td>
<td>EM-LA</td>
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<td>• Update from EM-LA on 1,000+ counts of mismanaged waste and way forward.</td>
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<td>• Structure of EM contracts going forward and how we go about protecting our local contractors.</td>
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<td>January 8&lt;sup&gt;th&lt;/sup&gt;, 2016</td>
<td>• Approve new contractor for Executive Director Services</td>
<td>RDC</td>
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<td>Española City Council Chambers</td>
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<td>• Update on SCMC Regional Pilot Project</td>
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<td>• Update on REDI Plan</td>
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<td>February 12&lt;sup&gt;th&lt;/sup&gt;, 2016</td>
<td>• Possibility of travel to do advocacy for EM Budget</td>
<td>Regional Broadband</td>
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<td>Los Alamos County Council</td>
<td>• Strategic Planning Session Outline for March 2016</td>
<td>Invited corporate guests to discuss potential for broadband use in northern NM and steps to be taken to reach those goals</td>
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<td>Chambers</td>
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<td>• Danny Katzman in-depth presentation on Chromium Plume</td>
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**Issues to watch:**
- Life Cycle Baseline Cost
- WIPP
- Chromium Plume Campaign
- RDX Explosives Cleanup Campaign
- Other Environmental Campaign Priorities
- Consent Order conclusion of 2015 and new proposal for post-2015
- LANL Major Subcontractor – SCMC and procurement issues, clean up revamping efforts
- Economic Development Priorities
- Federal Manhattan Park Construction and Planning
- DOE funding for FY16 and FY17
- REDI and REDI Net Updates
- Jobs and Workforce at LANL