

MINUTES OF THE
ENERGY TASK FORCE
of the
CITY OF SANTA FE / SANTA FE COUNTY
REGIONAL PLANNING AUTHORITY

1 PM, Friday, February 26, 2010
Santa Fe, New Mexico

The Regular Meeting of the Energy Task Force (ETF) of the City of Santa Fe / Santa Fe County Regional Planning Authority (RPA) was called to order by Chair Kathy Holian at approximately 1:05 PM on the above-cited date in the legal conference room of the Santa Fe County Administration Building.

ROLL CALL

Kathy Holian, Chair
Randy Grissom
Brendan Miller
David Van Winkle

Member Absent:

Patti Bushee, Vice-Chair

Members Excused:

David Blackman
David Griscom

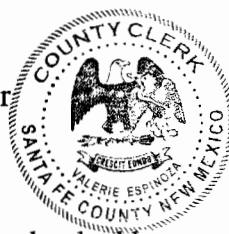
Others Present:

County of Santa Fe
Mary Jane Parks, Energy Consultant
Duncan Sill, Economic Development Planner
Don Pearson, Environx

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss ENERGY TASK FORCE MIN
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I Hereby Certify That This Instrument Was Filed for
Record On The 21ST Day Of June, 2010 at 08:12:03 AM
And Was Duly Recorded as Instrument # 1601934
Of The Records Of Santa Fe County

Deputy Merella Alder Witness My Hand And Seal Of Office
Valerie Espinoza
County Clerk, Santa Fe, NM



APPROVAL OF AGENDA

Chair Holian noted that the agenda listed minutes that had been approved at the January 25, 2010, meeting and requested that the January 15, 2010, minutes be listed on the agenda for approval.

Mr. Van Winkle moved to approve the agenda, as amended, seconded by Mr. Miller and approved unanimously.

APPROVAL OF MINUTES

The recorder read into the record the change requested by Mr. Miller to the January 15, 2010, meeting, the last paragraph on page three, to read as follows:

Mr. Miller agreed this is a good idea. He said that developing a strategy to address the technical, economic and political issues would be important to ensure that the

people of Santa Fe County can make the choices that are best for them. He said he would want whoever is picked in the RFP process to have a successful track record. The study should offer a perspective on future risk, carbon and fuel cost.

Mr. Grissom pointed out that Katherine Mortimer is with the City and not the County, as was noted in the minutes.

Mr. Miller moved to approve the minutes of January 15, 2010, as amended, seconded by Mr. Van Winkle and approved unanimously.

DISCUSSION ITEMS

- **Renewable Energy Financing District Update**

Mr. Duncan Sill said he has been working to set up the initial program with Renewable Funding, the successful vendor to the RFP. They are engaged in addressing undefined elements associated with the program delivery of the RFP, which would include recommendations that will bring it to the Board of County Commissioners (BCC) on March 9 for its decision. These issues include the amount of the application fee for participants to install renewable energy improvements, a cap amount of insulation, guidelines for underwriting requirements, i.e. what percent of the assessed value will be permissible in determining the value of the installation.

He is also working with bond counsel, the entity that will help proceed with the bond purchase agreement that enables financing to take place.

These are parallel efforts, and Mr. Sill said it is anticipated that by Earth Day 2010, these components should be in place to accept applications.

In the meantime, opportunities for outreach with the general public and the industry are being explored.

Chair Holian and Mr. Sill attended the Energy Expo hosted by the mayor and distributed handout material. They are continuing to receive many inquiries.

Mr. Grissom asked if they will begin with a limited pilot period and what the timing would be once the program is approved at the BCC.

Mr. Sill said it is unknown what the actual demand will be until the program is rolled out. Until they know how much can be handled administratively, he will probably suggest an aggregate monthly amount to disburse, which would translate to a certain amount of installations. Because the March 9 BCC approval is basically direction on the undefined components of the program and there is not an amendment to the ordinance, the meeting does not have to be noticed.

Mr. Van Winkle stated that, as a result of the Expo, he asked the PNM representative to give him a list of solar installations in the county. Just in the county, there are 202, and PNM's total system is around 700. In response to a request from Mr. Sill, Mr. Van Winkle said the list does not give exact locations, but is a list of zip codes that he will email to him.

Once the program is up and running, Chair Holian stated that she sees a role for the ETF to locate other sources of funding and obtaining funding to buy down the interest rates.

Ms. Parks asked about obtaining money from the federal government. Mr. Sill replied that, while federal funds are not easily accessible at this point, he will continue working with the feds because of upcoming legislative changes. He has met with Senator Udall's economic advisor about some of the federal issues that affect local communities and she will see how they can help with this key initiative.

Chair Holian asked the task force members for ideas on community outreach and groups to speak to. Mr. Grissom offered space at SFCC.

- **Discussion of Energy Efficiency Programs**

Chair Holian distributed a spreadsheet containing a list of energy efficient programs developed in previous meetings. She stated her objective to decide on one or two programs for the ETF to concentrate on, research, study further and get to the point where recommendations can be made to the RPA, City Council or BCC, whatever entity would be appropriate to make these programs a reality.

Chair Holian pointed to the County ordinance and the State statute that describe how the RPA may spend the GRT funds for which it is responsible. She explained that most of the money the RPA handles is allocated to water and road projects. There is a category for 'Other' that has specific rules for its use under County Capital Outlay guidelines. Currently, there is \$500,000 in the 'Other' category. The way the ordinance is now written, the income from the GRT cannot be used to bond. A primary goal of the RPA is to rewrite the ordinance, and if that occurs, bonding capability will be included to be allowed for the future income stream.

Mr. Van Winkle pointed to using the funds for Energy Efficiency Upgrades for Public Buildings.

Chair Holian stated that identifying more funding would come as an important part of the decision for what programs to choose.

Following further discussion, Mr. Grissom concluded that the only program on the list with potential for the near future is Energy Efficiency Upgrades for Public Buildings.

Mr. Miller agreed that would be the short-term choice, and suggested that other programs be kept on the radar screen such as Energy Works if funds could be pursued for its projects. He added that a municipal utility opens up many other opportunities.

Mr. Van Winkle said he liked Mr. Miller's ideas. He suggested that a broader Energy Efficiency Upgrades program could be started with the \$500,000 by doing energy audits for public buildings in the City and the County, and in schools. When this is done, an educational awareness component would be a way to leverage the money. Also, obtaining funds from HUD would be good. With regard to Building Codes, he has spoken with Ms. Mortimer who told him that the County uses state inspectors.

Chair Holian explained that people in the industry have told her they feel it would be good if the City and County codes were essentially identical so that they could share inspectors. Right now the County depends entirely on CID. County Attorney Ross said that an inspection program would be a moneymaker for the County and fees could be written into the new code. A challenge would be the need for startup costs to train inspectors. Since the CID will not do just part of the inspections, the County would either have to hire qualified people at the start or spend time and money in training. The estimated cost to start a program would be \$1 to \$2 million.

Mr. Sill agreed that obtaining the seed money for the inspection program becomes the ultimate obstacle. The inspection staff would need to be trained in everything. It is one thing to improve energy efficiency, but there is also the need to invest in training for the maintenance staff to keep up the benefit they are trying to achieve. While an investment into building code inspection is good, it may take away from other equally important efforts.

Chair Holian said that the County might partner with SFCC in training. She also noted that the CID has five or six people assigned to Santa Fe County. If the County took over inspections, they might be able to hire the people at CID. Or for an initial startup, perhaps the City's inspectors could be used.

Mr. Van Winkle agreed that a municipal utility opens the door for many other opportunities, but it is far off time wise, and there will be a lot of resistance to that from PNM.

Mr. Grissom commented that some of the RPA funds could be used for the ETF's share of the municipal study.

Chair Holian said she has spoken to the attorney about that and he seemed to think it was possible. She felt it is worth presenting the idea to the RPA to see if they would agree to provide \$30,000 for the study.

Chair Holian said she would ask Nick Schiavo and Duncan Sill to come to the next meeting and describe the work they are doing. Ms. Parks said she would invite Mr. Schiavo when she sees him on Monday, March 1.

Mr. Grissom said he would like to involve youth in restoration projects, such as building green structures within a park or a public setting. This would combine getting something done, as well as addressing an aspect of the population that needs to be trained and employed.

Since this is something that Energy Works does, there was consensus that the idea could be integrated and expanded with the Energy Efficiency Upgrades for Public Buildings. Chair Holian requested that a proposal be written and brought to the next meeting to develop a plan of action to take to the RPA integrating Earth Works and Youth Works.

Mr. Miller asked if there might be a way to track the savings and return on investment.

Chair Holian said that a fund might be created where savings are identified and used towards more energy efficiency.

Mr. Sill pointed to the state CDBG funds that were used for retrofitting LED lights and said the savings were equivalent to saving one essential position in the department. Identifying the savings is part of the monitoring as well as leveraging the return on investment.

Chair Holian asked Mr. Grissom about using an intern from SFCC.

Mr. Miller said he knows the CEO of a New Mexico company that does energy efficient contracting and is based in Albuquerque. Mr. Sill said he would email Mr. Miller to obtain the CEO's name.

As a recap, Chair Holian said that the next meeting will be used to write up components with solid suggestions that can be put in a report to submit to RPA. She asked Mr. Van Winkle to put together more thorough information on the Energy Board.

Mr. Sill said he would bring information on USDA funding.

MATTERS FROM STAFF

Mr. Sill asked if anyone had heard back from Mariel Nanasi, New Energy Economy, with an outline of their scope of work.

Mr. Miller commented that Ms. Nanasi was very involved with the Environmental Improvement Board hearing on Monday.

Chair Holian said she will check with Ms. Nanasi on Tuesday, March 2.

DATE AND TIME FOR NEXT ETF MEETING

Chair Holian said she will be gone on March 12. She will email the ETF members to see if a quorum can be reached on March 12 and if so, perhaps someone else could chair that meeting. She will also see if there will be a quorum on March 26.

The next regular meeting of the ETF is scheduled to be held at 1:00 PM, Friday, March 12, 2010, in the Legal Conference room at the County Building.

ADJOURNMENT

There being no further business to come before the ETF, this Regular Meeting was adjourned at approximately 2:05 PM.

Approved by:

Kathy Holian
Chair, RPA Energy Task Force
Kathy Holian, Santa Fe County Commissioner



ATTEST:

Valerie Espinoza
VALERIE ESPINOZA
COUNTY CLERK

Minutes drafted by: Kay Carlson