**Las Campanas** receives no ($0) benefit from federal and state grants and is paying for its share of construction of the BDD raw water facilities in cash.

and other funding.

ble federal stimulus funding.  The County is expected to pay its share of construction costs through an environmental gross receipts tax, bond proceeds

its share through an increase in water rates, a quarter-cent gross receipts tax, a low-interest loan from the State drinking water revolving fund and possi-

* The City of Santa Fe and Santa Fe County will split project construction costs, minus the share paid by Las Campanas.  The City is expected to pay for

help defray BDD Project construction costs.

project cost is $216.34 million.

million in grants and low-interest loans from federal and state agencies.  Estimated

Through the end of 2008, the Buckman Direct Diversion Project has received $13.45 **

- Grants and Low Interest Loans Received -    13.45

। totals:

- Las Campana’s share of construction costs -    11.24

TOTAL $ 216.34

Contingency Reserves 6.73

Design-Build Taxes 12.28

Legal and Other Administration 1.53

Acquisition of Permits & Easements 0.76

Board Engineer/Procurement/Contract Oversight               $   4.03

** Las Campana retains on BDD benefits from federal and state grants and paying for its share of construction of the BDD raw water facilities in cash.

The Buckman Direct Diversion Project is now under construction!

We are finally on the threshold of being able to bring water from the Rio Grande to the City of Santa Fe and Santa Fe County in a way that provides a safe, reliable and sustainable source of drinking water.

Remarkable progress was made in the past year. In this report, we’ll briefly detail key accomplishments and give you an overview of what we’re doing to ensure the BDD Project provides a safe, dependable water supply.

Thank you for your support and interest. For more information about this project, please visit our website at www.bddproject.org. Also, if you have questions or comments, please send them to info@bddproject.org, or call 1-800-687-3417.

** The BDD Project is an important part of our long-range water supply plan. The Project:

- Creates the infrastructure we need to access an additional reliable source of water from the San Juan-Chama via the Rio Grande (water available to the City and County under a permanent contract)!

- Provides the diversity and flexibility of water supply sources

- Helps protect us from running out of water during a drought or a reduced water supply caused by climate change

- Provides a sustainable water supply for the BDD’s projected 2010 customer population under existing climate conditions (conservation has stretched this far into a decade or about a decade)

- Reduces groundwater pumping and protects the aquifers from damage due to over pumping

- Allows groundwater to be preserved as a reserve for use in times of drought

The BDD Project is owned by the City of Santa Fe and Santa Fe County. Las Campanas is a limited partner. By federal permit, the BDD can divert as much as 7,230 acre-feet of water per year. Annually, the BDD Project will provide as much as 1,700 acre-feet of drinking water to Santa Fe County, 5,230 acre-feet of drinking water to the City of Santa Fe, and 1,800 acre-feet of unappropriated river water to Las Campanas.

City of Santa Fe and Santa Fe County water customers have made our region a leader in water conservation and drought management. Total community water use is down 40% over the last 10 years to 100 gallons per person per day, one of the lowest water usage rates in the Southwest. Continued effective water conservation is required by federal and state permits for the Buckman Direct Diversion (BDD) Project.

City of Santa Fe & Santa Fe County water customers have made our region a leader in water conservation and drought management. Total community water use is down 40% over the last 10 years to 100 gallons per person per day, one of the lowest water usage rates in the Southwest. Continued effective water conservation is required by federal and state permits for the Buckman Direct Diversion (BDD) Project.

Why the BDD Project is Important

For more information:

www.bddproject.org

www.bddproject.org
The goal of the DB contractor is to safely build the highest quality project possible in the allotted amount of time with the least amount of inconvenience to the public. The DB contractor is responsible for completing design and construction of all BDD systems.

As of December 2008, the status of these issues was as follows:

1. Stop migration of LANL contaminants to the Rio Grande and to the City of Santa Fe. (to assure contaminants do not leave the BDD site and are contained in the BDD). STATUS: LANL has said no to this request. The matter remains for negotiation.

2. Provide an early warning system to detect contaminant build-up at the BDD diversion site. STATUS: Concept is agreed. LANL agreement to fund depends on peer reviewer(s) selected by BDD Board.

3. Monitor the mass of any LANL-origin contaminants diverted with BDD raw water supplies and account for that mass in water treatment and operations. More information on these studies and BDD Board activities and other issues related to water quality can be found at the project website: www.bddproject.org, under Water Quality.

4. Provide funding for the BDD Board to retain independent peer review. STATUS: LANL has said no to this request. Agreement to fund depends on peer reviewer(s) selected by BDD Board.

5. Monitor the mass of any LANL-origin contaminants diverted with BDD raw water supplies and account for that mass in water treatment and operations. STATUS: LANL has said no to this request. The matter remains for negotiation.

6. Provide funding for the BDD Board to retain independent peer review by qualified persons with regard to matters of LANL-origin contaminants. STATUS: LANL has agreed to an arrangement.

Obtaining Important Permits

Last year the Buchanan Diversion Direct (BDD) Project received one of the most important federal approvals necessary to build the project. The Record of Decision (ROD) identified the BDD Project as a candidate for inclusion in the Drinking Water State Implementation Plan for the Rio Grande drinking water supply for the region. The ROD was appealed by several concerned groups and individuals, but was upheld in late 2008.

The BDD Project also obtained a number of other important permits necessary to proceed with construction last year, including:

- U.S. Army Discharge Permit
- NM Department of Transportation Permit to Install Utility Facilities
- NM Public Service Corporation
- U.S. Bureau of Land Management Rights-of-Way Permit
- U.S. Forest Service Right-of-Way Permit

For more information on these and other permits, visit our website, www.bddproject.org and click on the Construction button.

NMED Study Finds BDD Will Not Disturb LANL-Legacy Contaminants in Sediments

In early 2008, representatives of the City of Santa Fe, the BDD Board, Santa Fe National Forest Service, the New Mexico Environment Department (NMED) and LANL held a meeting at a potential sediment collection area near the BDD diversion site. The study was conducted to determine whether construction and operation of the BDD will intercept an abandoned Rio Grande channel that contains LANL legacy contaminants.

NMED determined that planned development of the BDD will not disturb sediment basins containing LANL legacy contaminants.

BDD Supports More Stringent Standards for Surface Water Quality

In 2008 the BDD Board sent a letter to the New Mexico Environment Department (NMED) asking it to take six specific action steps to address BDD Water Quality issues. Revised standards are expected to be formalized in 2009. (NMED Study finds BDD Will Not Disturb LANL-Legacy Contaminants in Sediments)

- Completed – Study paid for by BDD Board and NM Environment Department
- Under way – Study underway
- In process – Study planned
- Completed – Study paid for by BDD Board and NM Environment Department
- Study in progress
- Study not yet started
- Study not expected to be performed

Breaking Ground & Establishing a Plan

The Design-Build (DB) contract for the BDD Project was signed in March 2008 by the BDD Board and CH2M HILL/Weir-Summit Contractors Joint Venture. The BDD Board is responsible for the design and construction of all BDD facilities, including:

- Diversion structure on the Rio Grande
- Raw water lift station
- Sand removal facility
- 11 miles of raw water pipelines
- Two booster stations to pump the water about 1,100 vertical feet
- City/County Water Treatment Plant and related facilities
- 15 miles of treated water pipelines
- Five water treatment plants
- Raw water lift station
- Diversion and treatment systems.

The goal of the DB contractor is to safely build the highest quality project possible in the allotted amount of time with the least amount of inconvenience to the public. The DB contractor is responsible for completing design and construction of all BDD systems.

As of December 2008, the status of these issues was as follows:

1. Stop migration of LANL contaminants to the Rio Grande and to the City of Santa Fe. (to assure contaminants do not leave the BDD site and are contained in the BDD). STATUS: LANL has said no to this request. The matter remains for negotiation.

2. Provide an early warning system to detect contaminant build-up at the BDD diversion site. STATUS: Concept is agreed. LANL agreement to fund depends on peer reviewer(s) selected by BDD Board.

3. Monitor the mass of any LANL-origin contaminants diverted with BDD raw water supplies and account for that mass in water treatment and operations. STATUS: LANL has said no to this request. The matter remains for negotiation.

4. Provide funding for the BDD Board to retain independent peer review by qualified persons with regard to matters of LANL-origin contaminants. STATUS: LANL has agreed to an arrangement. Agreement to fund depends on peer reviewer(s) selected by BDD Board.

The BDD Board and staff are committed to assuring that the BDD complies with all applicable laws and regulations for selecting and controlling Surface Water Quality has been, and will continue to be, an important priority to the BDD Board, the City of Santa Fe, and the BDD contractor. The BDD Board and staff are committed to assuring that the BDD complies with all applicable laws and regulations for selecting and controlling Surface Water Quality.