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BCC MINUTES
PAGES: 157

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SANTA FE COUNTY

BOARD OF COUNTY COMMISSIONERS

REGULAR MEETING

November 29, 2011

Virginia Vigil, Chair – District 2
Liz Stefanics, Vice Chair – District 5
Robert Anaya – District 3
Kathy Holian – District 4
Danny Mayfield – District 1

CLERK RECORDED 01/12/2012

SANTA FE COUNTY

REGULAR MEETING

BOARD OF COUNTY COMMISSIONERS

November 29, 2011

This regular meeting of the Santa Fe Board of County Commissioners was called to order at approximately 1:10 p.m. by Chair Virginia Vigil, in the Santa Fe County Commission Chambers, Santa Fe, New Mexico.

Following the Pledge of Allegiance led by Anita Guillen and State Pledge led by Melissa Martinez, roll was called by County Clerk Valerie Espinoza and indicated the presence of a quorum as follows:

Members Present:

Commissioner Virginia Vigil, Chair
Commissioner Liz Stefanics Vice Chair
Commissioner Kathy Holian
Commissioner Robert Anaya
Commissioner Danny Mayfield

Members Excused:

[None]

V. INVOCATION

An invocation was given by Sam Montoya of the Department of Finance

VI. APPROVAL OF THE AGENDA

- A. Amendments**
- B. Tabled or Withdrawn Items**

KATHERINE MILLER (County Manager): Madam Chair, with the agenda in front of you there are no amendments, tabled or withdrawn but I did want to note that we did move what was originally on the agenda under Matters from the Commission, the seven resolutions from the New Mexico Association of Counties, we moved those down on the agenda to under Matters from the County Manager, although they are Commissioner Stefanics' items. Paul Gutierrez from the Association of Counties can't be here until after

four, so I would just ask that we put them later on the agenda and I would just ask that they be held in either case to whenever Paul Gutierrez can be here. But there are no amendments to the agenda.

COMMISSIONER HOLIAN: Madam Chair.

CHAIR VIGIL: Commissioner Holian.

COMMISSIONER HOLIAN: I move for approval of the agenda with adjustments as needed.

COMMISSIONER MAYFIELD: Second, Madam Chair.

The motion passed by unanimous [5-0] voice vote.

VII. APPROVAL OF THE CONSENT CALENDAR

A. Consent Calendar Withdrawals

CHAIR VIGIL: Are there any items on the Consent Calendar the Commissioners wish to discuss?

COMMISSIONER MAYFIELD: Madam Chair, move for approval of the Consent Calendar.

COMMISSIONER STEFANICS: I'll second.

The motion passed by unanimous [5-0] voice vote.

XIII. CONSENT CALENDAR

A. Budget Adjustments

1. **Resolution No. 2011-168, a Resolution Requesting an Increase to the Water Enterprise Fund (505) to Budget Revenue Received From the Bureau of Reclamation for the San Juan-Chama Project/ \$19,899 (Public Works/Utilities)**
2. **Resolution No. 2011-169, a Resolution Requesting an Increase to the General Fund (101) to Budget a Grant Awarded Through New Mexico Clean and Beautiful for the Adopt-a-Road Program /\$3,500 (Public Works/Solid Waste)**
3. **Resolution No. 2011-170, a Resolution Requesting an Increase to the Fire Operations Fund (244) to Budget a Donation Received From the Janine Contemporary Art Gallery / \$357 (Community Services/Fire)**
4. **Resolution No. 2011-171, a Resolution Requesting an Increase to the Emergency Medical Services Fund (206) to Budget the Fiscal Year 2011 Cash Carryover for Various EMS Districts and to Adjust the Fiscal Year 2012 Budget for the Current Year Allocation to the Actual Distribution Amount for Each District / \$1,251 (Community Services/Fire)**

5. **Resolution No. 2011-172, a Resolution Requesting an Increase to the Fire Operations Fund (244) to Budget State Forest Fire Revenue Received for Personnel and Apparatus That Was Utilized for the Track Fire, Pacheco Fire, Las Conchas Fire and the Galisteo Dam Fire / \$94,084 (Community Services/Fire)**

VIII. APPROVAL OF MINUTES

A. Approval of October 11, 2011 BCC Minutes

CHAIR VIGIL: Are there any changes to the minutes?

COMMISSIONER HOLIAN: Madam Chair, I move for approval of the October 11, 2011 BCC minutes.

COMMISSIONER MAYFIELD: Second, Madam Chair.

CHAIR VIGIL: Okay. Hearing no changes we are approving what is before us.

The motion passed by unanimous [5-0] voice vote.

X. SPECIAL PRESENTATIONS

A. Presentation on 2011 Fire Prevention Month Activities Conducted By the Fire Department Throughout Santa Fe County (Community Services/Fire Department)

DAVE SPERLING (Interim Fire Chief): Thank you, Madam Chair, members of the Commission. I appreciate the opportunity to provide you an overview of what the Santa Fe County Fire Department did this year during Fire Prevention Month. Normally we come forward in September or early October requesting a proclamation to recognize Fire Prevention Month and the National Fire Protection Association once a year.

This year we felt we'd take a little bit of a different tack and come forward at the end of the program and give you kind of an update of what the Fire Department participated in this year. So that being said, I'd like to introduce our Fire Prevention Specialist Victoria DeVargas, who is also our premier public educator and does the bulk of the public presentations during the month of October and now this year to the middle of November. Victoria.

CHAIR VIGIL: Welcome, Victoria. Thank you for being with us today.

VICTORIA DEVARGAS (Fire Prevention Specialist): Thank you, Madam Chair, Commissioners. So we've put together a short power point just to go over some of the specifics of our program, starting off with the history of Fire Prevention Month. So for many years now the month, or actually the first or second week of October has been recognized nationally as Fire Prevention Week and there's usually a theme that goes with that through the National Fire Prevention Agency. This year's theme was "Protect your family from fire."

Here in Santa Fe County, what we've try to do in order to provide a quality program to size of the student bodies that we have, to the number of schools and youth programs that

we have, we actually have taken the opportunity to recognize the entire month. So each of our programs, this year we actually spoke to, and in the next coming months, we'll be speaking to 2,944 pre-school, middle school and elementary students. So far, we've had the opportunity to speak to a total of 50 parents in miscellaneous programs throughout Santa Fe County. Some of those being the Santa Fe Au Pairs, the Presbyterian Medical Services Headstart have a program where monthly, they do a meeting with their parents, and just this morning I was invited to add approximately another 50 to 60 parents tomorrow with the Nambe Headstart.

We also have a new program that came in. I understand it's through the Internet, but it's a Mommy and Me program, and they came out with their children and did a station tour over at Agua Fria and we took the opportunity, being it was October, to incorporate the whole lesson that we normally do for pre-school students.

Our lessons are age- and grade-specific. What we've asked is that each of the schools give us an hour with the kindergarten and first grade, second and third grade, fourth and fifth, and then we give the sixth graders their own program because unfortunately that's usually the last year we see them unless they have a specialized program in the middle school. And so that program is a little more intense. So that's for the sixth graders alone.

Each of our kids are given a goody bag with products pertaining to the lesson we've learned, and I have some examples here. Again, these are grade- and age-specific as well. Our intent with that is not just to give them a sucker from the Fire Department and send them on their way. We want them to take this home and review with their parents so they can show them what they learned, or maybe incorporate it into what they do every day with the lesson plan that they've learned. It's something that teaches them about having an escape plan and doing that with their parents, and getting the parents in the loop in areas where we may not normally get to speak with them.

So we also work in collaboration with the volunteer fire districts. They are a major part of this program. Without them the program would not be the success that it is. One of the things that we do is we start off every presentation with a short discussion and review of what they learned the previous year, because we have been fortunate enough to return annually to some of these schools. Then we do a video specific to the lesson that they're learning for that year, and as they advance we get more specific into what we're seeing happening around us which is we start off with having escape plans, knowing what to do, making sure your smoke detectors are working and that information, and then as they get older we start talking to them about the consequences of playing with fire, what can happen to them, what are the losses, what are the injuries they might be faced with, because that's what we're seeing. We're seeing children experimenting and playing with fire. And so we want to teach them not to do that and if they're curious about it, because they might be, to contact us and learn about it in a safe environment through us with the Fire Department.

Another thing that we do is we have the firefighters, and again this is a big part with the volunteer districts, we have them don their bunker gear in front of the children, so that the children learn not to be afraid of us. Because we look, we sound, we feel different. And so we want them to be comfortable with us and knowing that essentially firefighters are their friends. If we're there, we're there to help them and that's what we want them to know, why we're wearing that. It protects us. What are their uses? The masks provide clean air for us to breath. The suit protects us from heat and flame. And to get close with us, to interact with us

so that they talk to us when we have it on to see what we sound like. The kids love to give the firefighters hugs, high-fives, things like that that incorporate the interaction with them.

And then they finalize the visit with a tour of the fire trucks, because that's always the bonus. They really enjoy that, and again, as they get older we want them to be specific to that. So the gear need not so much about being afraid of us but why we wear it, what's the science behind it. Same thing with the trucks. We want to advance to their age group and what they're learning.

So those are some of our school programs. This year we actually had the opportunity to get more involved in the science part of it with the Academy for Technology and the Arts. We were invited to go out and speak to their 7th and 8th graders and we took out our simulation table for wildland fires and we were able to demo for them a fire in Santa Fe County and how the winds affect it, how the topography affects that, and they had hands on interaction with us on that. Their teacher, Ms. Polly White was nice enough to send a letter to the editor regarding our visit with them.

This year, we tried to spice it up a bit and we put out a contest for our fire districts. They do a public safety announcement. And we actually had two districts participate in that. One being Turquoise Trail and the other Galisteo, and they put together two wonderful public safety announcement videos. We have – they were shown I believe on Comcast Channel 28 and we also have them on our website, On the Fireside, under campaign and news. And so they did a wonderful job on that.

Since we had the two districts we went ahead and marked them both as winners to the contest and we'll be presenting them with plaques and a pizza party for one of their business meetings, probably coming up in the January/February timeframe.

Another aspect that we have that's been real successful for the adults is our workplace fire safety training. Right now we have provided training to 156 Santa Fe County employees from February to September of this year. I specified some of the departments that have participated and I apologize, because I left out Purchasing and Finance. They have been, in fact their departments have been some of the most presentive, their staff has been.

Weather has presented some challenges in completing this training because we try and do it during the spring and the fall, because the summer is just entirely too hot and the winter's too cold. But then what happened then is Mother Nature brings in the winds. So we've had to kind of negotiate with her and try and fit that in. But for the most part we have been meeting that requirement which is an OSHA requirement to provide training annually.

This year we also got a new opportunity and that was to provide training to 16 Pojoaque High School culinary arts students. They have a culinary arts program there and the teacher, I let her know what we had available, and she said sure, come on out so we not only did the extinguisher training with them but also reviewed the fire suppression on their commercial cooking system and had some discussion with them of a great opportunity.

And then just recently we provided training on to life healing center training stuff. They were preparing for their OSHA review and gave us a call so also we helped them with that.

And that's just some of the many aspects that we have in our public education program. It's growing. I've been very fortunate in the public education area with the support

of Chief Sperling and the rest of his staff in order to be able to provide quality training with quality products to send home. We've given each of you a copy or a packet for our adults. This is what we provide to them. We have one on cooking and for clients that have young children, we have another one that teaches them how to put together a home escape plan. So those are the two packets we have and everybody's been given one.

So I thank you for your time and opportunities and support.

CHAIR VIGIL: Any questions, comments? Commissioner Anaya.

COMMISSIONER ANAYA: Thank you very much for your presentation and for your work, day-in and day-out. Thank you, Chief.

CHAIR VIGIL: Commissioner Holian, then Commissioner Stefanics.

COMMISSIONER HOLIAN: Thank you, Madam Chair. Thank you, Victoria. That was really interesting. I was just sort of wondering, because this was such a severe year for fire danger. Was there even more interest in these programs than usual?

MS. DEVARGAS: Yes, Madam Commissioner, there was. It was really interesting, because the last thing we focus on home fires, but this year it was interesting because the children and adults alike had a lot of questions related to wildfire and how that would affect them and how to prepare, and so it gave us an opportunity to tap into that quite a bit.

COMMISSIONER HOLIAN: Okay. Thank you. And also, do you go out and give this presentation to community meetings?

MS. DEVARGAS: We would like to. We would definitely like to tap into that like for homeowner associations. We do have information for those associations are like sprinklered communities or actually, our wildland representative, our wildland department, Chris Nystom, he's been going out and doing the simulation table.

COMMISSIONER HOLIAN: Right. Right.

MS. DEVARGAS: And talking to homeowners associations in areas where a wildfire could affect them.

COMMISSIONER HOLIAN: And so he is he the person we would contact if we had a community meeting which we wanted to invite you two to make a presentation?

MS. DEVARGAS: Yes, we could definitely tag-team that.

COMMISSIONER HOLIAN: Okay. Thank you, Victoria.

CHAIR VIGIL: Before Commissioner Stefanics, I'd like to recognize Pablo Sedillo. Welcome, Mr. Sedillo, from Senator Jeff Bingaman's office. Thank you for joining us. Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Madam Chair. Before I ask my specific questions I'd like to also make sure that the people know that the Santa Fe County Fire Academy graduation is coming up this week and so I'd like to congratulate all of those members as well. It will be held at Capitol High School. But two things came to my mind. If you are going to some of these schools, is there any way of identifying whether or not some of these students might become our junior firefighters?

MS. DEVARGAS: Madam Chair, Commissioner Stefanics, right now one of the things we have is a lot of the kids will come up to us afterwards and say, you know, when I grow up this is what I want to do. I like what you're doing. I like what you're teaching us. So what I'll do is get specific with them and tell them about our cadet program and tell them

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when they hit that age to please contract us and keep us in mind and also the educational value that they have to it. There's college degrees now they have in fire science, fire engineering and the whole medical side of it, the EMT and the different levels of licensure with that. But right now we don't have one specific to say how many kids we've actually recruited.

COMMISSIONER STEFANICS: Okay, so in terms of what I'm talking about, the junior firefighters. Is that only related to the volunteer firefighters or is that the same thing as the cadet program you're talking about?

MS. DEVARGAS: I'm going to have Chief Sperling answer that one.

CHIEF SPERLING: Madam Chair, Commissioner Stefanics, we don't really have a junior cadet fire program. Each district has the ability to mentor future cadets. Not every district does; most do, and we do have specific guidelines for that type of program. But countywide we do not have a junior cadet program.

COMMISSIONER STEFANICS: So for those districts that do have something, is there a minimum age that children or adolescents can join up?

CHIEF SPERLING: Madam Chair, Commissioner Stefanics, there is a minimum age. I believe it's 15.

COMMISSIONER STEFANICS: Okay. Thank you. I just want to make sure that the public is aware that that might be an opportunity for some of their children that are showing a lot of interest in this area. And the other question I have is you mentioned the Pojoaque culinary arts. Has there been any kind of specific training for the Santa Fe Community College, for students in either their environmental building or the culinary arts program or anything else out there that we could encourage?

MS. DEVARGAS: Madam Chair, Commissioner, not at this time, other than if we're contacted by them to know that but I will definitely be contacting them and see if that's something they are interested in.

COMMISSIONER STEFANICS: Well, specifically, if you've done that for the high school culinary arts it would see to me that this chef program, the culinary arts program at the Community College could benefit from fires in the kitchen, etc. but then, with the trade arts in the new building it seems like there might be different types of fires that might have to be addressed as well. Thank you very much, Madam Chair and thank you for all the good work of the department.

MS. DEVARGAS: Thank you.

CHAIR VIGIL: Quick question. Do you have any literature available that would promote fire safety that might be accessible to those who use our mobile health van?

MS. DEVARGAS: We were just speaking when we were waiting for the meeting to start. They tried to sign up for workplace fire safety training. Unfortunately, the winds this past spring and fall have kind of interrupted that, but we do have handouts in our office pertaining to extinguishers and that type of thing, and then also on our website, the County website.

CHAIR VIGIL: I see Angela nodding her head. Thank you very much. Thank you for the presentation. Very helpful.

MS. DEVARGAS: Thank you.

SEC CLERK RECORDED 01/12/2012

IX. B. Presentation By Charlie Nylander Regarding Espanola Basin Regional Issues Forum (EBRIF) 2011 Activities (Commissioner Vigil)

CHARLIE NYLANDER: Thank you very much, Madam Chair. Happy Holidays to you and the rest of the Commissioners.

CHAIR VIGIL: Thank you.

MR. NYLANDER: Before I get started I have to apologize. I had an unexpected visit with my dentist this morning and so my face is a little numb. So if my jaw starts to fall down or my voice changes it's because of that Novocain in my tissue. We have a slide presentation which I think you have access to just highlighting over the next ten minutes a very positive program that really was fundamentally started by Santa Fe County back in 2004. The Espanola Basin Regional Issues Forum is an outgrowth of the intergovernmental summit that was held in July of 2004 and was recognized the need at that time for more regional collaboration with local governments in the area.

I have to compliment the late Gerald Gonzales and Commissioner Harry Montoya for representing Santa Fe County and really stimulating the formation of this group, along with County Manager Lorenzo Valdez and Governor Charlie Dorney from Tesuque Pueblo. The four gentlemen I mentioned really had a large hand in starting this very positive program to have governments talk more and develop more of a relationship. We had our initial meeting in 2004 at the Tesuque Pueblo and we've been meeting monthly since that time going on almost eight years.

I want to stress that EBRIF is an advisory group. It consists of 14 governmental representatives designated by the governmental representatives that they represent. And the next slide shows you just an overview of the area that we call the Espanola Basin Region. It encompasses a large part of three different counties – Los Alamos, Santa Fe, and Rio Arriba counties, and the cities of Espanola and Santa Fe, and the adjacent 9 pueblos within the area of that basin. There's a list of the 14 members and you'll see that it is three counties, two cities and nine pueblos.

Over the last 7 ½ years we've had continuous attendance by congressional and government observers and Mr. Pablo Sedillo who you just introduced has been a constant participant over the time period. Our meetings are held monthly, usually on a third Thursday of the month, and we rotate the meeting locations to various governmental members' hospitality.

The charter for the ad hoc group was adopted in February of 2005, and I just wanted to stress that the whole charter of the Forum was to provide an environment where the local government members can communicate openly and honestly about significant challenges in the region, and it allowed the building of understanding and mutual trust, and the whole goal was to provide stimulus for providing positive recommendations to the parent governments. The initial focus of the group was focused on water and wastewater, and that by and large has remained a constant focus, although the group has delved into conversations on solid waste management, emergency services, Internet connectivity and such, but by and large, water and wastewater has been a large part of their agenda.

Now, over the last 7-½ years we've had various technical and administrative support for the group. Back in 2004 we had our support from Los Alamos National Laboratories Water Research Technical Assistance Office, and I did manage that office on behalf of the lab and we were co-located here at Santa Fe County. Upon my retirement in 2006 the three county managers came together and basically asked me to facilitate these meetings under a contract managed by Santa Fe County and so for a year and a half or so we were managed through Santa Fe County. And then in March of 2008 Los Alamos County volunteered to fund a five-year contract with Water Matters, which is my company, to support this group and they provided \$150,000 a year in funding for the facilitation as well as for the special projects. And I'll elaborate about the great accomplishments we've had with these special projects.

Beginning in the very beginning of our development of 2004/2005 we developed a charter, we developed government to government protocols, which were very important to our tribal members. We formed a – put together a member workbook which basically described each of the local governments and highlighted the different regional issues that they had. We did develop a five-year strategic plan, a business plan that looked at what kind of water and wastewater infrastructure was needed in the basin over a five-year period, and that was really at the urging of Senator Bingaman's office and for the sole purpose of really highlighting for the congressional staff what are the dollar needs for water and wastewater in this area. And I will point out that at that time the figures were in excess of \$600 million, just for water and wastewater.

Over the months we've had many, many speakers. One of the agenda items has been to educate and to form a common grounding of people's understanding, so we've just had financial discussions by NMFA. We've had Bureau of Reclamation and Corps of Engineers speakers on federal funding programs. We've had a lot of different acronyms for federal and state agencies and organizations that have talked to the group and provided information.

As a result of the discussions, several of the counties started really pointing out that they had severe problems with failed septic tanks and individual liquid waste systems in their areas, and also they had a very high degree of need for training and managerial assistance for their small water systems. Those kinds of discussions led to the development of legislation which EBRIF carried to the 2009 legislative session. A bill, Senate Bill 30 was sponsored to basically create a funding program for indigent homeowners who had a failed septic tank they had no means of repairing or replacing and yet wanted to avoid the contamination and the pollution. So that Senate Bill 30 was passed in 2009 and has become law.

The technical assistance for water systems, we carried those in 2009 and 2011. In this past session we did get that bill passed by the 2011 session. However, it unfortunately did get signed by the governor and was pocket-vetoed. The ideas in that bill are still very robust and we plan to continue that in the future.

Our current activities include a whole variety of things. We're providing facilitation support for the Santa Cruz River Valley Regional Water Users Associations. That's a collaboration between the Greater Chimayo Mutual Water Consumers Association, the Cuatro Villas Mutual Domestic Water Users Association, Pueblo of Santa Clara, City of Espanola and Santa Fe County and Rio Arriba County. Those entities have been meeting for almost two years now trying to develop a regional approach to water supply in that corridor,

and as a result we've had some additional EBRIF work that has just been completed this month. We had a special project to provide funding to Cuatro Villas for the development of an asset inventory for their water system, and we did the same for the Greater Chimayo Mutual Domestic water system.

So both of those entities received EBRIF financial support to complete those asset inventories, which really is a pre-requisite for the funding formula that they have to face as they're going forward to get Water Trust Board funding. So in both cases their recent applications this month have benefited from the completion of that work.

Presently we're constructing and producing an educational video film on collaborative solutions for some of the regional water issues in the basin. EBRIF is also supporting the Santa Fe County's Bureau of Reclamation grant project, which has just been launched the last couple of months here. EBRIF is providing a matching contribution to develop a water use inventory plan for the Espanola Basin region. EBRIF is also supporting the City of Santa Fe and serving on their working group board to develop a treated effluent management plan for the wastewater from the Santa Fe wastewater treatment plant.

We've recently supported an application by the North Central New Mexico Economic Development District's project initiative to submit a grant application to HUD. The intent is to have a three-year grant to develop a North Central New Mexico Regional sustainability plan and EBRIF has volunteered both funding and in-kind support for that application.

And then lastly, we've just recently launched a New Mexico Sustainable Communities award program in conjunction with the New Mexico Environment Department, and this program is set out to recognize efforts in our small and medium-sized communities statewide who are really working towards sustainability. And that covers all the aspects from economic development to education, to water and wastewater infrastructure, and we're starting this winter with water sustainability and our first awards will fall in that area. I'm happy to announce that I've just recently received a letter from all five of New Mexico's congressional delegates supporting that effort to have this community award program.

And with that I just want to highlight again that this has been a tremendous success as far as fostering collaboration between county/city governments, pueblo/county/city governments and to date we have at least five projects that have been multi-jurisdictional that we can directly say are the result of the good work that EBRIF has fostered. I'd be happy to take any questions. Thank you, Madam Chair.

CHAIR VIGIL: Thank you, Mr. Nylander. Questions, comments?
Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Mr. Nylander. Thank you for that time we met. I appreciate it and the work that you're doing. Again, you're receiving all your funding strictly from Los Alamos County?

MR. NYLANDER: Yes, I am.

COMMISSIONER MAYFIELD: And have you went to any of the other participants and asked for any funding for this collaborative work?

MR. NYLANDER: At the time, back in 2008 when Los Alamos volunteered to fund the contract, at that time we were actually poised to submit a bill to the legislature to seek funding from the legislature. When all the members found that Los Alamos was willing to support the activity to the tune of \$150,000 a year and half of that money would go to them

as special projects money they felt that was going to be adequate at the time and so we're now at a point where I'm just finishing the fourth year of that contract, starting the fifth and final year, so by December of 2012 we'll have to be looking for additional sources of funding. But thus far, none of the other governmental jurisdictions have volunteered to provide any funding.

COMMISSIONER MAYFIELD: Thank you. And Los Alamos has included that funding for the 12 budget?

MR. NYLANDER: Yes. Los Alamos, they just signed an amendment with me for the fifth and final year, \$150,000 for that time period.

COMMISSIONER MAYFIELD: Okay. Thank you.

CHAIR VIGIL: Commissioner Anaya, then Commissioner Stefanics.

COMMISSIONER ANAYA: Madam Chair, thank you, Mr. Nylander. Two questions. You mentioned an indigent fund for septic tanks and that was signed into law. How much money is in that fund and how do you access those resources if you're in that quadrant?

MR. NYLANDER: Madam Chair, Commissioner Anaya, the fund when we passed that legislation in 2009, if you remember the budget was in a free-fall at that time, so we actually enacted that law without any funding and with the idea that the Department, the Environment Department was going to find ways to fund it through EPA and other mechanisms. They have been successful in diverting some of the funding from their individual liquid waste permitting program into that fund. They've also been able to re-allocate some money from the natural resource trustees fund into that fund, so there is some funds in it and they are trying diligently to find other federal monies to put in there. But at the present time it has very limited funding.

COMMISSIONER ANAYA: Madam Chair, Mr. Nylander, is the law specific to just this region or is the law broad in the whole state? Does it include the whole state?

MR. NYLANDER: Madam Chair, Commissioner Anaya, the law is statewide and thus far there has been some initial funding already provided a year earlier in Dona Ana County, so some monies have been spent in Dona Ana County. Last summer there were monies spent in Valencia and Bernalillo County. But it is a statewide program on a sort of first come/first served basis.

COMMISSIONER ANAYA: Madam Chair, Mr. Nylander, I think that's something that I would like to see more information on and potentially something that I could support on a legislative initiative to try and get more funds, given the help it provides to those indigent people especially and also providing help to the environment where we have major contamination issues.

The second question I have is related to your comment that you're working with the City of Santa Fe relative to their treated water. I would just advocate that over the last eight months we've been working diligently to try and help the community of La Bajada and La Cieneguilla dealing with water use issues for agricultural use and next month we're going to bring a resolution forward. I'm going to ask the Commission to support the resolution to encourage the City of Santa Fe to release more water into the river because that will help augment the agricultural needs in La Cieneguilla as well as in La Bajada. So I would ask for your group to, in your dialogue with the City to consider that as an option to help these

communities because frankly they didn't have any water and that was one of other variables that was the drought, obviously. But that was one of many reasons that they didn't have water down there. So I would appreciate it if you would evaluate it as a group to support that endeavor.

MR. NYLANDER: Madam Chair, Commissioner Anaya, I appreciate your support on the indigent program and on the treated effluent working group I wanted to underscore that the working group is looking at all of the different options for utilizing that treated water and water in the Santa Fe River is a very high priority for the group. There are at least 26 different options on the table right now for how they might split up that resource and the City is holding a public meeting the night of December 1st at the South Side Library there at Jaguar Drive, six pm, and it's basically their first attempt to solicit public input into the different alternatives that the public would like to see that water used for.

And you are correct; there is a dire need in La Bajada and that area for more irrigation water and so forth. That is high on the list of different alternatives, and as well, as you know that the City uses that effluent for the Marty Sanchez Golf Course and the irrigation at the country club and so on and so forth. So they are going to basically look at all the different possibilities and come up with recommendations for the City as far as which directions they ought to go.

So it's a very open-ended process. It's just been started the last two months and it's expected it will take at least six full months to go through the ranking and rating. But there's a great deal of support for the use of that water for ecological and agricultural uses. So thank you for your support. I'll pass that on to the other members.

CHAIR VIGIL: I think I have Commissioner Stefanics.

COMMISSIONER STEFANICS: Yes. Thank you for your work. I remember when you went through your retirement. We said we hoped you would stay involved, so thank you very much. But I have – yesterday we received a copy of a memo from the labs that was internal, but then obviously was distributed to us and other government bodies that there's going to be some cut-backs on some funds for staffing, for contracts, that there was going to be a new committee that looked at anything that costs \$100,000 or more. And I'm just wondering if you could comment on the impact to the surrounding communities with this new information.

MR. NYLANDER: Madam Chair, Commissioner Stefanics, of course Los Alamos County is the party that's funding the EBIRF work right now, not the laboratory, so the laboratory has no resources being applied to EBIRF. However, there's been a continual interest in cutbacks at the laboratory proper because of its multiplier effect on the northern part of the state. As you know, their \$2 billion a year budget has had something on the order of a \$4 billion multiplier effect on northern New Mexico. So Los Alamos County actually, along with funding EBIRF has funded another intergovernmental group that's basically focused on supporting the laboratory's continuation and keeping their budget whole, and they put quite a bit of resources into continuing those meetings and trying to find ways to avoid impacts of those cut-backs on the federal dollars.

So I'd be happy to research that for you and see if they have any concrete plans on reacting to any DOE cutbacks in funding but at the present I'm not aware of anything specific.

COMMISSIONER STEFANICS: Well, Madam Chair, what I'm specifically speaking about is that obviously they have a new process. We just got the memo yesterday that in particular people who have jobs are not at risk, according to this memo. Any new hirings, but all contracts over \$100,000. Contracts are very important to some of the livelihoods of the surrounding counties. So it would seem to me that this would be a concern for EBIRF in the future to watchdog that. So that's why I'm bringing it up. Thank you very much, Madam Chair.

CHAIR VIGIL: Thank you. Any other questions, comments? Thank you very much, Mr. Nylander. Appreciate the update.

X. MATTERS OF PUBLIC CONCERN –NON-ACTION ITEMS

CHAIR VIGIL: These are non-action items. Is there anyone there in the public that would like to address the Commission on items that are not part of the agenda. This would be an item that we are not discussing in our current agenda. Please step forward and state your name.

LYNN CLARK: Thank you. Good afternoon, Madam Chair and other Commissioners. I'm Lynn Clark and this is Allegra Derryberry. We are representing the New Mexico Governor's Mansion Foundation, a non-profit, non-partisan group of volunteers that is responsible for maintaining the interior of the governor's residence. We do this so that the taxpayers of New Mexico do not have to. So far with our fundraising efforts we have been successful and hopefully we can continue to relieve the taxpayers of this.

I thank you for the opportunity today to present to you the commemorative centennial ornament that the Governor's Mansion Foundation has created. This attractive ornament commemorates our statehood on January 6, 2012. On January 6, 1912 President Taft, as you probably already know, signed the statehood papers in New Mexico and officially New Mexico became a state.

We set out to create a unique design that would represent the cultures and symbols of the people of New Mexico. We think we have succeeded. The ornament is 24 carat gold plate, made in the United States. The symbols represent the Native American, Spanish and Anglo cultures. The Zia sign on each side is represented against old Spanish ironwork, and it's topped by the New Mexico sunburst. The ornament comes attractively packaged and with a nice enclosure card that explains the history of statehood and all of the symbols that are represented on the ornament. The ornament is available at some retail stores in town, the State Tourism Department on Old Santa Fe Trail, the two Christmas shops on West Palace, the American County Collection and at the UPS store on Guadalupe. In addition it is for sale from the directors of the mansion and Allegra and I will be downstairs this afternoon showing them and displaying them.

The New Mexican website will begin the end of this week to sell ornaments from their website, so you can go at the beginning of next week and order directly from them. The ornament makes an attractive gift for yourself, family friends or colleagues, and we urge you to take advantage and celebrate the centennial along with us. I thank you, but lastly may I issue an invitation for anyone here listening to attend the Christmas open house at the

Governor's Mansion. These take place the first and second Tuesdays of December, that's December 6th and the 13th from 1:00 to 3:00 am [sic]. The mansion will be open to the public. We will have punch, biscochitos and carolers there. So come and see the decorations and help celebrate the holidays as well as the centennial. Did you have a question please?

COMMISSIONER STEFANICS: Madam Chair.

CHAIR VIGIL: Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you. Thank you very much for your presentation. Now, you all were responsible for the ornament last year?

MS. CLARK: Yes, we were. That was the first in our series. Our intent in creating this series was to feature a notable image of New Mexico's history, a significant image every year. The first one last year was of the State Capitol building, the Roundhouse, which you've probably seen, and this is our second year, which will be this year and next year.

COMMISSIONER STEFANICS: Well, my question is, will you be continuing past ornaments for people who might want to create a collection? Because at some point in time apparently the capitol was sold out, the capitol ornament. So I just want the public to know, since this is televised and also on the radio for them to know.

MS. CLARK: At the present, we haven't decided to reorder last year's ornament. We have that option and it depends on the demand that we get. Some of our retailers, their customers have asked for it, but at the present time, since we are only volunteers and a small group of volunteers, all of our energy and resources have gone into the centennial ornament. It's possible that at the end of next year, if the response is great we may go back and reorder. The company that we order them from maintains all of the artwork. It's just a question of whether we can afford to carry two ornaments and then possibly one for 2013 as well.

COMMISSIONER STEFANICS: So Madam Chair, one other question. Are you all involved with the Centennial Ball?

MS. CLARK: No, we're not. There's a possibility that we may be selling ornaments there but we are not involved with the Centennial Committee here in town, and we have no involvement in that other than supporting each other verbally and helping whenever we can. But we are entirely – we're doing this entirely on our own.

COMMISSIONER STEFANICS: Thank you very much, Madam Chair. And thank you for coming.

CHAIR VIGIL: Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. Thank you, Lynn and Allegra for the presentation. It really truly is a beautiful ornament and I've gotten one of course. But you just gave me a brilliant idea about Christmas presents. So I can see what my family is going to be getting for Christmas this year. So thank you.

MS. CLARK: Well, I'll also mention, as you said, it's not breakable, it's not very heavy, it's easy to mail. So it makes good Christmas presents not only for local people but for those who are living throughout the state and the county. Thank you very much.

CHAIR VIGIL: Thank you.

XI. MATTERS FROM THE COMMISSION

A. Resolution No. 2011-173, a Resolution Creating Efficient Permitting Procedures for Small Scale Photovoltaic Systems to Support Increase Use, Installation and Economic Benefits of Renewable Energy Systems within Santa Fe County (Commissioner Holian)

COMMISSIONER HOLIAN: Thank you, Madam Chair. If I had to guess I would say that interest in renewable energy is probably greater in Santa Fe County than any other county in the state, although I don't know that for sure. But in any event I feel that we in the County should do whatever we can to encourage renewable energy projects because it's actually become an important part of our economy at this point. So one thing that we can do to encourage renewable energy is to create a process in our County that is user-friendly, and another thing that we could do is to have a permitting fee that is actually reasonable.

So one point I want to make that I think is really important to remember, with regard to the permitting process is that for any renewable energy system, whether it's solar, solar with thermal or wind, at this point in time at the State CID, anybody who wants to install one of those systems has to go through a very rigorous permitting process and inspection process, especially if the owner would like to be able to take advantage of the various generous, very generous state tax credits.

Now, what this resolution does is it sets policy. One, it directs staff to develop a permitting process with streamlined submittal requirements. Number two, it directs staff to look at other counties with regard to their permitting processes, especially with regard to how they do wind, since that's a little bit more challenging, shall we say. And finally, it also promotes affordability with the \$50 application fee.

Now, I want to also point out that with regard to the application fee and the streamlined permitting process that this is consistent with what the City is doing right now so that would bring us more in line with what the City does, so that it's uniform across our entire county. And I will also point out that at the last meeting that we had – actually the last work study session that we had on the code with regard to green building, I would say that there was general consensus that we should support incentivizing green building and I think that that's exactly one of the things that this particular resolution does. I would move for approval, Madam Chair, and I'd also like to mention that Randy Sadewic is here from Positive Energy. He's an installer. So if you have any questions I'm sure that he would be glad to answer them. Move to approve.

COMMISSIONER STEFANICS: I'll second.

CHAIR VIGIL: I have a motion and a second. Discussion, questions?

Commissioner Mayfield, then Commissioner Anaya.

COMMISSIONER MAYFIELD: Thank you, Madam Chair and Commissioner Holian or any staff here on behalf of this. Would this resolution potentially come into any conflict with any current ordinances that we have or say any neighborhood associations. One in particular comes to mind. I think some folks were trying to do some small wind turbines out in the Eldorado area. There was some opposition to placing those on their homes or on their properties?

COMMISSIONER HOLIAN: Well, actually – Jack, would you be willing to answer that with regard to consistency?

JACK KOLKMEYER (Growth Management Director): Thank you, Madam Chair, Commissioner Mayfield. At this point I'm not exactly certain of all the ramifications of some of these suggestions to all of our individual codes and ordinances, but it's our opinion that overall they don't. Of course we're going to be working on a new land use code and if there are any discrepancies or problems we will be able to take care of them at that time. Some of the issues in Eldorado may have had to do with their covenants and not the code so I don't know specifically what you're referring to, but we realize that there are some things that are currently a little bit out of sync, but as we move through this, which is to us the importance of this resolution is that we do have to look at the permitting process and to make sure things are in alignment. So I'm not sure. There probably are some discrepancies but we'll work through those and change those as we move forward in the code.

COMMISSIONER MAYFIELD: Thank you. And Madam Chair and Jack, so say on passive or active solar panels if somebody wants to put them on top of their home or next to their home for a private residence, there would be no conflict either?

MR. KOLKMEYER: The only conflicts that we kind of have again right now are the height restriction issues. And so if it's within the current height restrictions that we have we try to get those through the permitting process as quickly as we can right now. Where we run into some problems are when we have exceeded the height and then they do have to go through a process but that would be one of the things that we'd try to correct here as we move forward.

COMMISSIONER MAYFIELD: So Madam Chair and Jack, if this resolution passes – I'll support it; I don't see why it won't – what if somebody comes in, pulls a permit from our Land Use and there is a conflict with the code if you all haven't determined that yet? What's going to happen?

MR. KOLKMEYER: I'm sorry. A conflict with our code right now?

COMMISSIONER MAYFIELD: Yes.

MR. KOLKMEYER: Well, we'd have to take that probably through the variance process right now.

COMMISSIONER MAYFIELD: Madam Chair, Jack, why don't we try to flesh that out before we approve a resolution if there is any type of conflict?

MR. KOLKMEYER: Madam Chair, Commissioner Mayfield, that is partly what we're doing. If you pass this resolution today we want to have the Building and Development Services staff do a thorough investigation and look at where all the potential conflicts would be so we could work them out as quickly as possible.

COMMISSIONER MAYFIELD: Okay. Thank you, Madam Chair and Jack.

COMMISSIONER HOLIAN: Madam Chair, on that point, I would just like to add that this isn't really setting code. It's just directing staff to see what would be a reasonable way to do the permitting so that it was more streamlined.

COMMISSIONER STEFANICS: On this point.

COMMISSIONER MAYFIELD: And Madam Chair.

CHAIR VIGIL: Commissioner Mayfield. He's responding to the question.

COMMISSIONER MAYFIELD: No, and I appreciate that, Commissioner

Holian, what I want to make sure is when people come in and pull these permits hopefully they think they're a little streamlined, a little easier and then they hit another roadblock two days later, respectfully, maybe with fire code or somebody else. Saying, oh, wait a minute. You guys didn't say this. So that's kind of what I've been asking, that we point out all of those efforts from all of our departments and I will wholeheartedly support this and also would like to look at all of our permitting fees within Land Use. Thank you, Madam Chair.

CHAIR VIGIL: Commissioner Stefanics. On this point?

COMMISSIONER STEFANICS: Well, it is related to exactly what Commissioner Mayfield brought up, and I guess I'm going to ask Steve just to clarify once more. When neighborhood associations have covenants that might be in conflict with what we passed how does this play out?

STEVE ROSS (County Attorney): Well, Madam Chair, Commissioner Stefanics, things that are contractual arrangements between property owners and their neighbors, enforced through an association are under no control of ours. So if we have inconsistent – if we have a code requirement that says something, that permits somebody to have, say, a 35-foot structure, but the covenants only permit a 20-foot structure, they can put up a 35-foot structure and not be in violation of our County ordinance but they might run afoul of their neighbors and those contractual arrangements they've entered into.

COMMISSIONER STEFANICS: And so if those individuals, Madam Chair, did run afoul of their own covenants it would be up to them to go to court or –

MR. ROSS: Correct.

COMMISSIONER STEFANICS: Okay. So anything that we would pass would still protect neighborhood association or development's covenants.

MR. ROSS: Yes. We can't abrogate private covenants no matter what we do.

COMMISSIONER STEFANICS: Thank you.

CHAIR VIGIL: Commissioner Anaya.

CRAIG O'HARE (Energy Specialist): Madam Chair, I just wanted to clarify element in case there was any confusion with respect to Commissioner Stefanics' question and that is –

COMMISSIONER STEFANICS: I only asked a legal question please, and our County Attorney answered it. I think that's it. Thank you, Craig.

CHAIR VIGIL: Okay, Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, I could be supportive of the resolution by Commissioner Mayfield said what I was going to say. I think we want a streamlined process that mitigates and helps people through the process of permitting regardless of what they're applying for. I think everything we do as a County as we're going through the code, the permitting process that we should look to streamline it overall. And so I support the resolution but I think we need to look at everything, not just energy efficient mechanisms. I do support the resolution. I just think it's better and I think that's what we're doing. So, ditto, Commissioner Mayfield.

MR. KOLKMEYER: Madam Chair, may I respond to that very quickly? We don't, just from – our Building and Development Services Division just informed me that right now we have no conflicts with the permitting process right now. We're using an expedited permitting procedure and we're getting out all of the PV and energy permits that

come to us within three to five days. So my comment was if there are other things that we need to be aware of we'll make sure that we ferret those out and streamline them. And again, Commissioner Anaya's point, we'll do the best we can to streamline that. Thank you.

CHAIR VIGIL: Okay, I have a motion and a second.

COMMISSIONER HOLIAN: Oh, Madam Chair, one more thing. I wonder if I could ask Randy Sadewic to come forward and just sort of – just make a few comments from his point of view as an installer. This is the reason that I brought this resolution forward in the first place was because I had a request from the installers that there were – well, it could be improved. Let me put it that way. So Randy, would you like to make a few comments?

RANDY SADEWIC: Madam Chair, Commissioners, Positive Energy employees about 30 employees in the county and we – through the evolution of solar which is just really in the last two or three years that the incentives have kicked in, there have been no building codes, no standards. In some cases inspectors didn't even know what they were looking for. So in the last couple of years the City of Santa Fe in particular has focused on this and they did come up with some standards that were based on standards that were previously used in areas in the country where there is a lot of solar and they had established standards.

So this – when we first started in the county we were paying hundreds of dollars for a solar system and it was taking weeks and weeks and we were in some cases in jeopardy of a client not being able to take advantage of tax credits because we simply couldn't get a permit in time and then we couldn't get it through. It was taking three, four weeks – even longer for us to get this in for a relatively straightforward system. And so this is a very important move that would help not only the consumer but the industry, and it's also collaborating with other jurisdictions that have some experience with this. So it's moving everything in the right direction. Thank you.

CHAIR VIGIL: We just heard that staff told us that there's about a three-day turnaround. Are you contesting that now?

MR. SADEWIC: We have plans for different jurisdictions and the last time that I had checked on that I was told to plan for about two weeks, two to three weeks, so I'm not sure if this is just one section or more than one section that he's referring to there. But we're planning two to three weeks right now to get a permit at the County.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, on that point, I think I'm supportive of the resolution and trying to streamline permits and at the same time I think that all permits by any individual that comes into the County should be given due process so that they are treated fairly and equitably. So if somebody came in for a building permit and somebody came in for an energy – a wind turbine on their house after, I would want to see that other one – the wind turbine application get put in front of the building permit. I think what we're overall talking about is efficiencies across the board and I think after I heard from staff they do their best effort to get permits in and out. And I'm supportive of that. I'm supportive of Commissioner Holian's resolution but I don't want to send the message that we're going to put these permits in front of anything else.

Because I think anybody who walks through the doors of the County wants to get their permit ASAP. They want to come in, they want to get processed and get their permit

and get out. So I think it's a balance and I think the County's working on that. You made a comment at the beginning that I want to clarify for the record from my perspective about ratings and inspectors. That's not contained in this resolution and I have my own concerns that I've echoed and put forth about adding another layer of inspectors and requirements in the County. That's something that we're discussing in the code. But I just want to clarify that this is just talking about streamlining our permitting process and the rating and the inspectors, that's a separate issue that I said I don't want to create a new bureaucracy, if you will. I want to work with the State and have them try and do their job. I just want to clarify because you brought that up at the beginning about inspectors and people not being aware of some of the requirements, so for clarification purposes I wanted to make those points. But thank you. Thank you for your comments.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Madam Chair. Mr. Kolkmeier, what's the current fee? It says it would be no greater than \$50. What would the current fee be for a permit like this? What would it cost?

MR. KOLKMEYER: Madam Chair, Commissioner Mayfield, I'm not sure. I'd have to look at the fee structure again. But it's more than \$50. I'd have to go – because it depends on the project and I'd have to get that information for you.

COMMISSIONER MAYFIELD: Again, Madam Chair, Jack, I'll support this resolution. I want to support this resolution. I hate to rehash old subjects but I know there was a huge concern. We talked about the fee, say for our land use fees where there was a whole financial analysis done on the impact to the County of what that potentially could be. I don't know how the application permits are coming through. I don't know if these fees are currently \$500 or if they're currently \$20. But I think that's something that should be analyzed also. And again, I would like to support this resolution to move forward. My last question though as far as this resolution, the way it's structured. There's no mention and maybe there's not small geothermal projects in people's homes. Is that not going to be incorporated if they wanted to try to do that?

MR. KOLKMEYER: Madam Chair, Commissioner Mayfield, I believe we wanted to look at all aspects of alternative energy and that would be one of them. I don't know off the top of my head that we've had a geothermal project come forward at this point but we should have that on the list in case that's an opportunity.

COMMISSIONER MAYFIELD: And Jack, the reason I ask that is I kind of went to some of these water seminars that they've had next door at the Hilton, and I see like some of these companies that are showing how to do all the piping of your water supply down through the ground and using the ground to heat that water and put it back up into the house, and I don't know if folks have to come in for those permits, if that's in the initial design permit application process, if that's a supplemental permit they need to pull from us. But that would be something else to look at.

MR. KOLKMEYER: My staff is just commenting that that would be possibly through the State Engineer and the CID as well, so ours would just be to permit the development of that rather than if there are construction or building elements that need to be again approved that would be another function.

COMMISSIONER MAYFIELD: Thank you, Jack.

MR. KOLKMEYER: Thank you, Commissioner.

CHAIR VIGIL: Any other comments? I guess I'd like staff's input. Go ahead.

MR. KOLKMEYER: I love my staff. They just come right to my rescue.
Between \$245 and \$300 is currently the fees that we were charging.

CHAIR VIGIL: For what?

MR. KOLKMEYER: For residential development fees.

COMMISSIONER MAYFIELD: Thank you Madam Chair, and Jack, on that point, how many development fees have we had in the last year requested?

MR. KOLKMEYER: I'm going to turn this over to Wayne so he can answer the question for you.

WAYNE DALTON (Building & Services Division): Madam Chair, Commissioner Mayfield, we've been processing probably in between three to eight applications every two weeks. Quite a few. Probably about three a week.

CHAIR VIGIL: Wayne, what is your current cost on that point? What is your current cost for processing photovoltaic and solar? Small-scale request.

MR. DALTON: Madam Chair, Commissioners, the fee would be in between \$245 and \$300.

CHAIR VIGIL: For small scale.

MR. DALTON: Yes.

CHAIR VIGIL: And what's considered small scale? One, three?

MR. DALTON: Roof-mounted units, we've been getting roof-mounted units, so they're pretty small facilities.

CHAIR VIGIL: Is small measured by amount of solar voltaic panels, or is it – how is small-scale measured?

MR. DALTON: It is looking at a couple of panels, Madam Chair. We'd be looking at five, six panels.

CHAIR VIGIL: Okay. So is the \$50 cap appropriate here?

MR. DALTON: Madam Chair –

COMMISSIONER HOLIAN: Madam Chair.

CHAIR VIGIL: Did you want to address this?

COMMISSIONER HOLIAN: That brings us in line with what the City is doing.

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Commissioner Holian, I'm still going to support your resolution, but this is the second meeting that we've had a resolution that has fiscal impact associated with it that I think is not the appropriate mechanism to convey fiscal impact, because there's many other things that we need to evaluate in line with those fiscal, those financial reviews. So I think as we move forward I think our manager and our attorney should probably help us, maybe give us a little more direction on issues like this and if need be things could be brought forward in ordinance format as opposed to the resolution format. The resolution format is more suggestive than mandatory.

So, help me out. We had this discussion at the last meeting and maybe at future meetings we could figure out how to tackle it. Otherwise, if we go on the pattern of utilizing

resolutions to do this we're going to have other Commissioners that may bring forward resolutions to deal with budgetary issues and we may end up regretting it later.

COMMISSIONER HOLIAN: Madam Chair, exactly on that point. This resolution does not change the fee. We would have to pass an ordinance to change the fee.

CHAIR VIGIL: I guess I need some clarification on that because I just heard an answer to my question that the fee is currently \$240 and now we're saying a cap for \$50. Would you clarify that?

MR. KOLKMEYER: Yes. Madam Chair, all of our fees are done through a fee ordinance. This is why when we've had these conversations in the past, Commissioner Mayfield, that we've suggested through the Growth Management Plan the changes that are being suggested for the code that we hold off on these so that we can do all of these fee adjustments through a fee ordinance. So relative to your point, Commissioner Anaya, these changes for the fees would all have to be made through a fee ordinance.

CHAIR VIGIL: Commissioner Holian, would it be appropriate to consider an amendment on item 4 that creates this cap for \$50 to say an application fee that does not exceed a reasonable amount in comparison to other applications for a small-scale PV and wind – in comparison to other providers, I guess?

COMMISSIONER HOLIAN: Well, Commissioner, actually, there were two things that I was aiming for. Certainly one is to streamline our process but also to become consistent with what the City is doing. The City really does purposely try to encourage solar. And so the \$50 fee is in line with what they're doing. And I think that there is an argument to be made for having the fee for that be consistent across the entire county including the city. Because we don't want it to be harder to install renewable energy projects in the unincorporated area than in the incorporated areas.

And the other thing is is that particularly with regard to renewable energy, we really don't have that much of an inspection process. A lot of that is done through CID. They really do the heavy lifting on this and we don't have to do all that much.

CHAIR VIGIL: I would just – and I'll just do it, because the testimony I'm hearing is saying that this probably should be treated equally as all other fees are through a fee ordinance and all of them should be reviewed appropriately for appropriate assessment. Katherine, did you want to address that?

MS. MILLER: Madam Chair, this item as a resolution would not change the fee. It's direction to incorporate these changes into the code to change this particular fee in the code, but as Jack says, the ordinance is what sets the fees, so this would not change the current fee, but direction when we bring the fee ordinance back with code that this particular item be looked at to be changed. So that's how staff is looking at it, that this is a policy direction by the Commission to re-evaluate this as we go into writing the code and that this particular application fee, which is not the same as inspection fee and all the others, be \$50 when we bring that back to you. So your passing this resolution as it's written right now would not change the fee but give us direction to –

CHAIR VIGIL: So is this an additional fee?

MS. MILLER: No, it's the application fee?

CHAIR VIGIL: So what is the \$240 fee that was testified to?

MR. KOLKMEYER: Madam Chair, again, this is a really good question because it's an application fee, but an application has several parts. It can be at the time a particular person is processing the application has to spend on that. Do we need to do an inspection, and then there is the development permitting issue. So what we need to look at and the reason that this is important and that we do it through the fee ordinance so that there are several other fees that we've talked about. So we need to take a real careful look at exactly what staff needs to do to take care of that particular application. If there are things we no longer need to do, if there don't need to be inspections for some reason. For example, if we got drawings that were appropriate to a ground-mounted system for example, we may not need to do an inspection on that. But right now we're charging an inspection fee.

So we need to go through that, look at all the aspects of how we've arrived at fees that have been done over the past few years and just simply renegotiate and relook at them. There's probably a number of them that we can change to make them fair. So that's how we determine the fee at this particular time.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, I want to go back to the discussion that we had at the code development meeting that talking about green energy. We had a lot of discussion; we got into HERS rating and got into costs associated with that. And we started talking about getting feedback and heard a lot of feedback from, you know, what are the added costs or what are the existing costs. Not just added costs, but existing costs to work in the county, to get permits and do fees. One thing I said there and I would say here, and I think this is going to entail a broader review, not a one-by-one review. I think we need to look at everything as has already been suggested.

But one thing I did say was if we are going to talk about incentives and really trying to get people to do renewable energy for example, and we say, for example, just to use this as an example, if you do renewable energy, you're going to have a greatly reduced permitting cost overall than you would otherwise. I think that's something that I would like to hear more about. If we said, if you're going to build a house and you're going to have some renewable energy component attached to it then maybe we should really incentivize you not having a permit fee at all, potentially.

Because that really cuts to the chase on really what the costs are. But on the other hand, if we're going to isolate certain issues and say it's only renewable energy and all of the rest of the permitting costs stay the same, then I don't think we've given equitable treatment across the board to all fees. So I'm going to say this. I'm going to support this resolution but I'm going to be real cautious on any other resolutions that come forth from any of my fellow Commissioners that try and put in place that we're going to have a certain lower fee or that that's where the discussion starts. Because otherwise I think we can do this every meeting. We could have resolutions coming forward from different perspectives.

So I think the point's already been beat to death but I would support incentivizing construction but not just renewable energy but overall construction so all fees get reduced, not just that one component.

One last point. I've been talking to some people in construction a lot on our code and it's expensive to get permits to do anything anymore. It's expensive at the state level, at the County level. It's not cheap. It's a significant amount of money that costs people to come in

and get permits to do projects, so whatever we can do to help defray that I'm all for that and especially if we can do it in a way that incentivizes things across the board. Thank you, Madam Chair.

CHAIR VIGIL: Okay. If everyone's spoken, I know Commissioner Stefanics wanted to be here for the vote. Could somebody summon her? Go ahead.

COMMISSIONER MAYFIELD: Thank you, Madam Chair and Jack. I'm going to bring up a point on Commissioner Anaya, what he just addressed and Commissioner, hopefully, if I can bring a resolution forward to reduce the fees, if our SLDP, our plan takes another who knows how long? I wouldn't totally be shut out. But Jack, that kind of goes back, and I know we're talking about this, it goes back to this fee that we're charging for miscellaneous fee. Again, it's no reflection on your department. You guys are only doing what the ordinance is telling you to do, but a fee ordinance, but if for example we have something where somebody is trying to do something and there's no fee structure for it, they're just getting tagged into the miscellaneous fee and I think that fee is in excess of \$400. That would be something, Commissioner Anaya and Commissioners, that I may try and bring back before this SLDP moves forward respectfully hearing what our Manager Miller just said and that this may be the process or the venue to try to direct staff to how to already establish what the fee will be for certain permits. And I just want to make sure that I'm the front burner in trying to address some of these fee issues and not on the back burner when the whole plan comes up when the whole plan comes up or the whole SLDP. Excuse me, what are those – the CDP comes up and you say, well, Danny, these are the bigger picture so we're just going to kind of lump it in to leaving it as a \$400 miscellaneous fee for whatever doesn't fall into I guess a County-specific inventory list. So just for that I may bring some other fee structure back. Thank you, Madam Chair. And I'll wait for Commissioner Stefanics.

CHAIR VIGIL: Well, I have to say that this is a concern for me. I wonder if you would reconsider, Commissioner Holian, that this might set a precedent for establishing caps on fees. As to what Commissioner Mayfield just said, he would not hesitate after enacting this to bring forth caps on other fee structures. And that would be a concern to me. I recognize that this is somewhat unique to the extent that we really do want to make it affordable. I think we could probably keep it at \$50. I'm concerned about establishing and taking a vote on a cap without really – the purpose of the resolution is to have staff study this and make a proposal to us in terms of improving – or at least to the County Manager, in terms of improving the process for the permitting.

But I don't know that \$50 is going to be proposed once this study is made. Maybe it will even be less. I don't know. So that that is what concerns me. While it is aligned with the City, I recognize that that is an equitable argument, I'm wondering if you would reconsider putting in language in there that says that the fee is a reasonable fee for each application.

COMMISSIONER HOLIAN: Randy, would you like to comment on that in particular?

MR. SADEWIC: Madam Chair, Commissioners, the fees right now in Santa Fe County are some of the highest in the state for us. We have four offices. We are located in Taos, Santa Fe, Las Cruces and Albuquerque. So the fees for the county are the highest and in addition to that we pay CID fees for the electrical inspection. So that's just what we are experiencing here in the county and that's the reason we were concerned about this difference

between, in particular, the City of Santa Fe which has one inspection fee for everything and then the inspection fee we have we pay CID and we pay the County an additional high fee for processing the application.

COMMISSIONER MAYFIELD: Madam Chair, on that point.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Sir, I'm sorry. I don't know your last name.

MR. SADEWIC: Sadewic.

COMMISSIONER MAYFIELD: Madam Chair, Mr. Sadewic, on that note or on that point, have you had to turn away a bunch of potential consumers, say, because they say, look, we just can't afford this extra \$350 to do this?

MR. SADEWIC: Good question. We had a recent individual that wants to expand their system that they did and they are not going to go ahead with this system because I told them they would have some fees and the cost of the fees proportional to the amount of money you're investing is high in his opinion so I do have one example of that.

COMMISSIONER MAYFIELD: Thank you.

CHAIR VIGIL: Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Madam Chair. I do think that what everybody has said is very relevant. I think the impact upon the entire budget needs to be looked at. I think we have the loan program we've been trying to work out, and if we had the loan program it might in fact assist people with fees, but the systems that we're talking about are usually \$20,000 to \$40,000. And when you think about what people are paying right now, even though I first went, oh no. Another couple hundred over, it's a couple hundred compared to the \$40,000 or the \$20,000.

So I think that the recommendation for reasonable fees might be in keeping with what some of the members here have said. I think all of us want to encourage alternative energy use. So that's my only comment. Thank you.

CHAIR VIGIL: So would you consider it? I think that the rationale would be to make it affordable. We looked at the number \$50, however, is it fair to set that number without having more information, I guess.

COMMISSIONER HOLIAN: Well, Madam Chair, I think that we haven't set the \$50 in stone here, but I guess I would be amenable to saying to looking at a fee that is commensurate with a more streamlined process. Presumably a more streamlined process would require less fees, I would think. And also to say that we want a fee that incentivizes renewable energy installation. I'm willing to let it be a little bit more general.

CHAIR VIGIL: Okay. Oh, creator of the language, Steve Ross, have you been working – I would say that that would be an amendment that would read to promote solar and wind system affordability, Growth Management staff shall establish in the SLDC an application fee that is commensurate with a more streamlined process, and a fee that incentivizes the promotion for small-scale PV and wind systems.

COMMISSIONER ANAYA: I'll second if that's a motion.

CHAIR VIGIL: That's an amendment. Are we going to vote? We can vote on the amendment. Is that about right, Steve? If any clerical clarification has to be done I include that in the amendment. All those in favor of the amendment signify by saying aye? Any opposed? Motion passes.

Now we're going to need to vote on the main motion which is on the Resolution 2011-173.

The motion passed by unanimous [5-0] voice vote.

COMMISSIONER MAYFIELD: Madam Chair, may I ask a question clarifying something. Madam Chair, Jack, so if x-individual or x-homeowner comes in for a development permit fee for a single family residence and they have in that development plan they've put in say, a photovoltaic system to be included, would that then get streamlined to the arguably three days or does this have to be whole separate addition of photovoltaic cells to an existing home?

MR. KOLKMEYER: Madam Chair, Commissioner, we consider that a part of the whole project.

COMMISSIONER MAYFIELD: Thank you. So now applicants can have a streamlined application permit if they have photovoltaic or wind attached to their house? And the initial development permit.

MR. KOLKMEYER: In that case it would be 15 working days.

COMMISSIONER MAYFIELD: Fifteen?

MR. KOLKMEYER: Yes.

COMMISSIONER MAYFIELD: Okay. Thank you.

CHAIR VIGIL: Thank you very much.

XI. OTHER MATTERS FROM THE COMMISSION

CHAIR VIGIL: Let's start with Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Madam Chair. I just wanted to make a comment about one of our Consent items. I noticed that a gallery opening donated funds to our fire operations, and I'd like to congratulate them very much. It was the Janine Contemporary Art Gallery. That was very gracious on their part.

Then I would request, and this is a request, Katherine, that we have a report on all vacancies, all commissions, task forces, etc. and maybe have a goal of filling those by January, if that's not unreasonable. So that would be about a month and a half from now. Is that manageable, Katherine? To get vacancies completed on commissions? Okay. Thank you very much. That's all. Thank you, Madam Chair.

CHAIR VIGIL: Okay. Commissioner Anaya, Matters from the Commission.

COMMISSIONER ANAYA: Thank you, Madam Chair. I just wanted to report that I appreciate all the efforts that have been ongoing for La Bajada but they currently are under a water boil mandate from the Environment Department, so I want to put that on the record so that hopefully we can encourage the Water Trust Board to help fund the application that we put in.

I would like to – I've had several conversations with Ms. Miller, one recently related to capital improvements. I met with Captain Ehl from the Fire Department a few months back from the training academy and we have – that training academy over there has a pond, actually the largest source of surface water in that area that used to be a pretty well groomed

and maintained pond. It's used for emergency suppression but what the Fire Department has done is they did an assessment on the pond and they're trying to figure out how to restore it and potentially use it for educational purposes in addition to its use as a fire suppression source. So I would like to make sure that we, if we don't already have it, fine, but I'd like to make sure that we have that on our priorities on our capital priorities. Captain Ehl talked about it being a source for the schools and the kids to be able to go utilize for the science programs and training throughout the county, not just in southern Santa Fe County and other potential educational uses.

I brought up in the Healthcare meeting and I want to put it out to the rest of staff that we're going to try and work closer with the Moriarty and the Edgewood schools and our own signs that we have throughout the county that we use their electronic message boards and signs at the schools for other notifications that we have regarding meetings and other things like the mobile health van and senior services to get the word out. We asked them to also work with the schools throughout the county, so I wanted to make that public comment.

I also wanted to publicly comment that Representative Rhonda King has been actively participating on the Juvenile Justice Board in the southern part of the county in coordination with other areas – Bernalillo County, Tarrant County, Town of Edgewood, City of Moriarty, and would like to get more involved in that Juvenile Justice Board with them in providing services for kids.

On the 12th of this month I'll be attending a meeting in La Cienega with the La Cienega Community Association with the Mutual Domestic water representatives as well as the ditch association to give them some background. This along with staff. I'm hopeful that the manager will be able to attend as well as maybe some of the staff to give them some background and information relative to some of the preliminary discussions we had on La Bajada Ranch.

I also want to bring up the resolution. We said we're going to bring the resolution up next meeting to support releasing more effluent water into the river to augment the agricultural needs for La Cieneguilla and La Bajada.

Mr. Martinez, Robert, quick question if I could. County Road 55-A, I know we've had discussions along Highway 14, has been a priority area for us to figure out drainage issues. Could you give me a little background on the history? I think this affects the area close to Commissioner Stefanics as well, but I know it's been on the priorities. Kind of where is it and what do you know about that particular project?

ROBERT MARTINEZ (Roads Division): Madam Chair, Commissioner Anaya, there's two issues on County Road 55-A. The first part is the drainage that comes off of New Mexico 14. County staff has met with the DOT several times regarding the drainage that comes off of 14 and goes on to County Road 55-A. A couple of the residents at the beginning of 55-A have been flooded out due to the drainage off of 14 and we have requests from the DOT to divert their drainage further on down New Mexico 14 as opposed to dumping it onto 55-A which apparently is the historical drainage area. We've been unsuccessful with getting results from the DOT regarding doing a drainage study or drainage analysis and their diverting the drainage on down further on 14.

The other issue on 55-A is we do have a project slated for County Road 55-1A. Approximately six years ago we hired Miller Engineering to do a design to deal with the

drainage and pavement improvements on 55-A. The engineer's estimate at that time was \$2.8 million. We have not had the funding to proceed with that project. We have applied for stimulus funding. We've applied for capital outlay, but we've been unsuccessful. So this continues to be a project on our list that is currently unfunded.

COMMISSIONER ANAYA: Madam Chair, Mr. Martinez, and I think we've had this conversation before, but who was representing the County on the RPO? We have the MPO covered with representatives from the Commission, but who's going to the RPO meetings which is one of the mechanisms for planning that the DOT uses to get projects on the priority list. Do you go?

MR. MARTINEZ: Madam Chair, Commissioner Anaya, I do not attend. I believe, and I could be wrong, but it could be Andrew Jandecsek From the Planning Section that attends the RPO.

COMMISSIONER ANAYA: Madam Chair, Mr. Martinez, Ms. Miller, I think we need to have some evaluation from you relative to Andrew's participation at those meetings dealing with the transportation issues, but maybe we need to have some more representation from the County there. I've expressed that I may even like to participate in that RPO because there's various road issues that come about throughout the county. So if we could maybe get some more background on that and I want to keep that on the priority list.

The other thing is in the southern edge of the county by Edgewood the Town of Edgewood is represented on the planning organization that works with MRCOG. Is that your understanding, Mr. Martinez? That's with the Mid-Region Council of Governments?

MR. MARTINEZ: Madam Chair, Commissioner Anaya, I do not know that answer.

COMMISSIONER ANAYA: Could you help me in some discussions with Ms. Miller and the Department of Transportation? Because the County is in that sector I believe the Town of Edgewood sits on that planning group, and we don't have any County representation and maybe we need to, and maybe we need to request that because their planning RPO would be the entity we would utilize for road and arterial projects, connectors, in that southern part of the county. So then we'd make sure at least we're at the table and part of the dialogue in those funding decisions. This might help us get some projects like 55-A up here and other projects down there funded.

One more question, Mr. Martinez. Could you speak to the San Marcos Station, how the construction is coming along?

MR. MARTINEZ: Madam Chair, Commissioner Anaya, the site improvements are substantially complete. We have an inspection slated for this Thursday to go over any punchlist items. We are expecting for the site improvements to be complete within the next couple of weeks and possible open for business. The problem that we have is the office trailer, the bids were due today at 10:00 and we did not receive any bids for the office trailer. So we are going to be rebidding that out possibly, I believe it's next Wednesday, is the earliest that we can get it in the *New Mexican*. We also have an RFP out for the solar aspect of the transfer station. But the site improvements will be done within the next week or so.

COMMISSIONER ANAYA: Thanks. One last thing, Madam Chair, on Public Works. We have a meeting scheduled that you're going to be attending as well as the

manager and some other staff to talk about some of the coordination efforts with the Town of Edgewood and working with them on the roads and how we can memorialize some of the items we do formally through either a memorandum of understanding or incorporating within our joint powers agreement. So I appreciate your attendance at that and whatever advance preparation we could do leading up to the meetings so when we get there we're, relatively speaking, hitting the ground running, if we can, would be appreciated. But I thank you and the Public Works and the Road Department for their efforts.

MR. MARTINEZ: Thank you.

COMMISSIONER ANAYA: Those are all the items. One last thing, a resolution to add 20 employees to the Road Department, I'd be looking for a second on that.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Madam Chair, and thank you all County staff for everything you do. Madam Chair, and maybe this is going to be directed to Mr. Pacheco, if you could help coordinate this. I was recently, I'd say last week or the week before last, at a neighborhood watch meeting at our El Rancho Community Center. One observation I made again was the issue of keys of trying to get into the facility. Mr. Pacheco, maybe they called you, maybe they didn't. I don't know. But also there's a gate at that facility and what was initially when I was out there with the Sheriff's Department, we don't have a Knox lock – if I have that terminology wrong – so I would ask that we look at that community center or any other community center or County-owned building where there is an additional exterior gate where there's not that Knox lock for either our Fire Department or our Public Safety Department, such as our Sheriff's Department. So maybe you could just coordinate that with the appropriate departments.

RON PACHECO: Madam Chair, Commissioner Mayfield, I'm aware that he had discussions about changing that lock specifically at El Rancho because currently, Madam Chair, Commissioners, El Rancho is the only community center that has a gate that we actually lock. The Bennie Chavez Community Center also contains a gate, however, we don't lock that gate. And, I can tell you, my understanding, Madam Chair, Commissioner, is that we are planning on changing that lock to be accessible by emergency personnel. And I know that it is something that we discussed and I will go back and find out where it is in the planning stage, Commissioner, and report back to you. However, I know that we've discussed that issue and it is my understanding that it is to be done.

COMMISSIONER MAYFIELD: You don't have to report back to us. It's a safety and if we can get it done I would appreciate it.

MR. PACHECO: Yes, sir.

COMMISSIONER MAYFIELD: Thank you, Madam Chair and Mr. Pacheco. Madam Chair, I have had a brief discussion with Mr. Ross. I received an email I believe from a gentleman by the name of Cal Armer. Steve, would you mind giving a quick update on the status of the REDI Net JPA. I think there might be a little bit of a hiccup and I don't want folks out there saying Santa Fe County is the only group by something that you've identified to help protect Santa Fe County but is the only entity that has not signed onto to this JPA.

MR. ROSS: Well, Madam Chair and Commissioner Mayfield, as we discussed earlier, I took a look at the REDI Net JPA in preparation for it being placed on an

agenda and noticed that it has an exclusivity clause in which is a paragraph that requires Santa Fe County to hook-up to broadband through REDI Net for all of our broadband needs. And that seemed inconsistent with what I was hearing about the proposed system that we would only hook-up a couple of fire stations up north. So I contacted the executive director, and sure enough, that is the case. I think the exclusivity provision is a vestige of whatever agreement they used to construct that agreement and it doesn't really state what the actual situation is. So, I'm planning on asking him if we could just strike that and put it on an agenda.

COMMISSIONER MAYFIELD: And we'll bring it on the next agenda or something?

MR. ROSS: Correct.

COMMISSIONER MAYFIELD: Thank you, Madam Chair. Thank you, Mr. Ross.

Real quick, Madam Chair and this would probably be for Mr. Ross or maybe Ms. Miller. But a couple of questions. One surrounding the Aamodt and the other surrounding the Top of the World. Aamodt, I ran in at a community as a matter of fact on our SLDP plan I ran into some of our community members out there who are attending, I guess, the litigation meeting to codify the agreement that everybody signed onto – and I don't know if there's another term for that agreement, Mr. Ross, or if we're going to call it the new codified agreement that is moving out there. But one thing that they brought me and then through an email that I received; that, one, they were going to bring something to the Commission to the next meeting. That's one that the residents brought to me that they indicated that was stated at the Roundhouse. And then, two, an email that I received from Mr. Utton indicated that the Santa Fe County is planning a Monday, December 5th meeting from 3 to 6 at the County Public Works building and the purpose of this meeting will be to discuss project pipeline alignments, construction costs, and the County portion of the water system; is that meeting happening? And, if it is, that's great, I'm happy we're having it. It is open to the public. And also I'd like one of these public meetings to be held up in the northern part of Santa Fe County, at least one or two because I have had constituents that have called and said, Look, Danny, you guys have not had enough meetings of what's going on with the Aamodt. And, I said, Guys, no, we have. We have opened up everything that they've been talking about with litigation but they said, and I think that maybe Mr. Ross or Ms. Miller that you've talked to a couple of these constituents also, that they've asked for some more of these outreach meetings before the County formalizes the agreement. And I just want to know if the December 5th meeting is a public meeting and if you all are planning on having any meetings in the northern part or for that matter, throughout Santa Fe County as this will affect all Santa Fe County residents.

MR. ROSS: Madam Chair, Commissioner Mayfield, taking the last subject first. That is a workshop, that meeting here in Santa Fe. It is correct, it is a public meeting and anyone is welcome to attend. It is not an educational meeting. It is actually a roll-up-your-sleeves workshop to try and figure out some of the capacity issues that have surrounded our part of the project, the County part of the project, for at least a year. We're going to have our engineer there from Albuquerque, and of course, Mr. Utton is conducting the meeting. Mr. Guerrerortiz is going to be there and we're all going to sit around and discuss the

problem and try to come up with some solutions. So it's not an outreach meeting. It is actually a working meeting to get to the bottom of some of the issues.

Now the earlier topic concerning, I guess the meeting that you were referring to are the meetings that the Bureau of Reclamation has been having and there has been some information conveyed there about the next steps that the County needs to take. And we have the 14-page spur chart that we're working through item by item. And one of the first items on there is for the parties to amend the settlement agreement to conform to the federal legislation that was signed into law last year and that's number one. And, two, and that be cost sharing and system integration sharing agreement which is also called for in the federal legislation. And, three, discuss the purchase agreement which we already have a draft of from the Bureau of Reclamation for the Bureau's purchase of the Top of the World water rights. So those three items have to come before this body and we were planning, tentatively planning, having all three of them on the December 13th agenda. But in the subsequent discussion with the manager, we realized that December 13 is getting really loaded up so a lot of items because there is only one meeting in December, so we decided that we would try and schedule a three-hour workshop with the Commission probably in conjunction with one of the regular meetings in January or February to discuss these three items in details and –

COMMISSIONER MAYFIELD: And, thank you, Madam Chair, and, Steve, those are three huge items as far as I am concerned. And that's why I was hoping we would have some outreach meetings with the community prior to the Commission acting on those. I may get consensus. I may not get consensus. But I for one, would like to see some outreach meetings happen, at least one or two, before those three topics come up to us. Sizing the system is going to be huge and paramount for the Santa Fe County in my estimation and my belief of what we're going to do for the future. And, again, if all of these parties sign off on the modified – I don't want to say it's a modified settlement agreement but if all parties sign off on the settlement agreement or confirm to or conform to whatever changes need to be made, and that's a huge document that you know is going around, Steve. I don't know. Were you planning on doing these outreach meetings prior to that? I don't think you were if it was going to come forward potentially December 13th or, excuse me, is this December 5th meeting, even though it's a workshop, I guess the parties, the interested parties could attend this workshop meeting also; right?

MR. ROSS: Absolutely. Like I said, it's a working meeting and anyone who thinks they can provide input is welcome to attend. The purpose of the meeting, obviously, is to start discussing these issues. Now these issues do not have to be resolved before we do the two agreements I've just spoken of because the terms of the agreement provide that the County has flexibility of sizing the system up until the implementation of the final design which could be five or more years from now. But we do need to start discussing it for the important reason that people making the election later this year on the form provided by the federal court need more information than they currently have about when and where and how the system is going to be conceived for the County-only system. Now, I think Katherine wanted to address the public outreach issue.

COMMISSIONER MAYFIELD: Thank you.

MS. MILLER: Madam Chair, Commissioner Mayfield, as a matter of fact, Steve and I have a lot of conversations about what needs to be done. And, one of the first

things that I thought is that the entire Commission be brought up to speed with all of the pieces of the agreement that need to be redone and then also what relative to sizing the system from the County's perspective what the Commission would like us to do relative to outreach. I even asked that Steve be put in touch with some of the people from the community that have expressed interest and concern to ask them what avenues that they would like to see. There have been a couple of – we want to have townhalls all over the place, but we want to make sure that we have constructive meetings to get input from the people in the community that would be affected. Either to sign-up not sign-up and educate them about how this needs to move forward and anything that BOR is going to do to educate them in the type of information or questions that they're going to be asked. Part of the study session and part of Steve and I were going to work on over the next month is finding out all of these pieces and then coming to you, hopefully in early January, with this study that says these are all the things that are kind of out there and the next steps for the County and what we probably need to do in the community. So one of the things was to ask you what you want you'd like to see but also to ask some of these people who have been participating in all of these meetings, what do they think would be the most effective way to get the information out to the community and get feedback to the community. Because having meetings where only two or three people or having meetings where people are arguing about something that passed is not what we want. We want to actually get to the specific questions that we need to have answered for you to make a decision on how we size the system for the County portion.

COMMISSIONER MAYFIELD: Thank you, Madam Chair, Ms. Miller –

CHAIR VIGIL: On that point, could I defer to –

COMMISSIONER MAYFIELD: Sure.

COMMISSIONER STEFANICS: On this point, thank you for bringing that up, Commissioner. I'd like to have maybe all the Commissioners provide topics for study sessions to the County Manager and for us to prioritize them. I'm starting to hear quite a few study sessions and so I just want to make sure that we are all onboard about making the time to do the two or three hours on each of these topics because there are going to be several coming up. We've talked about affordable housing. We're talking about water. We've talked about the Code still coming. We've talked about some other things so I'd like for us to have some way of getting all of them on the table and prioritizing because January and February could be very busy with the legislative session as well.

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Yes.

COMMISSIONER ANAYA: Madam Chair, on those multiple points. We had a discussion in the Affordable Housing meeting this morning, and I think, my suggestion would be that there is a lot of detail associated with everyone of these issues and we may need to think about having smaller working groups that include representation from the Commission, maybe not the entire Commission, that begin to narrow a lot of the focus associated with the discussion before we get to a full-blown Commission study session. And, maybe, that can help us. I know with housing and with Aamodt and with many other issues those smaller sessions might help us cut to the chase when we do get to a full Commission planning session because I could honestly say because if we had study sessions on the each of those issues it would be hard for me to be able to stay engaged with all the detailed issues and

if there were more focused discussions and we broke up those discussions amongst ourselves maybe at least two Commissioners sitting on that smaller group I think we'll get a whole lot farther and probably help staff along the way. So that would be my suggestion.

CHAIR VIGIL: Okay. Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you and thank you Ms. Miller, for that clarification and, Steve, knowing that, I would ask that even though it's a working group meeting on December 5th that somehow, and I know that you guys do a good job about it, just notice it so that folks know that it's not a closed door meeting and that they have the right to attend. I would presume that they would be able to voice public comment, hopefully, provide us public comment. But, again, there might be some dissention out there that folks just want to get on the record and that's fine also. And then that at least we do look at and I in particular want an outreach meeting in the northern area and, again, I do think it has an impact on all Santa Fe County taxpayers and I think I'll defer to respect for the rest of the County Commissioners but if they want a meeting or such in their for outreach, but I think it is imperative.

And, also, what's huge is the sizing of the system and I think you mentioned, Manager Miller, that we have to establish, you know, when this settlement, I guess, is codified, if it is, I guess some parties could maybe still say something about it but that we as Santa Fe County determine what we want to size that system to be. Otherwise if we size it and customers don't sign up it might have been a – well, we'll just leave it at that.

So, thank you, Madam Chair. Thank you, Steve. I think you did address also the issue I was going to talk to you about Top of the World and thank you for the packet you provided me. So, thank you.

CHAIR VIGIL: Ms. Miller.

MS. MILLER: Madam Chair, Commissioner Mayfield, I also wanted to point out just a reminder that to the public that on our website under Commissioner Mayfield there is an Aamodt public outreach and information report and every time one of those meetings happens it gets updated with any changes to the agreement. So I just wanted to make sure that people did realize that that is put there with anything that comes up in those meetings. So if somebody can't attend they can see what was discussed and potential changes to the agreement have been put forward.

COMMISSIONER MAYFIELD: And Manager Miller you do a great job doing that but there are just folks who say, Listen, Danny, we don't have internet. So I said great guys, but we have a packet of all of this or at least we should have a packet of all of this material at our satellite office also in Pojoaque and you're welcome to drive here or you may have to drive to the satellite office in Pojoaque and you can at least view a hard copy of all of this. So hopefully they know that. Thank you.

Madam Chair, just two quick questions or two quick issues. On a point that Commissioner Anaya brought up as far as some water out in the area. You know there is a huge pond out at Santa Fe Canyon La Bajada Ranch. When I did the tour that pond, just so everybody knows, is getting overgrown with algae, it's getting – I mean, I would hate to lose that pond. I know we've talked about should we invest and we're going to have to spend a little bit of money on that place if we're going to maintain the viability of it. So I would just ask that at least staff look at that pond. It would be something that I would hate to lose if,

hopefully, we haven't already lost it already. I know it has some I guess some indigenous fish to the area in that pond but it is sorely overgrown and needs some attention just for what that's worth.

And, then, Madam Chair, and, however, you want to handle this, can maybe you guys do a press release from the County and I know you do a good job of promoting it, just to remind people of our CADDY program and of course through all the year but especially now through the holiday seasons. This is a great program for them to utilize and to stay safe on the streets. Thank you, Madam Chair.

CHAIR VIGIL: Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. I just have one thing and that is to thank you, Madam Chair, for your role in making the Santa Fe Studios a success. I went to the opening as did you a few weeks ago and it was really a thrill to see it there live and in person. I remember back three years ago when I was first in office that they had scheduled a groundbreaking for the Santa Fe Studios. And, needless to say, that didn't happen and we had a lot of challenges between then and now but I just want to thank you for your steadfast and unwavering support over the years. That was really, really important in making it a reality.

CHAIR VIGIL: Thank you, Commissioner Holian. I appreciate your even bringing me into that. The staff that worked on this, Steve Ross, Duncan, Katherine Miller coming in at the end and just being able to make things happen. I actually in January do have a portion of a meeting set aside to recognize all of those people who made this actually happen. And it took a lot of work and a lot of creativity, a lot of rolling up the sleeves and trying to make things happen. So, to me it's a huge imprint in our community and I think we all should be very proud of it. And I think once we start getting the ball rolling in terms of the jobs it is going to create and I think that is happening as we speak, we're going to appreciate it even more. So thank you for bringing that forward.

XII. APPOINTMENTS/REAPPOINTMENTS/RESIGNATIONS

A. Appoint Members To The Cundiyo Community Center Committee (Community Services/Health & Human Services)

CHAIR VIGIL: Ron, will you be doing this today?

RON PACHECO (Senior Services): Madam Chair, thank you very much, Commissioners. I come before you today to request approval of four community members who live in the community of Cundiyo. Madam Chair, in terms of history, recently we completed a brand new community center in the community of Cundiyo. It is attached to the volunteer fire station that exists there. I've been hopefully waiting for a couple of members to show but it doesn't look like that's going to happen. But I will share one thing with you, very briefly, is in my meetings with the Cundiyo representatives it came to my attention that one committee said just think two years ago we were having this meeting right next door in the fire station and you guys couldn't hear me because you were sitting in back of the fire truck and I was sitting in front of the fire truck and had to pass the word around because no one could hear me inside the volunteer fire department. So they were so thankful that this Commission was able to deliver a

wonderful new community center that is currently being utilized. It could us a couple of tries to get it open, Madam Chair, but the center is finally finished in District 1 I believe and it's just a wonderful facility. So we want to thank the Commission for making that happen.

With that I would like to ask your approval of Joyce Sullivan, Ron Vigil, Mr. Joe Montoya who has been very instrumental in making that happen, and Chris Lopez all members of the community who submitted letters of interest along with a bevy of paperwork to become members of that community center. So with that, I ask your approval for these new community members.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Madam Chair. Mr. Pacheco, thank you for all of the work that you and your staff have done to make this become a reality. I sincerely appreciate it. I also would just like to thank Senator Carlos Cisneros, Representative Ben Lujan and also Representative Nick Salazar and the former Santa Fe County Commissioner Harry Montoya and all of Santa Fe County Commissioners for getting the funding to have this new center up there be a reality. So, again, thank you. I look – I'm very appreciative of the work that these community members are doing for us and I am honored to make a motion to support these four and I believe there is still one fifth one out there that we're just going to solicit through the community to see if we can get a fifth person on that board, but with that, Madam Chair, I would support Mr. Pacheco's recommendation to appoint four of the five community.

CHAIR VIGIL: And that's in the form of a motion?

COMMISSIONER MAYFIELD: Yes.

COMMISSIONER STEFANICS: Second.

CHAIR VIGIL: There's a motion and a second, any further comments or questions? I would just add to that that those – which members will be leaving?

MR. PACHECO: Madam Chair, because it's a brand new community center they did not have a previous board. This is all brand new community members to this community center committee so although the resolution calls for renewal I believe it's very two and three years of staggered terms, this is the first time the committee is being appointed to the community of Cundiyo. So there has not been a prior board, if that answers your question.

CHAIR VIGIL: Yes, it does. Thank you very much. Motion and second. All those in favor.

The motion passed by unanimous [4-0] voice vote. [Commissioner Holian was not present for this action.]

COMMISSIONER MAYFIELD: Madam Chair.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Madam Chair, Mr. Pacheco, I know we've spoken about it and I think I owe you a nickel but on resolution 2008-89 we just may have to do a whole modification of that to include the Cundiyo Community Center on that.

MR. PACHECO: Madam Chair, Commissioner Mayfield, I am so glad you brought that up. Not only do we need to add this particular community center to the

resolution but we will be updating the website and including information on this site. I've had discussions with our public information officer and we've agreed. I just need to get her information. And, I will just add, Madam Chair, that we are going to get a process, Madam Chair, of bringing all the community board members for renewal or for new boards in the beginning of the year. We're already working on making that happen.

COMMISSIONER MAYFIELD: Thank you, Madam Chair.

CHAIR VIGIL: Thank you very much.

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, while we have Mr. Pacheco, do you have any updates regarding discussions on the senior centers on 14.

MR. PACHECO: Madam Chair, Commissioner Anaya, the update that I can tell you is that we've identified sites. I know there's been work done on census data so we get the best site and I can tell you in the last discussion I had with those that were working on a particular site that there's two or three sites that we're dialing in on it's just right along Highway 14 that they should be for maximum impact and those discussions are ongoing, Commissioner Anaya, but we have had those discussions and we are continuing to have them.

CHAIR VIGIL: Okay, and with that I think we can move on to

XIV. STAFF AND ELECTED OFFICIALS' ITEMS

A. Finance Division

- 1. Resolution No. 2011-174, A Resolution Requesting an Increase to the Fire Impact Fees Fund (216) to Budget Cash Carryover to Purchase Fire Apparatus for the Edgewood and Eldorado Fire Districts / \$468,000 (Community Services/Fire)**

TERESA MARTINEZ (Finance Director): Madam Chair, this is basically budgeting the cash and it will be used to buy the apparatus for both Edgewood and Eldorado.

COMMISSIONER MAYFIELD: I'll move for approval.

COMMISSIONER ANAYA: Second.

CHAIR VIGIL: Any questions? All those in favor signify by saying "aye."

The motion passed by unanimous [5-0] voice vote.

- XIV. A. 2. Resolution No. 2011-175, A Resolution Requesting an Increase to the Fire Operations Fund (244) to Budget Cash Carryover from the Town of Edgewood JPA for the Purchase of Fire Apparatus for the Edgewood Fire District / \$200,000 (Community Services/Fire)**

MS. MARTINEZ: Madam Chair, this is a similar item using the JPA revenue cash balance jointly with impact fees to purchase the item.

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, is this revenue that we receive from the Town of Edgewood?

MS. MARTINEZ: Madam Chair, Commissioner Anaya, that is correct.

COMMISSIONER ANAYA: I want to make that point for the record that we have a good collaborative relationship as usual with the Town of Edgewood. I move for approval.

COMMISSIONER STEFANICS: Second.

CHAIR VIGIL: Any questions? All those in favor signify by saying "aye."

The motion passed by unanimous [5-0] voice vote.

XIV. A. 3. Review and Discussion of the Monthly Financial Report for the Month Ending October 31, 2011

MS. MARTINEZ: Madam Chair, you have before the report for activity through October of 2011. We have the standard chart to show the recurring revenue and the recurring expenditure. If you look at recurring revenue we had a total of \$25.6 million and that supported expenditures of \$28.6 so you can see that our expenditures are still slightly higher than our revenue. We should see that even out if you will now in December and January with the collection of property tax in those two months. Again, noting that those are two of our higher collection months and there's \$23 million anticipated. I want to point out that some of the recurring revenues have seen some increases. The property tax collections are actually about 485,000 better than forecasted budgeted amount. When we compare that to the prior year they're down about 196,000 for the same period. The gross receipts tax collections are 396,000 over the budgeted amount and when compared to the prior year they're actually up by 313,000 for the same time period.

I do want to point out that we received an equalization guarantee, this is the second one from the State for \$512,000. So this is when the GRTs for capita are below the statewide average and this is the second year we have received it and that's in light of the recessed economy and the lower GRT collections.

Other taxes collected, we saw a little bit of a spike in gasoline and motor vehicle taxes so they're up about 99 almost 100,000 when compared to the budget. And they're actually up about 166,000 compared to the previous year collection so that's good news.

Our expenditures across all categories are maintained at the forecasted budget levels. We do have some areas that are exceeding the budget forecast at this time but they are areas where it is one time equipment or a higher expense than you normally see on a regular basis so, again, we'll keep an eye on that at mid-year reviews. And we'll keep watching on monthly reports and we work with the department and if we see something that looks out of the ordinary so that we can make sure we understand why it's harder than we anticipated.

I gave you a small listing of the capital expenditures. Through October capital expenditures have totaled \$20 million. The large contributors of that are the Judicial Court

Complex of 5.2 million, Rancho Viejo Substation just over 1 million and a \$2.2 million to the BDD project and \$4.2 to the Studios. I also gave you the property tax and the GRT types identifying where they are falling. Again, the July property tax excess collections is covering the shortfalls that we have when compared to budget for August through October. But keep in mind that we're still better than budget by 485,000. We are seeing that the GRTs for the most part are right in line. The unincorporated GRTs are still coming in slightly less than budget but hopefully we'll be maintained at that forecasted 13 percent downturn.

The budget cuts as you've known are still intact. The freezes are still in place. The smart buying practices are still in place and we are gearing up for mid-year reviews and then working with departments on moving toward performance based budgeting for fiscal year 2013. And I'll stand for questions.

CHAIR VIGIL: Questions? Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Madam Chair. And, thank you very much for the thorough report as always. Do we yet have an estimate of the property taxes that we're going to have to pay back to the state based upon the deduction that we're providing, the low-income deduction?

MS. MARTINEZ: Madam Chair, Commissioner Stefanics, no, not yet. We haven't received anything from the state. We have our initial estimations but I can contact them and see if they've calculated that yet.

COMMISSIONER STEFANICS: Didn't we have to pay that, Madam Chair, Teresa, or Katherine last or like during this fiscal year?

MS. MARTINEZ: Madam Chair, Commissioner Stefanics, we will see it this year probably about January if I recall correctly.

COMMISSIONER STEFANICS: Okay, well I would just like to know in advance before we have to approve it because it might mean us looking at our actions as a Board. Thank you very much.

CHAIR VIGIL: Any other questions? Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Madam Chair. Thank you for the report, Ms. Martinez. Great report. On page three, on non-recurring expenditures, Madam Chair, Ms. Martinez, are any of those non-recurring the general fund? Is general fund going into any of these projects?

MS. MARTINEZ: Madam Chair, Commissioner Mayfield, probably only under the Judicial Court Complex, a small amount is coming from that 1/16 GRT thus far so that may have some general fund dollars to it. The rest I think have special funding sources. The Sheriff's flight replacement would be out of their special revenue fund but it would ultimately be a result of an operating transfer from the general fund.

COMMISSIONER MAYFIELD: Thank you, Ms. Martinez.

CHAIR VIGIL: Any other questions? Seeing none, thank you very much.

MS. MARTINEZ: Thank you.

XIV. B. Public Works Department

1. Presentation From Public Works on 2011 Road Improvement Projects and Future Maintenance Concerns

CHAIR VIGIL: Robert, I also wanted to say welcome back. I know you've been gone for a little bit and you were missed. Welcome back.

ROBERT MARTINEZ (Roads Division): It's good to be back. Today's presentation and it should be on the screen here shortly is regarding road projects that we've completed in calendar year 2011 and also the second part of it is results of an evaluation that we've done with public works staff on our paved roads. So I'll go ahead and begin. I believe the Commission has hard copies of the presentation. If we can go to the next slide, Jason, thank you.

These 10 projects are projects that were completed in calendar year 2011. I'll just go through them briefly because following this we go through each project individually. We had Agua Fria reconstruction. Juan Medina Road, which was the shoulder-widening project. South Meadows extension. Santa Fe Studios, NM 14 road improvements. Verano Loop and other roads off of Verano Loop that were a chip seal project. Arroyo de Las Cuevas, chip sealed. Avenida Ponderosa, chip seal. Ojo de la Vaca, chip seal. Dry Creek Road, tire bale project and finally the Santa Fe County Fairground paving project.

The Agua Fria reconstruction project was built by Star Paving. The project began in January 2011 and has been completed. The total cost of the project was a little under \$2.5 million and the funding source of this project was General Obligation Bonds. The next two slides are pictures of the Agua Fria project.

The next project is the Juan Medina Road shoulder-widening project. This project was also done by Star Paving. The construction began in May of this year and was completed in October. The total cost of this project was just under \$1.2 million. The funding source of this project was an FHWA grant administered through the NMDOT and a 25 percent County match. The next two slides are pictures of the County Road 98 project.

The next project is the South Meadows extension. This project was constructed with TLC Plumbing and Heating. The project began in December 2009 and was completed January of this year. The total cost of this project was about \$4.25 million. The funding source was General Obligation Bond and also quarter percent capital outlay regional GRT. This project received an award through the Southwest Best Transportation Project. The next few pictures are pictures of the bridge while it was under construction and the final picture for this project is after it was completed.

The next project is Santa Fe Studios/New Mexico 14 road improvements. This project was also constructed by Star Paving. The project began in May of 2011 and was completed August 2011. The total cost of the project was just a little over \$1 million and this was funded through a state appropriation. These are pictures of the intersection.

The next project – there are four projects following this picture that are chip seal projects that were built with County forces. This slide shows some of the equipment that we used during these chip seal projects and this next slide is regarding the Verano Loop and another Verano roads that were done as part of this project. This project included reclaiming the existing chip seal surface that was probably constructed about 25 years ago. The chip seal

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had exceeded its life expectancy and was in dire need of reconstruction. The project was completed by County forces. The project began February 28, 2011 and was completed in October. These chip seal projects took approximately seven months and that because in addition to building these projects the County crews were also responsible for providing routine maintenance at the same time.

So the total cost of the Verano Loop projects was about \$358,000. It was funded by local government road fund and 25 percent of that came from County funding as a match. These next pictures show the roads within the Verano Loop area which is in the Eldorado Subdivision.

This next project is Arroyo de las Cuevas which is County Road 72E. This was a chip seal project also which was built by County forces. The construction began February 28th also and was completed in October of this year. This project was funded mostly by a couple of residents that wanted to improve their road. They understood that the County did not have funding for this particular project so they contributed approximately 80, 85 percent of the project cost. These pictures are the end result of that project.

Avenida Ponderosa chip seal project, this was done, again, with County forces. This was reclaiming the existing chip seal surface that had deteriorated to a point to where pothole patching was not useful anymore. The project, again, was started February 28th and was completed October 5th. The total cost of this project was a little over \$37,000 and was funded by Santa Fe County budget. These next couple of pictures show that particular.

The Ojo de la Vaca chip seal project, County Road 51, same situation here. The existing chip seal surface had deteriorated to the point where patching was beyond use. It was started in February also and was completed in October. Total cost of this project was a little under \$75,000 and was funded by Santa Fe County.

This next picture is a dump truck providing chips to the chip spreader and the next couple of pictures are that particular thing.

This next project is the Dry Creek Road tire bale project which is County Road 101D. This is the construction of a tire bale retaining wall to prevent further erosion of the bank of the arroyo which was cutting into County Road 101D. This project was completed by Santa Fe County forces and two contractors that assisted in a couple of the aspects of this project. The project began March 28th and was completed May 26th. The total cost of this project was \$105,000 and was funded through a grant by NMED. This picture shows prior to construction and this shows after construction with the tire bale construction in place.

The next project is the County Fairgrounds paving project. This consisted of staff engineering and designing the project taking into consideration drainage and everything else that is required in an engineering design. This project began April 18th and we finished it in 11 days which was April 29th. The total cost of the project was just under \$100,000 and was funded, I believe, through state appropriation. These next two pictures show the fairgrounds itself.

The next part of this presentation has to do with maintenance of the roads that we pave. Santa Fe County has been very aggressive in paving roads over the past 15 years and we need to become as aggressive in maintaining. We just completed an evaluation of all of our paved roads and we'll summarize our findings through this presentation.

In 1996, the County had a little under 600 miles to maintain and approximately 140

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were paved. Today, we have a little under 600 miles to maintain but 242 miles are paved. We've paved over 100 miles in the last 15 years. At this time I'd like to turn it over to Diego Gomez who is the Public Works Road Maintenance Manager and he will go over his evaluation of the roads.

CHAIR VIGIL: Welcome, Diego.

DIEGO GOMEZ (Public Works Road Maintenance Manager): Good afternoon. Now what I did under the direction of Robert Martinez, my supervisor, was we had an inventory of the Santa Fe County roads. We knew their width and we knew their length and we knew where they were but we didn't really have an understanding of what condition the roads were except for a few people within the maintenance, the superintendent, the road maintenance manager and operators obviously knew what condition the roads were in and so what we did was we went and reevaluated all the surface roads in Santa Fe County and we evaluated them with a known tool called the PASER asphalt manual which is recognized by the Federal Highway Department or the Federal Highway Administration. So the paving evaluations were used to document the existing pavement surface conditions of the Santa Fe County roads and to document these conditions in order to come up with a preventive maintenance plan. What preventive maintenance is is for a long time the road constructing industry including local roads, interstates, state DOTs, their way of building roads was to build a road, wait until it falls apart and then build it again. Now, that was great about 20 years ago when we had lots of money coming in. You know, the state DOT where we get our money from get their money from the federal gas tax. The federal gas tax has not been increasing since 1978 and construction materials and construction materials and construction cost have all increased since then, while the amount of money that we're now getting to maintain our roads has significantly been reduced in the last couple of years so that philosophy no longer works anymore. You can't build a road, wait until it falls apart and then build it again. And so what preventive maintenance does is it looks at rating your roads and it is found by doing preventive maintenance you can extend a road's life by up to about 10 years. The way that it is is that you have to provide the right treatment at the right time. And, so it's not fixing potholes on a road that is already deteriorated. It's assessing your good roads and providing the right treatment on that occasion. So that's what we went and did.

A national recognized dollar amount is that for every dollar you spend on preventive maintenance treatment you save \$5 down the road. So that's a drastic cost savings – that's like 500 percent.

This is the rating system that we use to evaluate the roads. It's basically on a scale from 1 to 10 with 1 being the worst roads and 10 being the best. If you look at the way the rating system works there are a certain number of distresses that you use to evaluate the roads and give them their condition. Now on all of our Santa Fe County surface roads we do have a rating on them. And what's important to know is that once a pavement is in a condition of a three or a two, it's already reached its relative service life. There's not much you can do to extend that pavement life. That road has failed and basically the only option is to tear it up and redo it. Prior to me doing all these evaluations, had you asked me I would have said that Santa Fe County had a lot of roads that were in bad repair. And that's not really the case.

If you look at the cost of the maintenance treatments they are relatively pretty minor. If you look at – these are different types of maintenance treatments – fog seal, crack seal, sand seal, chip seal these are all maintenance treatments that can be used to extend the useful life of the pavement. If you're looking at fog seal an average road of let's say, well our average typical widths of road in the County let's say are 20 feet wide, if you look at a 20 foot wide road at a mile long you can fog seal for about \$1,700. Now looking at it if you can extend the life of a road for three years for \$1,700 that's pretty drastic because the cost of reconstructing a road is drastically different. Just the price of materials for a mile long road will run you in the \$400,000 range and that's just for materials. That's not for equipment. That's not labor and that's not from – you know, most of the time drainage improvements and engineering improvements. And, so if we can utilize some of our maintenance funds to perform these preventive maintenance treatments we can extend the service life of our roads.

Now if you think about it a standard road is designed for 20 years. So with a couple of treatments if you could extend that road to a 30 year road in that time span of 60 years instead of building that road three times you can build that road two times which is a substantial cost savings.

What I did was I went and evaluated all the roads and they're broken down into districts. What we have in the road maintenance area is that we have different districts. They are not relative to your guys Commission districts. They are separate. If you look at the roads for the most part the brown is all the districts and then the separate colors the individual districts. If you look at the brown, the majority of the road in Santa Fe County for the surface roads are in the seven, six, and five category. There are a couple in the tens, nine, and eight and there are a couple in the bad condition also. The next slide is actually breaking it down to the miles. If you look at that table, that previous graph was just breaking it down into a graphical form. If you look at the roads, the seven, the six and the five that's over 160 miles of roads. Out of the 240 miles of surface roads we have, we have over 160 that are actually in very good condition and they're in the right condition right now where we can spend a little bit of money and be able to extend their surface life for another 10 years. Once they get into the four, three and two category we're looking at reconstruction. That's what we're trying to let you guys know and that's what we're trying to present is that a little bit of money now can let those roads stay in that condition. Without any preventive maintenance treatment they will eventually deteriorate. So, you start looking at the amount of money that it takes to repair a road once it is in that condition. In the ten, the nine and the eight ranges there is really no maintenance that is required on those roads. Once you get into the seven, you're starting to look at fog sealing and crack sealing and that amount of money is very minimal. The same with the six and the five, that amount of money is minimal. But once you start looking at the four and the five and the three they you start getting upward and that's where a smaller amount of road but the money goes substantially up.

If you look, we have, like I said, about 160 miles in the seven, six and five and that's roughly about \$2.75 million to maintain those roads for additional ten years. But once you start looking at the four, you're talking about a small amount of mileage to maintain it even to be serviceable. These roads still have potholes. They still have cracking. They are not a fun road to ride on and so I think it is very important that everybody understands that we have a good system of roads that if you spend a little bit of money on we can go ahead and extend

their life about 10 years. Like Robert was saying that Verano Loop area, that was a road that lasted about 25 years and that was dealing with good maintenance and obviously traffic loading and a lot of things affect the life of a road. But if you were willing to basically start thinking about more of a preventive maintenance treatment as a wait till it fails to rebuild it, we could end up saving the County a lot of money.

My estimated cost to maintain the surface roads in existence is about \$8.8 million. Now if you subtract the worst roads from that, we're probably looking at about \$4 million. Now, \$4 million if you look at some of those figures like that Robert presented, that was one construction project and that's for one or two miles of road and so for a small amount of money you get a big benefit back and so that's what we're trying to do in the Road Maintenance Division is to look at maintaining our roads. We're getting less money in but we still need to maintain our roads. With a small amount of money invested we can go ahead and extend the service life of these roads a lot.

This is the maintenance districts that we work out of. District 1 right there, that's where that dollar came from were all the roads in district 1. District 2, that's district 2 the one up in the upper portion of the slide and down to the left. District 3 is kind of the Galisteo and Glorieta area. District 4 is simply the Eldorado subdivision and district 5 is down south and that's the closest one to actually being most identical to the Commission district. So the maintenance districts are a little bit different than Commission districts but the bottom line of this presentation is that we do have a lot of roads that are in very good condition but if we don't spend a little money on them they are in danger of becoming in need of repair.

CHAIR VIGIL: Okay, I have questions. Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Madam Chair. This is going to be rote first of all. I really thought we were going to align our maintenance district with our County Commission districts after redistricting. So we specifically wanted, we had some direction in the past as a group to appoint people from our districts to County commissions, task forces, etc. So can you explain why we would not do that?

MR. MARTINEZ: Madam Chair, you are referring to the Road Advisory Committee districts. Those are or will be realigned to match the redistricting that took place. These are maintenance districts. We have maintenance personnel assigned to specific maintenance districts. This is not in conjunction with the Road Advisory Committee.

COMMISSIONER STEFANICS: Okay, but, Madam Chair and Robert, if our Road Advisory Committee is going to deal with looking at roads in maintenance districts – is that correct?

MR. MARTINEZ: Madam Chair, Commissioner Stefanics, what the Road Advisory Committee will do is identify improvement projects within their area that is assigned that is the relationship with Commission districts. But there may be three or four road advisory members to one Commission district. Specifically, Commission district 3 that has a large area.

COMMISSIONER STEFANICS: I understand that. So, I'm going back to – for example, let's say Commission district 3 will have two or three members will they be dealing with roads in a different maintenance district as identified by a different district number.

MR. MARTINEZ: Madam Chair, they will evaluate roads, drive roads, in the area that they're assigned to which is in a certain Commission district but they will bring their issues directly to public work staff. They will not deal directly with the maintenance districts.

COMMISSIONER STEFANICS: Okay, so the maintenance district numbers are not going to be important to the Road Advisory Committee members?

MR. MARTINEZ: Madam Chair, Commissioner Stefanics, that is correct.

COMMISSIONER STEFANICS: Okay. The second item I mentioned to you earlier but I think this is a great presentation and, in fact, the second half that explains the number of miles of road and the cost I think will be a great tool to take out to community meetings to utilize and for those members in my district that benefited, they are very happy. So thank you very much, Robert.

CHAIR VIGIL: Commissioner Holian.

COMMISSIONER HOLIAN: Yes, Madam Chair. And first of all, thank you Robert for the great work that you did especially I'm saying thank you for the Ojo de la Vaca. I got a lot of really positive feedback on that. And, I have a question. This is really an interesting presentation and I know my constituents are going to be interested in this so I want to communicate this information to them. So I wondered if you'd give me a little description of each of these different treatments, what they are and how you decide which treatment you're going to use?

MR. MARTINEZ: Madam Chair, I'll let Diego answer your question.

COMMISSIONER HOLIAN: Okay.

MR. GOMEZ: I'd be glad to put something together to let you know what the maintenance treatments are so you can give to constituents. But I'll go over it real quickly. A fog seal is basically a brief application or a light application of oil over the road. What it does is when the road is weathered or oxidized it starts losing its color and the pavement starts losing its flexibility also and that's when you starting getting cracks and water is the worst enemies of roads. Anytime you get water into the road it gets into the subgrade and you start creating a lot of failures. So fog seal is a light application of oil that extends the life about two or three years and that's really the cheapest and that's really one of the first treatments you put on a road. Basically, it's like putting lotion on your skin when your skin gets dry you put lotion on it. The same thing with asphalt. Asphalt loses its elasticity and you put another application of oil on it so that's what a fog seal is.

A crack seal is basically you go in there and you locate all the cracks after the pavement has – you know, you find some of the hairline cracks and you route them out and you seal them with a more modified elastic-type of rubber which seals out the cracks and quick seals out the oil. A sand seal is basically like a fog seal except after the oil application you put in a light application of sand. It does the same thing as the fog seal. It seals up the cracks and extends the life.

A chip seal is what we do to actually build roads in the County. But most people use it to preserve their roads. It's a light application of rocks and oil over an existing asphalt surface which gives it a new surface to ride on. Gives it a fresh application oil and it helps seal out some of the cracks. Some of the other ones we really haven't used in the County and they're a little bit more expensive than nova chip and microsurfacing. They're things that the

DOT does and it's kind of just like a thin list of asphalt over the existing surface. But these are all treatments that are designed to go on a road that is in good condition. Once you start seeing potholes and severe cracks, that road is already – it's already falling apart and once you already have a road like that the maintenance treatment can help extend the life but they're going to extend the life to the extent that they're designed to. So really the preventive maintenance treatments are designed to go on when asphalt is in good condition and therefore you'll get the extended life of like seven years. If you were to do something like a chip seal over a road that was really bad potholed and really cracked sealing, you're not going to get the five to seven years. You might get an additional one year of service life. So it's essential to understand that it's at the right time. That's really the key is putting the right maintenance treatment at the right time and once that pavement has started to fail it's really too late. At that time, you're just trying to extend the life just so you don't have to rebuild it in a couple of years. You're not really doing preventive maintenance. You're kind of doing stopgap maintenance so that it doesn't fall apart immediately. So that's kind of the key but I would be glad to put something together for you.

COMMISSIONER HOLIAN: Okay. Thank you, Diego.

MR. GOMEZ: No problem.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, Mr. Martinez, Mr. Gomez, thank you for your presentation. I'm very aware of the need to have pavement preservation and make sure that we take care of the work that we invest capital funds into. What I would ask for is a breakdown of the roads by district, Commission district of the roads that are paved, the roads are unpaved and the rating associated with them so as Commissioners we can understand from that data specifically what the condition of our roads are in each Commission district.

I would also, a question then another comment. Can you use GO Bonds for pavement preservation?

MR. MARTINEZ: Madam Chair, Commissioner Anaya, I guess that would be a question for our finance director or attorney. I'm not sure if you can use GO Bonds for maintenance or if it's just capital improvements.

COMMISSIONER ANAYA: Well, it might be worth – if it's enhancing the life and we use the term "pavement preservation" as opposed to maintenance. I mean, if you use the term maintenance they're probably saying maybe no, but I guess I would like an interpretation on that.

MS. MILLER: Madam Chair, Commissioner Anaya, typically bonds would do a treatment or something that would equal the length of the financing of the bonds. So, for instance, we don't buy vehicles with bonds because bonds take 10 to 20 years to pay off and the vehicle last, say the sheriff's three to five years. So usually the wording you use would have a lot to do with it. But it would also be to the degree of which it extends on it, whether it's a short-term fix or whether it's considered a long-term fix and a capital improvement.

COMMISSIONER ANAYA: So, Madam Chair, Mr. Martinez, I think on that point, I would want to see what is the product that is going to provide the longest, the shortest and longest and everything in between so that as we get into our discussion on bond issues,

and I know there's been a lot of interest from me in particular but other Commissioners as well in focusing heavily on roads in this next cycle, I think there is a good opportunity there where we could capitalize potentially on issuance of bonds for the longer term, preservation needs, as well as comprehensive overall road projects. And, I would just use as a precursor to continue to prepare the documentation and the breakout of roads because I am going to heavily advocate on a bond issuance that we do comprehensive road improvements across the County and also comprehensive pavement preservation work so that we can protect and preserve the work that we spend the valuable tax base on.

Thank you, Mr. Martinez. Thank you, Mr. Gomez. I appreciate the work of you and please extend my appreciation and thanks to all the maintenance districts and the work that they do day in and day out, many times a thankless job as are many jobs at the County but please pass on my gratitude for their work day in and day out.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Madam Chair and thank you Mr. Martinez and Mr. Gomez for this presentation. It was great. Mr. Martinez and Mr. Gomez, is the cost for the maintenance treatment, is that specifically for the material? Does that include staff time? Does that include capital for let's say the graders?

MR. MARTINEZ: Madam Chair, Commissioner Mayfield, these types of applications are projects that we would contract out with contractors that are on state price agreements. These are specialty types of applications. We do not have the equipment or the manpower or the expertise in doing. So these are items that we would hire a contractor and these items are done seasonally. They are not done throughout the year. So if the County was to hire additional people, FTEs, to do this, like I said these types of applications are done seasonally. So probably they're only done maybe in March or April through November.

COMMISSIONER MAYFIELD: So, Madam Chair, Mr. Martinez, this fog sealing, so the contractor, you guys would contract that out and at the most the contractor would charge us 35 cents a yard?

MR. MARTINEZ: Madam Chair, Commissioner Mayfield, that's correct.

COMMISSIONER MAYFIELD: Okay, but also on the presentation you're showing that some staff is doing some chip seal; at least I think I saw that in the presentation.

MR. MARTINEZ: Madam Chair, Commissioner Mayfield, those were construction projects. Those were not maintenance projects.

COMMISSIONER MAYFIELD: So they're not maintenance.

MR. MARTINEZ: That is correct. We have done a chip seal for example on Old Santa Fe Trail to extend the life of it and we did that in-house. Chip seal we can provide on our own and those are done seasonally also.

COMMISSIONER MAYFIELD: And, Mr. Martinez, if it is done seasonally and, again, there's a huge cost savings wouldn't it be beneficial for us to establish a crew that would go and do this maintenance work for us where we wouldn't be contracting that out?

MR. MARTINEZ: Madam Chair, and --

COMMISSIONER MAYFIELD: -- we have some of this equipment; don't we?

MR. MARTINEZ: Madam Chair and Commissioner Mayfield, we do have the capability to do chip seal so we will continue to do chip seal. The issue is that if you

provide a crew of ten to do a chip seal – to put together a chip seal crew, six months out of the year maybe even seven months out of the year, those employees would not be able to do any chip seal projects because of the temperatures.

COMMISSIONER MAYFIELD: Yeah, but, we can use those employees and utilize their talents somewhere else within the County –

MR. MARTINEZ: Madam Chair, Commissioner Mayfield, as long as other equipment is provided like graders or other types of equipment that they can use during the non-chip sealing season.

COMMISSIONER MAYFIELD: Okay, thank you. Madam Chair, Mr. Martinez, as far as say what's the dollar amount and maybe you'll bring this to us later, for maintaining non-paved road, dirt roads, throughout the County? Is there a certain cost involved in those? I know I call you guys all the time and you do a great job of getting out there and doing some road grading for us on a lot of the unimproved roads.

MR. MARTINEZ: Madam Chair, Commissioner Mayfield, several years ago we put together a cost estimate for blading, the cost of blading roads, and it was based on one blading per month and it was about \$3,000 per mile/per year. Since then fuel prices have gone up and the lease of graders have gone up so it's probably more in the neighborhood of \$4,000 to \$5,000 per mile/per year.

COMMISSIONER MAYFIELD: And, Madam Chair, Mr. Martinez, I know we'd have to go through I guess our review board and through some resolution, but what would be the cost benefit then of taking some of our dirt roads, again, some communities may not want those to be more improved than a dirt road, but would it be more beneficial for us to have more established sealed paved roads than dirt roads as far as cost?

MR. MARTINEZ: Madam Chair, Commissioner Mayfield, yes and no. It would be cheaper in the long run to pave them because for the probably first five or six years there's virtually zero maintenance on those paved roads, other than snow removal and maybe a fog sealant but a lot of residents don't want paved roads. A lot of people attribute speeding to paved roads. Then you have the issue of traffic calming issues like speed bumps or driver feedback signs. There's a balance I guess in that some people want paved roads and some people don't.

COMMISSIONER MAYFIELD: Thank you, Madam Chair and Mr. Martinez. On one of the projects that I want to – the project in particular on CR 98 – that project is complete but have they knocked off that checklist? The reason I'm asking is that I haven't been up there for a couple weeks. But the cattle guard, I don't know if that's still been assessed or not, if not you guys just have the old cattle guard right in the middle of the extension –

MR. MARTINEZ: Madam Chair, Commissioner Mayfield, I believe the cattle guard was not included in the project. We had to cut back on some of the items on the project to stay within budget so I don't believe that the cattle guard issue is relevant to the new project. And, just to point out, we've only completed phase one of County Road 98. We still need to seek an additional \$1.5 million to do the east side of County Road 98.

COMMISSIONER MAYFIELD: I know there have been some horrific accidents on that road with somebody hitting a cow and this is basically a fence-out state and so if it's a County road, it's a fenced out county road. I don't know what liability we have.

Steve, do you know if we – I'm sorry, he's out. Do we have any liability if a cow gets on that county road because there's no more fencing for the cattle guard?

MR. MARTINEZ: Madam Chair, Commissioner Mayfield, I believe the right-of-way is fenced. But as far as the cattle guard issue, we're required to put a gate which is accessible to equestrians that can't go across the cattle guard. But I believe the BLM right-of-way on both sides of County Road 98 is fenced off.

COMMISSIONER MAYFIELD: Madam Chair and Robert, can you look at that? And the only thing I'm thinking is that further up on the road the new gates that they have are just kind of pedestrian gates maybe they're not for bicycles but they're like a v-shaped where they don't have to be. And, Madam Chair, and Katherine, I'll ask you, I mean, would that be a violation of the anti-donation clause if we've got a cattle gate just kind of stuck in next to the cattle guard on the road?

MR. MARTINEZ: Madam Chair, Commissioner Mayfield, that's the County right-of-way. If we installed another gate it's not violation of anti-donation.

COMMISSIONER MAYFIELD: Thank you. And, Madam Chair, I'm glad to see Mr. Koch in the back audience because I hope we don't have a claim because somebody hit a cow on that road for whatever the cost would be for a gate – I mean I think a gate – Commissioner Anaya, do you know what a gate cost? A cattle gate, a couple hundred bucks?

COMMISSIONER ANAYA: It depends on the gate.

COMMISSIONER MAYFIELD: That's just one thing I'd like to follow up on, Mr. Martinez. And, I think, I don't know if you're going with us, but I know that Manager Miller and myself are going to kind of go out there so we can look at that also.

MR. MARTINEZ: Madam Chair, Commissioner Mayfield, Diego and I will both be attending the road tour.

COMMISSIONER MAYFIELD: Okay, great, thank you. And then, Madam Chair and Mr. Martinez, kind of in line with Commissioner Stefanics' question, you can just help me out with this, what would be the reason, and I'm sure you have a great reason, not to have say the maintenance districts aligned with Commission districts?

MR. MARTINEZ: The biggest concern is the amount of territory in each Commission district. For example, your district goes all the way up to the Rio Arriba County line to the City of Española but comes down to Tesuque, Cundiyo, and that area. So we have another maintenance district that is closer to Santa Fe that serve Tesuque, Rio en Medio and those areas. It would be too far for the district up north that services Chimayo and La Puebla to come down and service Tesuque and Cundiyo. The same thing with Commission district 3. Commission district 3 comes through La Cienega, State Road 14 on one side, Galisteo all the way down to Edgewood. The majority of the time that these operators would spend would be roading these graders back and forth to locations.

That's why we have maintenance districts in certain areas to make it more convenient for maintenance and our response time to be that much quicker.

COMMISSIONER MAYFIELD: Okay, thank you. And, Madam Chair, Mr. Martinez, what's the staffing for each of our maintenance districts? Is it equitable? Are there five crew members to each maintenance district?

MR. MARTINEZ: Madam Chair, Commissioner Mayfield, at one time there were about five operators for each maintenance district. It's dependent on mileage. For

example, maintenance district 1 which is up north in La Puebla, they have the fewest miles of road to maintain of any maintenance district but also they also have the most unique situation, like arroyos and acequias and more vegetation. At this time it is not equitable. Some of three, some have four and some have five. We do have some frozen operator positions that does impact staffing levels at the different maintenance districts.

COMMISSIONER MAYFIELD: Thank you. And, then, Madam Chair, Mr. Martinez, as far as the new projects, or I guess chip seal projects, fogging projects, how are they determined based on maintenance districts? And the reason is that I have heard it out there that arguably district 1 has received all this stuff in the past and I don't know if they have or they haven't I know I get a lot of complaints and I refer them to you and your staff and you guys do a great job of addressing them, but I've also been told that there will be arguably no new projects going on in district 1. And, I just want to make sure though that district 1 is receiving equitable share of these chip seal projects, these fog projects and any other type of projects as the rest of the four districts receive.

MR. MARTINEZ: Madam Chair, Commissioner Mayfield, the way projects are determined – we do have a five-year road improvement plan that was adopted by the Commission in 2006 and these projects were brought forward by Commission, by staff, by the Road Advisory Committee, by ICIP requests, so these projects have been put together by numerous sources. The five-year road improvement plan that was adopted by the Board back then had approximately hundred projects on there and we've completed about 2/3s of the projects. We started this project calling it a five-year road improvement plan when funding sources became less, we realized that the five-year road improvement plan was probably going to be more like a 10-year road improvement plan. But basically, the way a project is determined if it's going to be built is if funding is allocated. For example, if we get a state appropriation for a certain project that is in Commission district 1 we're going to build it. We're not going to say, well, Commission district 1 has had more than its share of projects in its district. . We're not going to do that. If we get funding for a certain project, we're going to build it.

COMMISSIONER MAYFIELD: Thank you, Mr. Martinez.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, a couple of points. On the previous point I think that the Commissioner makes a good point. We evaluate all projects across the board, but we do take into consideration all those components; how many projects have we done, where have we done them and those are the things that as a Commission that I think we have a fair process that we'll look at those taking into consideration all aspects. One think I would ask staff to consider as we get into the larger projects the more comprehensive planning projects that we begin to start looking at right-of-way in advance beyond just the surface of the road, to make sure as we're moving forward, especially on larger bond projects that we have bona fide secure right-of-way. And, I know that we run into challenges all the time on right-of-way issues but those should be as part of the planning and design phase through construction to make sure that we secure those right-of-ways and if necessary we have to spend some money to acquire some of those appropriate right-of-ways so that we don't have issues down the road as we've had in some cases relative to utility uses and future use. Do you want to comment on that, Mr. Martinez?

MR. MARTINEZ: Madam Chair, Commissioner Anaya, the majority of our roads that we have are easements. We do have probably about 10 percent of our roads that we actually have right-of-way in fee where we've actually gotten roads from the DOT from some type of exchange or through a development where the right-of-way has been granted to the County. We do have issues like you say, with prescriptive easements on projects, and prescriptive easement is just edge of road to edge of road. The problem that we face in a lot of these projects are within traditional communities where homes are built right up against the roadway so in some instances it is difficult to acquire additional right-of-way but definitely we want to make sure that we're dealing with right-of-way issues from the get-go.

COMMISSIONER ANAYA: Thank you, Madam Chair and thank you, Mr. Martinez, Mr. Gomez.

CHAIR VIGIL: Mr. Martinez and Mr. Gomez, I am impressed you gave your entire presentation with a note and without skipping a beat. Thank you very much for the Agua Fria Phase III of the South Meadows. There are some issues that have come up which I probably will email you and perhaps you may have already become aware of them also in the Caja del Rio realignment now that they're looking at that project and I know that we're coordinating it with DOT and I know you must be apprised of that too. I'm not sure. I know that Katherine is. So I just want updates, as you know them about them, thank you very much. Very good presentation.

MR. MARTINEZ: Madam Chair, you're welcome.

XIV. C. Procurement

1. Request Approval to Award IFB # 2011-0279-OS/PL to Meridian Contracting, Inc. for the Santa Fe Rail Trail Construction Segment 1 in the amount of \$652,129 exclusive of GRT

PAMELA LINDSTAM (Purchasing Division): Madam Chair, I'm Pamela Lindstam from the Purchasing Division and I'm here to request a contract award to Meridian Contracting Incorporated for the Santa Fe Rail Trail construction segment 1 project. The invitation to bid number 2011 is 0279-OS/PL in the amount of \$652,129.

The Santa Fe Rail Trail is a multi-use trail that is approximately 14 miles long that is running along side the Santa Fe Southern Railroad. It runs from the City of Santa Fe to Lamy. The Santa Fe Southern Railroad is the operating railroad and the New Mexico Department of Transportation is the right-of-way and track owner. The Santa Fe County received a 20-foot easement from the New Mexico Department of Transportation to improve and maintain the trail. The segment for construction consists of approximately 1.7 miles of natural surface trail beginning north of the existing spur trail. The scope of work includes grading. There will be site process preparation, placement of base course, rock retaining walls, middle railings, drainage, slope protection, fencing, site restoration and signage. The purchasing division solicited invitation of bid for these services on October 28th it was published in *The New Mexican* and *The Albuquerque Journal* and I posted it on our website and I emailed the advertisement to 20 trail and road construction companies.

A total of 13 companies attended the mandatory pre-bid conference and site visit and of those 13 companies three bids were received. After review by the purchasing department Meridian Contracting was the lowest responsive bidder fulfilling all of the bid requirements. I stand for questions, Madam Chair.

CHAIR VIGIL: Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. Thank you, Pamela. Will this trail be rebuilding an existing trail or will it be on virgin ground?

MS. LINDSTAM: Well for the most part I think it is an existing trail but if I could defer to Colleen Baker to give a specific answer to that.

COLLEEN BAKER (Open Space and Trails): Madam Chair, Commissioners, the existing trail is the maintenance road of the railway so it was never a constructed trail. What we're going in is engineering and constructing the official trail.

COMMISSIONER HOLIAN: And when do you anticipate that this might start and might be finished?

MS. BAKER: This segment we are hoping to start construction sometime in the beginning of this next year, January, and it should be complete – I believe it's a 120-day contract, so it should be complete by spring.

COMMISSIONER HOLIAN: So we can actually start in January?

MS. BAKER: Yes, a lot of the work can be done. We'll have to watch ground temperatures. Some of the compaction can't be done when the ground is frozen.

COMMISSIONER HOLIAN: Okay, thank you, Colleen. I move for approval.

COMMISSIONER STEFANICS: Second.

CHAIR VIGIL: I have a motion and a second. I have a question. Is it going to be the same surface as the County trail that is built within the City limits?

MS. BAKER: No. From the Rabbit Road portion that we're starting we are going with a stabilized natural surface. So we're actually blending in base course and compacting it back into the natural surface. That has been the desire of the community in that region that it not be a paved trail. So we're trying to stabilize the surface as best we can.

CHAIR VIGIL: Okay, any other questions?

The motion passed by unanimous voice vote.

XIV. C. 2. The Santa Fe County Fire Department Requests a Waiver from Section 1 of Ordinance No. 2010-8 to Purchase a Fire Apparatus for the Edgewood Fire District for a total amount of \$439,354 Utilizing the Houston-Galveston Area Council (HGAC) Cooperative Purchasing Agreement

TILA RENDON-VARELA (Purchasing Division): Madam Chair, Commissioners, the Purchasing Division would like to request a waiver from Section 1 of Ordinance 2010-8 for the purchase of a pumper fire apparatus for the Edgewood Fire District in the amount of \$439,354. The need for the fire apparatus was identified in the Fire

Department's five-year plan. This fire truck is consistent with the existing fleet and will meet the department's needs.

Purchasing Division will be utilizing the Houston-Galveston Area Council Cooperative Purchasing Agreement to acquire the unit. The HGAC is a governmental purchasing agreement that was instituted through the use of [inaudible] through the procurement of local governments and has been approved by the State of New Mexico Procurement Department for use by New Mexico counties.

This Commission has previously approved the purchase of four fire trucks utilizing the HGAC Cooperative Agreement. The Purchasing Division would once again request the authorization and approval of utilizing the HGAC Cooperative Purchasing Agreement to purchase the fire apparatus for the Edgewood Fire District.

CHAIR VIGIL: Questions?

COMMISSIONER HOLIAN: Move for approval.

CHAIR VIGIL: I have a motion. Is there a second?

COMMISSIONER ANAYA: Second.

CHAIR VIGIL: Any further discussion? All those in favor signify by saying "aye."

The motion passed by unanimous [5-0] voice vote.

XIV. D. Matters From The County Manager

- 1. Resolution No. 2011-176, A Resolution Supporting New Mexico Association of Counties Legislative Initiative for the 2012 Regular Legislative Session Regarding a County Commission Ban of Fireworks During Extreme Drought (Commissioner Stefanics)**
- 2. Resolution No. 2011-177, A Resolution Supporting New Mexico Association of Counties Legislative Initiative for the 2012 Regular Legislative Session for Property Tax Solutions (Commissioner Stefanics)**
- 3. Resolution No. 2011-178 A Resolution Supporting New Mexico Association of Counties Legislative Initiative for the 2012 Regular Legislative Session Regarding PERA Retirees as Polling Workers (Commissioner Stefanics)**
- 4. Resolution No. 2011-179, A Resolution Supporting New Mexico Association of Counties Legislative Initiative for the 2012 Regular Legislative Session Regarding Liquor Excise Tax Distribution to Drug Courts (Commissioner Stefanics)**
- 5. Resolution No. 2011-180, A Resolution Supporting New Mexico Association of Counties Legislative Initiative for the 2012 Regular Legislative Session Regarding Fair Reporting Of Gross Receipts Tax Payments (Commissioner Stefanics)**
- 6. Resolution No. 2011-181, A Resolution Supporting New Mexico Association of Counties Legislative Initiative for the 2012 Regular**

Legislative Session Regarding Decriminalizing Traffic Citations in New Mexico (Commissioner Stefanics)

7. Resolution No. 2011-182, A Resolution Supporting New Mexico Association of Counties Legislative Initiative for the 2012 Regular Legislative Session for Continuity of Hold – Harmless Provision (Commissioner Stefanics)

CHAIR VIGIL: We're under matters from the County Manager and I think I have a request to take all these resolutions in one motion. And, I know Mr. Gutierrez had presented it to us. This is resolution numbers 2011-176 through 182. It's all of the legislative priorities for the Association of Counties asking us to support them. For the first one is a Commission ban on fireworks during extreme drought. The second one is supporting property tax solutions. The third one is regarding the PERA retirees allowing them to be working at polling places. The next one is supporting the legislative initiative for the liquor excise distribution to drug courts. The fifth one is fair reporting of gross receipts tax payments. The sixth one is decriminalizing traffic citations and the seventh one is a continuity of the hold harmless clause with the state legislature.

I know that these were presented to us and we've all read it. Does anybody need any further discussion on this?

COMMISSIONER STEFANICS: Madam Chair, I can discuss each one individually or whatever the pleasure of the Commission is.

COMMISSIONER HOLIAN: I'll move for approval.

CHAIR VIGIL: I have a motion. Is there a second?

COMMISSIONER STEFANICS: I'll second.

CHAIR VIGIL: I have a motion and a second. Any discussion?

Commissioner Anaya,

COMMISSIONER ANAYA: Madam Chair, I've seen several of these along with others and especially with Commissioner Stefanics at the Association Board meetings. One question I would have Commissioner Stefanics or Mr. Gutierrez, whichever or you would want to respond, is under item six under decriminalizing traffic citations. I did have a conversation with our County Sheriff and I think the general feedback I received from him was that he was okay with the legislation but I have a question and he raised a question about how broad is the scope of the violation? Because he would not be supportive, nor would I if it would include some of those moving violations that are more severe in nature. Maybe DWI is an example. So could you expand for clarity.

COMMISSIONER STEFANICS: I certainly will. Thank you for the question, Commissioner. This was brought by the Commissioners affiliate and the detention affiliate, and that was my exact question at the board meeting is that I had no intention of decriminalizing a DWI. These are non-criminal traffic violations. They would be parking tickets, parking tickets that are not paid, and I understand that it affects the small counties as well as the large counties. I do have, and I'll pass out to the Commission a Dona Ana County bookings due to failure to pay a traffic violation and the numbers that they are holding in their jails for this, and this was the impetus for it. I in no way want to decriminalize DWI.

COMMISSIONER ANAYA: Madam Chair, thank you, Commissioner

Stefanics, for providing that clarification for our viewing public as well as for our listeners listening in. I appreciate it.

CHAIR VIGIL: Okay. And I just am going to summarize. This isn't about the citation itself; it's about the violation of a court order as a result of the citation I would assume. If someone fails to appear or they fail to pay a fee or something like that, a bench warrant is issued. So my understanding is what's going to happen is the bench warrant won't be issued? Is that how you understand it?

COMMISSIONER STEFANICS: Madam Chair, this really has to do with payment of violations, and so it is going to be dependent upon the legislature how far the legislature would amend the state law, whether or not they would be comfortable doing away with the bench warrants or whether they would set a limit. So this is just a resolution supporting some action to relieve counties with small jails and the expense to county jails.

CHAIR VIGIL: Okay. Okay, are there any other questions on any of the items? Seeing none, I have a motion to approve all of these in one full sweep, Resolutions 2011-176 through 2011-182.

The motion passed by unanimous [5-0] voice vote.

XIV. E. 8. 2012 Legislative Priorities

MS. MILLER: Madam Chair, Commissioners, I don't have a formal presentation on this. We just wanted to give you kind of an update. We're going to, at the next Commission meeting bring back any of the items that were brought forward in our priorities last year, any resolutions that we had. For instance, there was a resolution concerning the driver's license issue. There was one on the E-911 consolidation. There's been some discussion about a local liquor excise tax. We also had one on energy conservation bonds. So staff is working on compiling everything that we had last year that we ended up getting you an update on what happened at the last session. Several memorials were passed and there's been some studies done, not necessarily any specific legislation, most of the things were brought forward last year, but we're going to give you an update on that and also ask them to work with your liaisons on anything that you would like to see brought back forward listed as priorities so we can have those on there.

Also, we're working on scheduling a breakfast or lunch the first week of the session around the – I believe we're targeting the 19th of January but we'll get you the specifics on that. It's the Thursday after the legislature opens to have something with our delegation. And then also any capital requests. We would like to put forward at least letters to our legislators on what is in your district that you would like to see as well as our countywide requests, so that we make sure that we have all of that information from them. So we'll be bringing some drafts of stuff to you on the December 13th meeting and then also items for approval at the first January meeting. But if you could get either with me or Rudy or Hvtce or your liaison can come and let us know if there is anything that is important to you. We're also going to the different interim committees and seeing if there's any pieces of committee legislation coming forward that might affect the County detention facility and that so that you're aware of those,

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in addition to the stuff that you just passed the resolution for for the Association of Counties.

So I just wanted to give you kind of an update on where we are on that and also I wanted Rudy to present and he didn't want to because it's his birthday today.

CHAIR VIGIL: Happy Birthday, Rudy.

COMMISSIONER ANAYA: Happy Birthday, Mr. Rudy Garcia, for everybody out there in the listening public.

CHAIR VIGIL: So when you have a birthday you're excused from presentations?

MS. MILLER: Apparently Rudy thinks so.

CHAIR VIGIL: We've started a new tradition. Okay. Very good. Thank you for giving that summary, Katherine.

MS. MILLER: That's all I have from items from the Manager, unless you have any questions.

CHAIR VIGIL: I don't have any questions, but did I skip an item? So then we're under executive session? I believe there are insurance folks here.

MS. MILLER: I was wondering – that would be under item 2 under items from the County Attorney. We could do that item first before going into executive session if you'd like.

CHAIR VIGIL: Okay. Do we need to go into executive session before we do this item?

MR. ROSS: No.

XIV. E. 2. Annual Renewal of the Public Liability Insurance Policy with One Beacon Insurance Company \$1,089,872 (Legal Department and ASD/Risk Management)

CHAIR VIGIL: Okay. Then who will do the presentation on this?

MR. ROSS: Madam Chair, I guess I will take it and then be assisted by Jamie Koch and Brad York and possibly George Segura.

CHAIR VIGIL: Very good.

MR. ROSS: Jason, could you pull up the power point. We put together a little power point. We have two new Commissioners who haven't been through the annual renewal process. We felt we'd give everyone a little background and remind you where we are with this program. What's in the packet is my memorandum and essentially the same information you're about to see on the slides. And, no, I don't have the power point in the package. So this is little power point, obviously we're here to talk about the annual renewal of the County's public liability insurance coverage. That's not Workers' Comp, that's not other small types of coverage we have like pollution coverage, etc. This is the main public liability package that ensures the County from general types of claims brought against the County, specific types of claims related to law enforcement and jails, claims related to car accidents, things like that, and also an insurance package that covers the County's properties and buildings.

Once again, we have an insurance broker and we've had one for three years, and it's Daniels Insurance Company. They were solicited by the County under a competitive proposal and have a four-year contract with us and this is the third renewal that they have done. Under this contract Daniels must annually renew our insurance policies. This process requires Daniels to go to the insurance markets and solicit quotes from big insurance companies for the County's coverage each year.

So our current coverage expires at midnight in about a month and we need to take action on this, obviously today or at the very latest on the 13th. Daniels has gone out and canvassed the market and we'll talk about who they solicited quotes from in a second. All declined, all the companies solicited declined to quote except our current insurance company which is One Beacon Government Risk. The reason given by several of these insurers was the current cost of coverage which of course we're experiencing very good claims experience lately and as a result we have very inexpensive – not inexpensive, but low coverage, comparatively speaking compared to what other companies can offer.

Here are the companies. This material is in your packet. These are the companies from whom quotes were solicited: Travelers, CAN, Scottsdale, NIF/Praetorian and the New Mexico Association of Counties. All, as I said before, declined to make a quote because they indicated they could not be competitive with the current pricing, all except for Scottsdale which has recently exited the public entity market and the Association of Counties is also in the same position. In the memo it indicated they had responded by the time the memo was prepared but now, recently, I met with Steve Kopelman. He indicated the same thing that they just could not be competitive with this current pricing scheme.

So here's the quote for this year, obtained by Daniels. It's \$1,089,872 for the entire calendar year starting on January 1. This is a slight premium increase over the current coverage. It's essentially flat but our claims experience has been not as good as it could have been, mostly because of one single claim. Most of our claims experience has been very good. We do have one claim on the books. Not a lawsuit, not a paid out claim but a claim that has resulted in our claims experience or our ratio of our claims to paid out premiums being somewhere around 62 percent.

The current company and the company proposing to provide insurance next year is One Beacon, obviously. It's a highly rated company. It has an A.M. Best rating of A, excellent. It's a Class XI company which means it has assets of between \$750 million and one billion. In other words, the company is very well capitalized. One Beacon is a specialized company. They only provide coverage for public entities and not for any other type of group so they're very specialized and very experienced with public entity work and as a result it appears they know how to rate the coverage better than almost anybody else.

They insure public entities in 40 states and a number of entities here in the state of New Mexico. Since they've provided us coverage over the last two years they've provided us with excellent claim service and superior coverage. Some of the high points of the coverage are defense costs that exist outside the policy limits, in other words any lawyer fees and other costs that are involved in defending litigation by this company are paid for by the company without intruding onto the coverage that's otherwise available. So if it costs a million dollars to defend a million dollar claim you still have a million dollars of coverage, despite the fact that a million dollars was paid out to defend the claim.

Planning and zoning are covered. One of the problematic things about prior coverage we've had is that we were exposed to class action lawsuits, particularly in the jail setting with the strip searches. We have no such exclusion here should we have a problem like that; should a class action be filed we would have coverage. Once again, duty defendant settled. The company has been very excellent with that. They've accepted their duty to defend; they've accepted their duty to settle, and we've been very pleased with their response on that ground.

We have \$6 million of coverage, \$1 million of underlying coverage, a \$5 million umbrella. One choice we have to make is concerning the deductibles. Our current deductibles are \$25,000 per claim, no matter what kind of a claim it is. You can see that to date we have paid, the County has paid \$122,000 of deductibles to the company. This is below average. Our average is about \$130,000 and that goes back many years. So the number is a pretty solid number. We've been setting aside about \$200,000 in the budget every year to pay deductibles and we've been doing better than that every year.

As I mentioned, there's a choice we'd like to discuss concerning the auto physical damage coverage we currently have. That currently is subject to the overall deductible of \$25,000. We this year asked for a couple options to be quoted by the company concerning this subject because there have been some concerns, particularly from the Sheriff's Office concerning losses of law enforcement vehicles. As you can see, Option 1 provides a \$2500 deductible for all County vehicles 2006 model year and newer and/or units valued at \$50,000 or more regardless of age. To do that would cost an additional \$90,000 on the coverage.

Option 2 is the more directed approach that just focuses on reducing the deductibles and applying a comprehensive and collision deductible, a relatively low one, for all 138 law enforcement units at a cost of about \$50,000. This is the option that staff thinks makes sense. As you can see, our annual average deductible expense, our out of pocket expense for physical damage claims has been running about \$32,500 per year. It appears to us the convenience, elimination of risk and expense certainly justifies Option 2 but it's less easy to justify Option 1, because it is after all about three times what our average physical damage claims are in a given year.

So here's the premium summary, once again using just the standard \$25,000 deductible. You can see our boiler machinery coverage is staying flat. Our automobile coverage the quote is actually significantly less than last year. General liability, this is slightly more than last year. Public officials, employment practices, things like that is slightly more. Law enforcement is actually about the same as last year, and our umbrella is about the same, yielding a premium that is \$20,000 more than last year's premium, and all that with an overall loss ratio of 62 percent.

This gives you an idea how the pricing of One Beacon has affected the overall cost of insurance coverage for the County over the last five or six years. The purple at the bottom is the insurance coverage that we're talking about today, which is the public liability insurance. As you can see, One Beacon's pricing has enabled the County to save almost a million and a half over the last two years each year. So with that we've got Brad York here from One Beacon and Jamie Koch from our insurance agency and [inaudible] here to answer questions and I'll attempt to answer any questions you might have.

CHAIR VIGIL: Questions?

COMMISSIONER STEFANICS: Madam Chair.

CHAIR VIGIL: Commissioner Stefanics, then Commissioner Anaya.

COMMISSIONER STEFANICS: Madam Chair, I would like to ask Paul Gutierrez a question first before I get into this one. I really wish we had the slide package. Paul, would it be fair to say that the rates from the Association of Counties cannot be competitive because of the reserves that you're holding, compared to this company?

PAUL GUTIERREZ: Madam Chair, Commissioner Stefanics, I think – I was just going over some of the numbers with Steve as I was driving over. I think we can be fairly competitive on the multi-line side. I think from our experience as we were the past insurer of the County that we're not as competitive on the law enforcement, the jails and Sheriff's and jails in particular. It's not so much the reserves as the loss experience we've seen, and when we look at these numbers and we look at that experience that we're not comfortable that we could actually sustain those losses and stay viable. So it's not so much the reserves. It's the loss experience; we couldn't underwrite that.

COMMISSIONER STEFANICS: Okay. Thank you very much for coming up to answer that. I would like to reserve my future further comments until after the other Commissioners. Thank you.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: A few logistical questions just to get me up to speed, Steve, or Ms. Miller. Probably Mr. Ross would be best. The County was insured through the New Mexico Association Multi-line Pool. And then help me. The Commission said we want to take a look at overall, how we're doing on our insurance so let's put out an RFP and hire an independent firm, Daniels Insurance to evaluate what we're doing. Kind of take me through that a little bit so I understand that.

MR. ROSS: Madam Chair, Commissioner Anaya, that's exactly what happened. There had been persistent beliefs on the part of some of the Commissioners that maybe we could do better, given the fact that at the time we did this, it was about three years ago, the insurance market was very soft. So there was a feeling that we should at least explore and see how much we might pay if we were insured on the private market. And secondly there was this concern over the newly instituted class action exclusion in the Association's policy which, as you recall we had a very nasty class action lawsuit that we suffered through in the last year or two of the private contractor at the jail that scared everybody. Because the result of the exclusion in the Association's policy was that we had no insurance for those types of claims in the future.

So those two things started people thinking and we put out an RFP to solicit a broker to explore the issue and solicit quotes and find out what was out there and what we might expect. So we did that and Daniels was successful; they won the bid. There were about ten or so companies that applied for the business. They won the bid. They explored the market and we got a very good price and very good coverage, so the switch was made at that point.

So Madam Chair, Mr. Ross – and my comments and questions have no bearing on the capacity or competency of One Beacon or the competency of Daniels. I'm trying to understand the framework of how we got there, so let me just quantify my questions before I ask them. So the County at the time that we were part of the pools, the New Mexico Association of Counties pools, had a sitting board member on the board of the multi-line pool

board. Did the questions or concerns that you've referenced, were those specifically asked at those multi-line pool board meetings, or concerns raised associated with the item you just referenced for class action suits or any other concerns? Were those represented by the County board member, which is one of the few counties that had an actual board member. Other districts were represented by one – one representative will represent eight or nine counties. Were they represented in a formal discussion or do you know? You were here, so what happened?

MR. ROSS: Commissioner Anaya, I don't know whether the board member at the time, who I believe is the current Treasurer, raised those concerns. I raised them at a staff level with the risk manager, Steve, Mr. Kopelman over there, but I don't know whether it was raised at the whole board or not. I have no idea.

COMMISSIONER ANAYA: Okay. So Madam Chair, one of my next questions would be for you, Mr. Koch. Once the County retained you to be our broker and to engage in evaluating highest and best use and best policy and best competency and everything else, did you have any initial conversations specifically with the board at multi-line about the services they were rendering to the County and specific concerns and if so, was it a duly noted board meeting or was it just conversations between yourself and the director, Mr. Kopelman.

JAMIE KOCH: Madam Chair and Commissioner, what we wanted to – we worked with the County Association when we first got it. When we got our bids from the outside market. Two weeks before I turned all the bids over to Steve Kopelman so he would see the figures we were getting from the private sector. So we had time to be able to take a look and determine the competitiveness of those figures. And Steve's a good man and the County Association's a good man. So we presented all the fees we got. We compared all that. And then at that date, which was two years ago we presented at this – the County Commission meeting, the figures. People were concerned, is it going to be a one-year figure, where they're buying the business, which they did not. Last year they came in a little bit lower than they were.

This year what I did, three weeks ago I sat down after we got all our bids in, all the figures from the private sector, so all the numbers, all the coverage, I sat down with Steve Kopelman, he came over to my office, spent a lot of time with him, showed him the figures so he'd have an opportunity to see what the figures were. The reason we do that is we really care where it goes, but our responsibility and somewhat your responsibility is to get the best price, the best we possibly can, and have the kind of coverages that are going to cover the County for their losses, and that's what we did.

So the County Association, we've been really right up front with them, we've given them all the numbers. If they had, when they had our numbers from the other sources, they had all the opportunity to compare their different numbers and different to where they were. So we presented that. We went over all the coverages that we had, the coverages and the terms, went over the County's coverages and the terms. So what we have, when we take a look at what we've got, this is not a knock at the County Association. I support the County Association, support and have. We have, because of the nature of Santa Fe County and how it's been operating, the reasonable figures came in at about \$25,000 higher, and mainly that was because we had 200 more vehicles in the off fleet schedule so [inaudible]

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So our responsibility, based on the terms delivered to the County Commissioners, a competitive price for their insurance. And yes, we sat down with the County. They see all our coverages. We gave them all our pricing before we released the pricing. We gave them pricing so they would have it so when they had it they can take what was being charged for each sector by the private sector. Obviously, we didn't do that with the private sector. I didn't send the private sector what other people bid; I don't think that's right. But as part of the County Association I think it's our responsibility to be right up front with them, give them the numbers so they see where they are, give them the opportunity to come and say if they had a figure that was better than ours, we'd be here recommending that figure, if their figure was better the – we would do that. If it was real close then that may be a different situation, but the situation is is that we write a lot counties. The situation is in the private sector right now it's very competitive. And I'm not going to tell you four years from now or two years. In fact Steve Kopelman and I had a good visit just a couple weeks ago and maybe in another year it might not be, but that's what you hired us for. You asked us to go out to the markets. You asked us to go out and find what competitive figures were, and we came in with a figure that's more than a million dollars less.

And the big concern at that time the Commissioners had, which if I was a Commissioner I'd have the same concern – you're just trying to buy our business; next year you're going to come back and raise the figures. Next year we didn't come back, if you'll look at the chart. Again, we're in the third year, we're down. It's very competitive and I think it speaks for itself.

But as far as the County Association, we support the County Association, support the legislature for six years. I know when we had to try to inform the County Association, it's very important to do that. But on the other hand we had a responsibility to present to you the most competitive figures possible. Steve knows our program, knows our coverages and we know theirs.

COMMISSIONER ANAYA: Madam Chair, Mr. Koch, and I've not seen or looked at your agreement or your compensation associated with the County's agreement. Is your compensation linked to the provider that we hire in any way? Because you referenced our plan. Essentially you're not the representative for One Beacon. You're brokering and trying to figure out what's the highest and best cost. So clarify for me. The fee you get, is it a fixed fee that we provide you?

MR. KOCH: Madam Chair, that's a great question. We have no commission on it. We shouldn't get commission. It should be a fixed fee. We get a fixed fee to come and do it so if we were getting commission it would be a different story. We don't do that. It's a fixed fee that we charge the County and if we go with – we have one more year I think in our contract if I'm not mistaken. If we want to give it to the – if the County Association does best that's where it goes. It doesn't make any difference to us. What makes a difference is the cost and the coverages that are being presented [inaudible] and competitive. That's our only responsibility, the responsibility to deliver to you the most competitive costs for your insurance.

COMMISSIONER ANAYA: Madam Chair, thank you. Mr. Koch, it was mentioned by Mr. Gutierrez, and I had a brief conversation with Mr. Kopelman associated with the inability of the Association on the law enforcement and corrections side to be able to

compete with the price provided by One Beacon, but that they could compete on the multi-line. Was that evaluated or did you look at that or what does unbundling do to this proposal? Or is that even a possibility?

MR. KOCH: Madam Chair, Commissioner, I'm glad you asked that question. That's a perfect question. If we unbundled you're going to have a problem. When you bundle together the company looks at the total amount of the premium they're going to collect - \$1,860,000 if they look and say this is what our total exposure is going to be. What kind of premium are we going to have to get for this exposure? I just mentioned that we have 204 more vehicles than we had last year. If you will notice our figure is a little better. So what happens when One Beacon looks at this they look at the overall coverage and say this is the overall price that we think we have to have to make money on the County. [inaudible]

So if we unbundled it they're not going to be a ballplayer. So if we start unbundling, if we start going out and getting coverage for law enforcement here, or whatever, and yes, the County Association. Correctly. We probably could get a better figure on the property and the auto and [inaudible] But when you put it all together with the money at the bottom, what is the total amount the insurance company is looking for? They're looking at this risk based over [inaudible] what is our exposure? We need to collect at least \$1,860,000. When you start unbundling it then it changes the whole ballgame and at this time we don't need to unbundled it because we had an overall cost that is very competitive.

When I sat down with Steve he asked me that question and I said yes. And I'm sure that it might make a difference but it wouldn't make a difference in the total pricing. And then if we started unbundling it, when we look at these we write to Rio Arriba County and we write Rio Arriba County for 30 years. We write Lee County. We write the City of Albuquerque. We write many public entities. But when you're looking at this situation is is you don't want to uncouple it or change it if you want to get a total price at the bottom. And that's why you have the figure which you have now.

COMMISSIONER ANAYA: Madam Chair, thank you for those responses. Mr. Koch, one last question. Do you have any county entities that you work for that utilize the Association as their insurance carrier?

MR. KOCH: Madam Chair, we do not write the Association. No, sir. We're not. We're not an agent for the Association.

COMMISSIONER ANAYA: So, Madam Chair, when the County made the decision at that time to bring you on, the presumption seems to me that they were going to go with a private carrier.

COMMISSIONER STEFANICS: On this point, Madam Chair, Commissioners, just from my perspective, the reason that we went shopping is because that's when we started having some financial issues and we wanted to see if we could have any savings. And by doing this - it was a hard decision but by doing this we did save \$800,000 that first year in a premium. So it was a hard decision but we were trying to save some money. That's my perspective. Thank you.

COMMISSIONER ANAYA: Thank you, Madam Chair and thank you, Mr. Koch. I think what I would have liked to have seen and I thought I had asked for it but apparently I wasn't that clear. I would have liked to have seen some more background associated with where we were at prior to changing carriers as far as per-claims and

premiums and other things that were referenced in the meetings to get a more – a broader foundation. I see the prior year but it's just last year. So those are my comments right now, Madam Chair.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Madam Chair, Mr. Koch, is there only a certain limited number of companies that you could place us with, or could you actually go out in the competitive market and look at anybody's rates.

MR. KOCH: Well, Madam Chair, Commissioner, we write with Traveler's Lea County. There are many companies, certain companies out there that write municipalities and counties associations. We go to all of those. We're licensed to go to all those. What happens, when they take a look at the figures – don't forget, we sent applications to all these companies. We sent the pricing that they had before, so they know what the pricing was. [inaudible] They take a look at the experience, which is the loss experience [inaudible] and then those companies take a look at it. And we go to every company that we know of that write municipalities and counties. And we do that, and when we do that we have to send them pricing on the expiring insurance premium, because there's no way would have where it is. So we provide to them that. When we go out to bid and they take a look at it, that doesn't mean that maybe One Beacon is going to come back with a higher price, but what we do, that's the way we're successful in doing it. And we are very fortunate to represent almost all the markets that write counties and municipalities.

COMMISSIONER MAYFIELD: And that's good to know. You're licensed with everybody and you've shopped this out to everybody but ten other companies say, uh-uh, we can't –

MR. KOCH: Madam Chair, yes. We're licensed. We have to be licensed. We have to be approved by those companies. We have to have a contract with them. We have to have a certain amount of [inaudible] coverage. We have to have all of those things and obviously those companies look at us and our expertise in the business, what's our expertise in the insurance business? Do we write – like the City of Albuquerque, a pretty healthy piece of insurance problems, I can tell you. We write the County of Rio Arriba. We write many cities and counties, and they want to see our expertise. Counties – the companies don't want to just pick somebody that doesn't have an expertise in the public sector.

COMMISSIONER MAYFIELD: Thank you. Madam Chair, you mentioned bundling. I thought we did have some of our insurance placed with the New Mexico Association of Counties. I know our Workers' Comp is there, but don't we have some other insurance placed with the New Mexico Association?

MR. ROSS: Madam Chair, Commissioner Mayfield, no, not at this point. We have some specialized coverage for volunteer firemen and for the pollution coverage for the transfer stations placed with other carriers but we don't have anything else with the Association right now. We have malpractice with them.

MR. KOCH: Madam Chair, can I comment? For example, when the Workers' Comp came up, who did we recommend? We recommended the County. What we did, we went out to bid, we went to bid to everybody, tried Workers' Comp coverage. Got some good bids. They looked real good, and we came back, told the County, said the figures that you had from [inaudible] The figure we had from the County Association for Workers' Comp was a

good figure. It's a very good figure. We recommended that's where you go. We had some other figures that were good. Some were close, but they were really competitive.

But when you took a look at the whole thing and you looked at the way the Association Workers' Comp was put together and you take a look at that, and we had the other companies, we had a company that was probably a little bit better, but they didn't have the claims people, they didn't have [inaudible] we just said to our opinion that the County Association, which we said clearly, has the best Workers' Comp. Now are we going to bid the Workers' Comp next year in July? Yes. That's what we're required to do. Your contract has told us that we go out and check the market and we do. We will go out. We will do the same thing, and then I will go to the Association once I've got our figures in. Once I've got a figure I'll go to the Association and say here's the figures we have. If they're so much more competitive we would want them to look at it. But we will bid, based on our contract, we will bid the Workers' Comp. We will not ask the Association for a bid, so I don't even ask them for a bid. I'll wait till I get mine in so that, if I've got a bid from the County I'm going peddle it.

We'll go to the Association, we'll get our Workers' Comp figures in. Here's what it is. We'll present it. And if, if, their figure is considerably better than the Association they'll know about it and we'll be told if we are to present it to you to take a look at.

COMMISSIONER MAYFIELD: Thank you. Madam Chair, Mr. Ross, is there any coverage that maybe the County needs that's not being offered that we don't have that we're kind of self-insuring ourselves for right now? Or are we covered for arguably everything?

St: Madam Chair, Commissioner Mayfield, no, we've made a point of closing all the loopholes that we know of.

COMMISSIONER MAYFIELD: Thank you. So, Mr. Ross, if a cow gets loose on one of our County roads because we don't have a gate, we're covered for that, right?

MR. ROSS: Brad is here to cover us.

COMMISSIONER MAYFIELD: Thank you. But now I'm going to ask the flip side of this question. Don't throw me off this bench for asking it. Would there be any benefit for the County entertaining becoming self-insured? I think, Madam Chair, Mr. Koch, maybe you thought about back in one of the schools?

MR. KOCH: I didn't hear what you were saying?

COMMISSIONER MAYFIELD: Would there be any benefit for the County to look at itself to say we want to self-insure ourselves?

MR. KOCH: Well, that's a good question. I'll speak real clearly on that. For your Workers' Comp, I say no. I say you're best here in with the County Association. I think you're too small for that. I think the County's too small for self-insured. I think you're not big enough to do that. Now, the City of Albuquerque has pretty large what they call SIRs, a million and a half, a million five. When you take a look at a self-insured I would not recommend to it. I do not think the County Association would recommend that. You're not large enough. The City of Albuquerque is. Now, the state of New Mexico is self-insured and their costs are out of hand. If you take a look, and I've said this over, the way they run their self-insured program is not very good. But they should be self-insured. In fact I went to Governor King in 1987 and told him at that time, we were writing the state Workers' Comp. I

told him at that time the state needs to go self-insured. But the County's not big enough to go self-insured. Just over that one shot loss of a million and a half or a million five or two, you would have what you'd call a stopgap, whatever. You're not.

Now, deductibles, when you do the deductibles, that is somewhat of a little bit of self-insured where the deductible you're recommending on your Sheriffs, and there's a problem with your Sheriffs with the 500 and thousand, I would recommend that, because the Sheriff's vehicles, you could have two or three of those and so that's – so you're somewhat self-insured with your deductibles. So you might, you might decide, we might decide to go into Steve and say we maybe want to look at a different deductible cost across the board. What kind of deductible do you think the County Commissioners would accept? What is your appetite? And do we accept \$250,000? Do we accept more? Do we accept \$200,000? What is your appetite? That's where you might look. As long as you – if your experience continues. Now, we had one loss. We had one loss. It was unusual. There's always something happens that's unusual. We had a \$600,000 deal at a rodeo in Galisteo and a person got kicked in the head and stuff like that. It's unfortunate. It's unfortunate. And what happened? We had a \$600,000 claim. Now, if you were self-insured, you got it. And so if we hadn't had that one we would have been better off. But that's why you have the policy. You're going to have some – if not Galisteo it would be somewhere else. You could have something else happen and get a big one.

But when you talk about self-insured, no. Where you might talk, what is our appetite to accept loss which would be [inaudible]

COMMISSIONER MAYFIELD: Thank you, Mr. Koch, and that was going to be my next point, Steve, if we could look at all claims, history experience, and maybe that's something we could entertain if we doubled our deductibles, if we could absorb that, if we thought we could absorb that. I don't know if that would arguably be a reduction of 50 percent of the premium we're paying or not. You would probably know that.

MR. KOCH: Madam Chair, Commissioner, I'd be glad to sit down with any of you all. Our books are open. Sit down with you. Come to our office and pull out the losses and look at the losses, talk to you about them. I'm on the board of regents of the university. I've been in public life. I understand the situation. If [inaudible] we'd like you to see. Come on over. We'll show you the claims. We'll show you this. And then you'll say, but what would happen if we raised the deductible to a \$150,000? Well, we could pretty well – we could go back five, six years, what the amount of claims were. You can take a look at that and maybe it's okay and you'd say, yes, we'd be willing to do that.

You look at it, you take a look at it, and then you come back when it all gets down to it and you determine, its just like what is your average losses? The longer that we can go, five years, and then you all might say, you know, we think we want \$150,000 deductible [inaudible]. It's going to save us x-number of dollars. But we'd be glad to look at it.

COMMISSIONER MAYFIELD: Thank you, and Mr. Koch, you may have hit the summary memo that came from Mr. Ross. So, Mr. Ross, that non-matured claim, was that the one at the rodeo grounds?

MR. ROSS: Yes.

COMMISSIONER MAYFIELD: And when did that occur?

MR. ROSS: I couldn't tell you the date of loss. It was in the last year, a year and a half ago.

COMMISSIONER MAYFIELD: So it would have been with ACE Insurance Company as our insurer, our prior insurance company.

MR. ROSS: Yes.

MR. KOCH: It was us. One Beacon.

COMMISSIONER MAYFIELD: And Madam Chair, Mr. Koch, just help me out. Why would that affect our loss ratio this year? Because we paid it out this year? It wouldn't have been when the accident occurred?

MR. KOCH: No, what happened is is for example we have a claim, \$600,000, your current situation is we're going to pay for it if that's what we have to do so. It's not going to – it did not affect this premium real greatly, but it did touch it a little bit. Not much, but just a little bit light. But when you went to the overall, as I said before, you had 204 more vehicles when you look at the average. Now, I'm not going to tell you if that claim didn't happen we were going to have a ten percent [inaudible] but you always have something like that that potentially can happen that you're going to have that can affect your overall account.

MR. ROSS: Madam Chair, Commissioner Mayfield, you know that – you recognize of course that that claim is just a claim. That's all it is. There's no lawsuit, there's no nothing. We received a letter and that's it. But it does, because it is a claim the insurance company has to put it on the books as potential loss, establish a reserve for that claim and keep that on the books. So it affects your loss ratio. But it isn't the real claim. Not one dollar's been paid on it at this point.

MR. KOCH: Madam Chair, whenever you have a death, whenever somebody gets killed, regardless of what it is, it could be a problem.

COMMISSIONER MAYFIELD: Thank you. Mr. Ross, on that point though, so if whatever happens with this claim, if the settlement is in favor of say the County not having to pay out any money, then we could go back and look at the premium that was assessed to us, if we didn't pay out any loss on that claim?

MR. ROSS: Madam Chair, Commissioner Mayfield, no. No.

COMMISSIONER MAYFIELD: And Madam Chair, Mr. Ross, Mr. Koch, we couldn't kind of get a policy in to stipulate something like that, if you had a –

MR. KOCH: Well, no. That would be good to do but when they set up an assessment what they feel the potential part of that claim is going to be. Usually they're pretty accurate. But when they look at the overall picture is when they do that and they look at the nature of the claim other companies are going to look and say this is what we got. It's not a frivolous claim. It's a claim the person got killed. He's dead. So the situation is what we hope that it was settled less than \$600,000. I'm going to guess it may. It may not. But that's only past us now. We're now in another year. But that claim may take a while to be settled.

COMMISSIONER MAYFIELD: Thank you, Mr. Koch.

CHAIR VIGIL: Any other questions? Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, Mr. Koch, and this might go to you and Mr. Gutierrez who's sitting in the back. I think the bottom line is appropriate

coverage from a reputable organization to protect the County's interest and that company protecting its own interest. What I have concern about, and I'm going to ask you, Paul, to come forward one more time, is that understanding the economies of bundling and not arguing that point. It makes sense to bundle and try and get the best price I am a little uneasy that the Association didn't give a quote on either end and want to ask you why, Paul, and if it would be prudent to at least give us something to have on record before we make the final determination given everything that's been said today.

I understand what's been said and we hired Mr. Koch to help us evaluate our best coverage and our needs and that's what we hired him for. But that being said, we also have to deal with the reality of the rest of the state and the Association and the counties and other counties raising clear concern as to why we left in the first place. So, can you enlighten me a little or help me out?

MR. GUTIERREZ: Madam Chair and Commissioner Anaya, I'll take full responsibility for us not submitting a bid. I know that Mr. Kopelman did meet with Mr. Koch. I did, as I was saying earlier, meeting with Mr. Kopelman as I was coming over from the meeting, and I'll just give you some of the numbers and it's unfortunate that we did lose you out of the pool but we understand the nature of your budgets and where you're at and you have to make financial decisions. I would also agree with Mr. Koch that you don't want to unbundle your coverage, particularly from the Association's standpoint, I don't think that you would want to unbundle those for fear that you're going to have companies that are going to cherry-pick. They're going to cherry-pick the business that's not losing and leave the rest and those rates will go up. It's all about managing risk, correct?

And right now, although we're not competitive on the law enforcement side, I think that one of the biggest things that we could do as counties is if we could do away with the detention centers and give those back, give those to the state and create a regional system – I doubt that's going to happen, but all the costs that we don't get reimbursed, all the liability, would be a huge savings for the counties. And maybe the economies of scale and some of the things they have DOC would even be better – mental healthcare, those type of things, that healthcare.

I'll give you the numbers, just a quick down numbers of what Steve presented to me so that you have the ability to make the decision. We're looking at the multi-line numbers and we were looking on the high end with a low deductible of \$6,000. Plus, and then \$1,000 deductible for property. \$6,000 for all the others. We would be at \$825,000 on the multi-line. If we were to raise that deductible to \$25,000 across the board our numbers we calculate would come out to about \$675,000. I think that's a little lower than your multi-line number from One Beacon.

But looking at the law enforcement side, and again looking at loss experience and kind of what we've seen with those loss ratios, that we would be about \$1 million premium on that. So there again. I would say the one thing, and maybe I didn't catch Commissioner Stefanics talking about reserves. One thing is that when you are self-insured, self-insured like a captive company like NMAC is that you own the company; you are part of the owners. At some point in time if we were to build up our reserves large enough and earn enough interest back on this that we could severely undercut any premiums that would be paid out by the

counties if we were to build that up large enough, that reserve, and use that income coming in.

It's a soft market right now. I think I believe it's going to become harder in the future and we will come back and try to bid and win that. That's one of the reasons that the Association started a pool in the first place. Counties couldn't get insurance. They got kicked out of the risk pools for jails in 1994, given 60 days to come up with the capital and do this. Same thing with Workers' Comp. It's cyclical in nature and I think at some point in time it's going to get uncompetitive and private markets aren't going to compete and we'll be right there.

COMMISSIONER STEFANICS: On this point.

CHAIR VIGIL: Commissioner Stefanics.

COMMISSIONER STEFANICS: When I was at the state risk pool, the reason that we could keep rates somewhat low, and Mr. Koch wouldn't agree with that because he was at the university and kept thinking we were going up, up, up. But the State Treasurer still had good interest rates. And as those interest rates fell we are prone to what Paul is talking about. In other words no building, and so we did have to start raising those rates. And the actuaries who came in to actually look at all this have to look at experience and exposure, and they have to say make sure you have enough coverage regardless of what you have in reserves because you could be wiped out with 60 medical malpractice suits all at once. So that's the reason I asked the question about reserves in the first place, is if we have some exposure that's sitting there on the books, how many millions of dollars would it take us to clean all of that up? And we don't really know until those cases are put to rest. But the interest going lower the state suffered just as much as the counties. Thank you.

COMMISSIONER ANAYA: Thank you. Madam Chair, I appreciate the chance to ask those other comments and I would say I appreciate you Paul for providing those numbers. That's about a \$400,000 spread between what they're able to do bundling, taking into consideration the deductibles, \$430,000, somewhere in that range. But I appreciate the information. And I appreciate you, Mr. Koch, answering the questions that you did. Thank you.

CHAIR VIGIL: Okay. Are there any other comments, questions? We do need to take action on this. We're actually taking action on the renewal of a four-year contract. This is what? The second or third renewal? Okay.

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Yes.

COMMISSIONER ANAYA: Madam Chair, I'd move for Option 2 that provides the offsetting coverage that helps with the Sheriff's issue. Option 2, I'd move for approval.

COMMISSIONER HOLIAN: Second.

CHAIR VIGIL: Okay. I have a motion and a second. Any further discussion?

The motion passed by unanimous [5-0] voice vote.

CHAIR VIGIL: Thank you very much for the presentation and the information. Appreciate your being here.

COMMISSIONER STEFANICS: Madam Chair, I still would like a copy of the power point.

CHAIR VIGIL: Would you make those copies available, either by email or hard copy?

XIV. E. Matters From the County Attorney

1. Executive Session

b. Limited Personnel Issues

c. Discussion of the Purchase, Acquisition or Disposal of Real Property

- i. The Purchase and Sale Agreement By and Between the Estate of S. Zannie Hoyt, Through Co-Personal Representatives Linda N. Weil, Robert H. Weil, Jr., and William A. Simmons, No. D-0101-PB 2010-00207, First Judicial District Court, County of Santa Fe, New Mexico, Kate Ann Weil Byrnes, Robert H. Weil, Jr., and William A. Simmons, Co-Trustees of the S. Zannie Hoyt Revocable Living Trust Under Account Dated December 26, 2007, as Amended, and Robert H. Weil, Sr., and the Board of County Commissioners of Santa Fe County (\$84,000)**

d. Collective Bargaining

CHAIR VIGIL: I do think we need to consider going into executive session at this point in time. Mr. Ross, what are the purposes?

MR. ROSS: Madam Chair, we need to go into closed executive session to discuss pending or threatened litigation – I'm sorry. Limited personnel issues, purchase, acquisition or disposal of real property, and it's the property listed there, as well as collective bargaining.

COMMISSIONER HOLIAN: Madam Chair, I move we go into executive session where we will discuss limited personnel issues, purchase or acquisition of property with the property listed on the agenda, and collective bargaining.

CHAIR VIGIL: Is there a second?

COMMISSIONER STEFANICS: I'll second.

The motion passed by unanimous [5-0] voice vote.

[The Commission met in closed session from 5:10 to 6:25.]

CHAIR VIGIL: We are reconvening as the Board of County Commissioners, Santa Fe County for the November 29th meeting, and we need to come out of executive. Do I have a motion in that order?

COMMISSIONER ANAYA: So moved, Madam Chair.

CHAIR VIGIL: Is there a second?

COMMISSIONER STEFANICS: Second. I'd like to identify the people that were in the meeting. We had the County Manager, the Deputy County Manager, the County Attorney, the Deputy County Attorney, and our HR Manager, as well as the five Commissioners.

CHAIR VIGIL: I have a motion and a second to come out of executive.

The motion passed by unanimous [5-0] voice vote.

MR. ROSS: And Madam Chair, just for the record, we discussed limited personnel issues, the acquisition of the property listed on the agenda, and collective bargaining.

CHAIR VIGIL: And Mr. Ross, we need to take action on some of these items. Would you identify them by the agenda? I think we're on XIV. E. 3.

XIV. E. 3. Consideration of and Approval of the Purchase and Sale Agreement by and between the Estate of S. Zannie Hoyt, Through Co-Personal Representatives Linda N. Weil, Robert H. Weil, Jr., and William A. Simmons, No. D-0101-PB 2010-00207, First Judicial District Court, County of Santa Fe, New Mexico, Kate Ann Weil Byrnes, Robert H. Weil, Jr., and William A. Simmons, Co-Trustees of the S. Zannie Hoyt Revocable Living Trust Under Account Dated December 26, 2007, as Amended, and Robert H. Weil, Sr., and the Board of County Commissioners of Santa Fe County (\$84,000)

MR. ROSS: This is the purchase and sale equipment by and between all those parties and the County of Santa Fe to purchase two separate parcels of property down near the Las Campanas development. One parcel, 23.03 acres, the second, 6.75 acres, for the total sum of \$84,000, which is the appraised value of those two parcels. Those parcels were previously believed to be owned by the Bureau of Land Management and were mistakenly deeded to us by the Bureau during the creation of the Buckman Direct Diversion. We've been negotiating with the parties under a threat of condemnation of these parties because a major item of the Buckman Direct Diversion infrastructure is located within Lot 1 of the two parcels. I stand for questions.

COMMISSIONER HOLIAN: Madam Chair, I move for approval.

CHAIR VIGIL: I have a motion.

COMMISSIONER STEFANICS: I will second. Are there any questions or discussion?

The motion passed by unanimous [5-0] voice vote.

- XIV. E. 4. **Consideration and Approval of Resolution No. 2011-183, a Resolution Delegating to the County Manager the Responsibility of Executing Closing Documents in Connection with the Purchase and Sale Agreement by and between the Estate of S. Zannie Hoyt, Through Co-Personal Representatives Linda N. Weil, Robert H. Weil, Jr., and William A. Simmons, No. D-0101-PB 2010-00207, First Judicial District Court, County of Santa Fe, New Mexico, Kate Ann Weil Byrnes, Robert H. Weil, Jr., and William A. Simmons, Co-Trustees of the S. Zannie Hoyt Revocable Living Trust Under Account Dated December 26, 2007, as Amended, and Robert H. Weil, Sr., and the Board of County Commissioners of Santa Fe County**

MR. ROSS: Madam Chair, this is a companion to the earlier item. This is a resolution delegating to the County Manager responsibility of executing closing documents in connection with the transaction. Of course you as the chair will sign the purchase agreement we just vote on. There are a number of subsidiary documents that need to be signed in connection with the closing and this would delegate this responsibility to the County Manager.

CHAIR VIGIL: And I believe that according to my calculations it's Resolution No. 2011-183.

COMMISSIONER HOLIAN: Madam Chair, I move for approval.

CHAIR VIGIL: I have a motion.

COMMISSIONER STEFANICS: Second.

CHAIR VIGIL: Any discussion, questions?

The motion passed by unanimous [5-0] voice vote.

XIV. F. **PRESENTATIONS**

1. **A Proclamation Recognizing the Extraordinary Achievements of the Pojoaque Valley Girls Volleyball Team's Completion of a Perfect Season and Winning the 3A Volleyball State Championship (Commissioner Mayfield)**

CHAIR VIGIL: We're going to honor some wonderful youth that are in front of us tonight. Thank you for joining us. Congratulations. It's yours.

COMMISSIONER MAYFIELD: Thank you, Madam Chair and thank you all for being here tonight. I took you away from a busy practice schedule for next year. I know your three-peaters, correct? So that's great, and welcome. Madam Chair, I'd just like to recognize a few folks. We have our head coach, Brian Ainsworth here tonight. We also have assistant coaches Melissa Ainsworth, who went to school with my wife, I found out last week, Ellen McCurdy a few years back, and also Ian Longacre and Bob Rogers. And then we have a full roster of great individuals, team individuals who participated and won their third consecutive volleyball tournament championship for the state of New Mexico.

So right now we have Briana Ainsworth – and I apologize if I mispronounce some of your names, Lynne Cash, Kristin French, Kyra E. Gonzales, Lindsay Longacre, Abigail Lopez, Sofia Lucero, Chenoah Ortiz, Tracy Ortiz, Mecole Quintana, Erica Rendon, Alix Rutledge-Montoya, and Cara Salazar and Kristin Wood. And then we have a couple managers. I don't know if they're with us tonight or not, but team managers Anthony Baca and Mr. Andrew Herrera. And we have individual certificates of accomplishment for each one of you, and again I just want to thank you very much.

And I'm going to read one of the accomplishment certificates of achievement to you all, and this first one is to Brian Ainsworth, the head coach of the Pojoaque Valley Volleyball Team. The Santa Fe County Commission acknowledges your leadership commitment and dedication to mentor and inspire members of the Pojoaque Valley Elkettes Volleyball Team to a Class 3A state volleyball championship title. The extraordinary success of your team's 2011 volleyball season is an inspiration that has made Santa Fe County proud of your accomplishments. Therefore, the Board of Santa Fe County Commissioners present you with this certificate of achievement on this day, November 29, 2011, signed by all five Commissioners.

So again, Coach, thank you and thank your team for all their work. So we're going to hand you all your individual certificates and then also Madam Chair, after that, I ask the indulgence of the Commission to read the full proclamation. Thank you, Madam Chair.

[Photographs were taken and certificates distributed.]

COMMISSIONER MAYFIELD: Madam Chair, I would just ask all the parents and family members to stand up, to recognize the accomplishments these great kids did. Coach Ainsworth, I'm going to read the proclamation and then just ask you to comment a little bit. So proclamation: The Board of Santa Fe County Commission:

Whereas, the community of Santa Fe County and the Board of County Commissioners recognizes the efforts of your youth in the public school system and encourages them to participate in meaningful, productive activities which are rewarding to the individual and to the community, and

Whereas, the participation in sports activities is a positive character builder that instill teamwork, discipline, dedication and a sense of pride and accomplishment, and

Whereas, the Pojoaque Valley High School Volleyball Team is recognized for the outstanding performance during the 2011 season, earning and establishing an exceptional state record for themselves, their school and their community, and

Whereas, the Pojoaque Valley Volleyball Team provided their commitment, skill and tenacity by competing in the 2011 state volleyball championship earning the coveted berth of the Class 3A state volleyball champions, and Whereas, the Board of Santa Fe County

Commissioners recognizes the young student athletes and the coaching staff of Pojoaque Valley High School who work hard and tirelessly to secure their third consecutive state volleyball championship of New Mexico.

Now, therefore be it resolved by the Board of Santa Fe County Commissioners that November 30, 2011 be proclaimed Pojoaque Valley High School Volleyball Team Day throughout Santa Fe County. Signed by all Commissioners and the County Clerk.

BRIAN AINSWORTH: Madam Chair, members of the Commission, thank you so much on behalf of all the girls behind me. I know that this is a great honor and a great accomplishment for them and I appreciate the Commission noticing that and making it a special day for them tomorrow. Just kind of – it's been one of those years that this group of girls has been together. It's been amazing. I've been coaching for 22 years now and it's probably the best group of athletes and group of players that I've ever put together and assembled in one setting. Throughout the year, we didn't lose any games. We went 24-0. In addition, those people not familiar with volleyball, you play the best three out of five, we only lost two sets all year. We beat the 5A Class state champions. We beat the 5A Class runners-up. Also the third place team and we built the 4A state champions, the runner up and the third place team. So it was a major accomplishment for this team. So I was very proud of them. And again, thank you so much, Madam Chair and members of the Commission. It's a great honor.

CHAIR VIGIL: Thank you. Coach, we're going to give you a proclamation and Commissioner Mayfield will be handing it to you.

COMMISSIONER MAYFIELD: We'll also be mailing out the other certificates.

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Commissioner Mayfield, if I could?

COMMISSIONER MAYFIELD: Yes. Please.

COMMISSIONER ANAYA: I just want to tell you young women, young ladies, that it's exciting to sit up here has a Commissioner and see you all, and I want to congratulate you on your achievement, and I want to wish you continued success, whether you're graduating now and moving on or whether you're an underclassman and moving up. But I want to congratulate you for your work and remember those students around you. We heard a lot about kids that are challenged or kids that aren't going to graduate. It takes people like you as leaders that you learn from your parents, you learn from your coaches, you learn from your families, to help those kids to make it and help push them over the top. So continue to be leaders as you are and good job.

I'd be remiss if I didn't say that it's also proud for me to sit up here and say to a fellow Highlands University alum, Coach Ainsworth, a leader in his own right, was the quarterback, if I'm not mistaken at New Mexico Highlands University, did a good job there as a quarterback and continues to lead in his career and professional life and obviously with coaching. So, good job, Coach Ainsworth and thank you Commissioner Mayfield, for bringing this forward.

COMMISSIONER MAYFIELD: Thank you all. Thank you.

XIV. F. 2. A Proclamation Recognizing the Extraordinary Achievements of the Pojoaque Valley Boys Cross-Country Team Winning the 3A Cross Country State Championship (Commissioner Mayfield)

COMMISSIONER MAYFIELD: Thank you, Madam Chair, and again it's my honor that we're recognizing your classmates for the same great accomplishment. Madam Chair, again, I'll read one certificate of achievement. I think tonight we have with us Coach Allan Lockridge. We also have Assistant Coach Edwina Roybal with us tonight. Assistant Coach Kosgei and Tanya Collins, Coach. And then also just a standout recognition to Sam Roybal who was the third place individual winner and the whole team. The first place 3A team was Keane Frady, Derrick Grasmick, Brandon Jaramillo, who I believe is with us tonight. Ryan Maestas, Craig Roybal, Jereme Santistevan, Carlos Trujillo and Justin Vigil. And I think a good majority of these gentlemen tonight are playing in the basketball league out there in Pojoaque. They have a game tonight. So thank you all for your work and I'm going to read one certificate of achievement to Edwina Roybal. I think she's here tonight. Correct? Do you mind standing up, Ms. Roybal? Thank you. Certificate of Achievement: the Santa Fe County Board of County Commissioners recognizes Edwina Roybal, Assistant Coach. The Santa Fe County Commission acknowledges your leadership, commitment and dedication to mentor and inspire members of the Pojoaque Valley boys cross country team to a Class 3A state championship title. The extraordinary success of your team's 2011 season is an inspiration that has made Santa Fe County proud of your accomplishment. Therefore the Board of Santa Fe County Commissioners presents you with this Certificate of Achievement on this day, November 29, 2011. Again, thank you so much.

Edwina Roybal, Assistant Coach – Edwina is also the meanest basketball coach out there and baseball coach. Just so you know. She does a lot for our community with coaching all the children. We also have a Certificate of Achievement for Brandon Jaramillo. And we also have a Certificate of Achievement for Sam Roybal.

Again, thank you cross-country team. All the other certificates will be mailed out. We will read a proclamation and we will give that to Edwina, and Edwina, if you don't mind commenting we'd appreciate it. Thank you.

Madam Chair, proclamation, Board of Santa Fe County Commission.

Whereas, the community of Santa Fe County and the Board of County Commissioners recognize the efforts of your youth in our public school system and encourages them to participate in meaningful, productive activities which are rewarding to the individual as well as the community; and

Whereas, participation in sports activities is a positive character builder that instills teamwork, discipline, dedication and a sense of pride and accomplishment; and

Whereas, the Pojoaque Valley High School cross country team is recognized for their outstanding performance during the 2011 season, establishing an exceptional state record for themselves, their school and their community; and

Whereas, the Pojoaque Valley High School cross country team proved their commitment, skill and tenacity by competing in the 2011 state cross-country championship, earning the coveted berth of Class 3A cross-country championships; and

Whereas, the Board of Santa Fe County Commissioners recognize the young student athletes, and the coaching staff of Pojoaque Valley High School who worked hard and tirelessly to secure the state cross country championship title of New Mexico.

Now, therefore be it resolved, the Board of Santa Fe County Commissioners, that November 30, 2011 be proclaimed Pojoaque Valley High School Cross-Country Team Day throughout Santa Fe County. Signed by the Commissioners. Thank you. Edwina.

EDWINA ROYBAL: Madam Chair, Commissioners and all public in attendance, I want to thank you very much on behalf of Allan Lockridge who is also considered the legend of Pojoaque. He has seven state titles and numerous other accolades to go along with that. I was privileged and honored to stand beside him as I went all over the state as his sidekick mainly, but the boys proved that with a lot of hard work and most of all, heart, anything is possible. And they persevered past all adversities and they became champions, champions to themselves academically, champions to themselves athletically, and most of all, they're proud members of our community. I want to thank you and I also want to give my congratulations to the volleyball team.

CHAIR VIGIL: Are there any parents here from the boys cross-country? Parents, please stand. When we recognize this one of the statements we like to make to the students who we're honoring is that a lot of what you're experiencing has to do with the support system the people that love you create for you. So we want to recognize your families too. Wonderful. Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, ditto to the cross-country team what I said to the volleyball team. I would say a couple other things. A coach here in Santa Fe years ago, Salvador Perez, used to say you've got to have want-to. And Salvador Perez was right, and you guys have want-to and you have know-how. And you learned it from your coaches and you learned it from your parents. Congratulations. Thanks for representing your community, your school, and Santa Fe County.

CHAIR VIGIL: It's always nice to be a part of honoring champions.

G. Growth Management Department

1. Sustainable Land Development Code Public Input Process Study Session Regarding Future Zoning/Density

CHAIR VIGIL: Ms. Miller, I'm going to briefly turn it over to you and you can identify how we'll move forward on this agenda.

MS. MILLER: Madam Chair, we need to actually rearrange the room a little bit and then I'm going to turn it over to Jack. We actually I think also have an agenda that lists names of who's presenting what on it that I'll hand out who's handling what on the agenda, but it's got the names of individuals who'll be presenting the different items relative to the code process.

CHAIR VIGIL: Thank you, Katherine.

I. Public Input Process Update and Presentation of Recommendations

DAVE GOLD: I'm going to be beginning the process and going over where we are in the process right now, a little bit about what's going to happen tonight, and discuss some of the public input for the latest phase that occurred.

So first of all, I always like to begin anything I do with this process by thanking all you Commissioners for being supportive of it in the first place. It's been very innovative and overall it's worked out well. The staff, I work directly with Jack and Robert who are amazing. Actually, all of the staff, Land Use, Energy, County Manager's Office, Legal – everyone has really been incredibly helpful. IT, always have to thank those guys. They don't get enough. The staff has definitely listened to the public and there's been modifications made as a result of public input and preferences that they'll be expressing. And finally, I always want to thank the public because without the public, the public process is nothing. The public has been fantastic here.

You've seen from the previous study sessions that the level of discussion that's taken place in this process has been really superb. In this phase of the process the goal was to identify issues that we felt would be controversial and need to be discussed. In saying that, we've been incredibly successful. We've been able to bring out issues, explain them to the public, the public has had an opportunity to speak, give us input. That input has been assimilated into staff preferences that have been presented to you. You've had an opportunity to previously look at some of them and give some direction and once again you'll have the opportunity tonight to do that.

In terms of identifying the issues and clearly explaining them I think we've done pretty well. There's some issues that still are unclear. The zoning and density is a tough one, frankly. There's other issues that we haven't had a chance to discuss as part of the CDP process, water specifically. There's – we have some thoughts about how that can be handled in a subsequent phase. It's not going to go away. It will be dealt with in some way or another. So we'll be dealing with that.

Other aspects that I feel could use improvement always – it's really difficult to get people to be involved in this for the long haul. It's very time consuming. With the code I know it's going to be tougher because ultimately, people are going to be having to go through thousands of pages of code. And it's something that we're still trying to figure out how to work around. It's tough, even at this conceptual stage, which was very, very publicly accessible, making it clear to people that this is actually incredibly important to them and they should get involved has proven to be a challenge. Also times getting all our information out, having our information clear also challenges. It's a new process; it's dynamic; it's changing. We're always open to suggestions and so that's really what I'll say about that.

The last time – we're already in this process right now. Last time we went over four items, which were the green building codes, open space and trails, agriculture, and then from the first set of discussions we had home-based businesses. So tonight, as you can see on your agenda, you'll see where staff has progressed with this. And something I should say is that this process is ongoing. Like, whatever happens tonight – in the past people have always been concerned and as a citizen, I remember this feeling of mild terror, of like, oh God, they're going to make a decision tonight. It's all over. And I think in this process, if nothing else

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we've made it clear that this is ongoing, that people can relax a little bit and think and as a result we've avoided that kind of shrill, screamy kind of stuff, the sort of open warfare stuff that was happening at times previously. It's been very calm, measured, reasonable.

We've had two phases prior to this, which were the subject of the last study session. Now we have two more phases, and those are growth management, family transfers, zoning and density. Zoning density includes some aspects of water, because it's really impossible to do zoning density without a discussion of water to some extent. I'll talk a little bit about how the discussions went in the meetings we attended in a moment, but that's really where we are now.

The code, as you know, portions of it are going to be released. A draft, I should point out, not a final anything, is going to be released at the December meeting. At that time also we'll be discussing – there will be a discussion in greater depth about what the next process is going to look like. At this point it's more just – we're just sort of open to ideas and input.

So I'm going to go over some of the – in this time we've had –

CHAIR VIGIL: I have a question.

COMMISSIONER STEFANICS: Could you repeat yourself? You indicated what's going to be released in December?

MR. GOLD: Draft portions of the code.

COMMISSIONER STEFANICS: And where is that going to be released?

MR. GOLD: To you, right here.

COMMISSIONER STEFANICS: But no study session?

MR. GOLD: No.

COMMISSIONER STEFANICS: Just the release.

MR. KOLKMEYER: Madam Chair, Commissioner Stefanics, we had mentioned to you – we're actually going to go over this at the very end of the agenda.

COMMISSIONER STEFANICS: The reason I'm bringing this up is that we have discussed today in Commission that we need to prioritize all our study sessions from this point forward and the times of day that we will do them in. Having meetings from 9:00 am till 12:00 pm doesn't work for us. So we need to prioritize and set some dates and times that are going to be amenable. So I just want to make that really clear before we jump the gun.

MR. KOLKMEYER: And if I may as a response is that we'll present to you portions of the code at your regular BCC meeting on December 13th with then discussion and comments about how that needs to go forward. So hopefully that works in terms of prioritizing things for you at that time.

COMMISSIONER STEFANICS: Thank you very much.

MR. GOLD: So in front of you you have a packet and those packets are pretty warm because they were just assembled today. In the first part of the packet you'll see there's all the public input that has taken place as a part of this process. And if you'll look you'll see there's meeting notes, there's a summary of the meeting notes for each phase. There's also any input that we have received either by email or that people themselves put in our database, is in the first portion of this.

What I'm going to do is in this time, as a part of the continuation of the phase 1 and 2 processes, there were a few focus group meetings, two on open space and trails, one on green building. Staff will be discussing the public input from those and their preferences as a result of those meetings. What I'm going to discuss is last two phases, the public input from the last two phases.

So these last phases – and also, what I'm doing is I'm going to summarize the summaries that are on pages 9 and 10 and 21 here. So what we did was we asked people at the first set of meetings, we started talking about the idea of growth management and having density areas. We asked the question about should there be additional criteria aside from density, aside from infrastructure for allowing density. And people said that there should be an evaluation mechanism for suitability. They were very concerned about maintaining culture, local cultures. They felt there should be more to a place than just density. And we asked them what should the planned areas provide? And there was definitely the idea of leaving open space and trails, plaza areas, social centers. The idea in the SDA-1 areas especially, creating a sense of place or a community that would occur.

There was specific input about each area and one concern that was raised was that additional planning was felt by this individual would increase the cost of housing. We asked questions about who should pay for development, and many people felt that developers should pay for all growth infrastructure, but there was also the idea that to maintain sustainability there needs to be some direction or growth management given by the County, and also that the landowner's perspective needed to be considered.

We asked about buffers between higher and lower density areas, and there was a definite area that there needed to be some kind of buffering. And people said don't use an access road as a boundary but have something really reasonable. And also that there should be transition zones.

So we continued this discussion about density or about the SDA areas at a subsequent meeting. But the other thing we covered in the phase 3 meetings were family transfers. Now, I have to admit actually on the part of all staff there was trepidation going into the meetings about family transfers. Everyone was like, wow, what's going to happen? Is there going to be this big explosion. And really, amazingly there wasn't. There was actually, I would say the greatest sense of agreement in this entire process occurred on some aspects of family transfers. The biggest one, almost universally, the public felt that the current system was being abused, that people shouldn't be using the family transfer mechanism to create new, giant subdivisions, that the family transfer mechanism, should it exist, should exist for the purpose of transferring to family members, that that was a very important thing. And like I say, it was astounding how much people felt this way.

The other aspect of family transfers we asked about was should family transfers be allowed to go below the hydrologic minimum, which they currently are right now. It kind of broke out as about one third of people said, yes, it should. Another third said absolutely not, and then another third kind of said we don't care. Maybe. So once again there wasn't like a universal on that or idea on that.

We also talked about non-conforming uses in those sessions and there was definitely the idea that people didn't want that – people felt that subdivisions, new subdivisions should

conform to the new code but that existing homes or businesses should be basically left as they are.

So in phase 4 we talked about zoning and density. Once again, the discussion overlapped really with the discussion about SDA areas. And so some of what was discussed was there was a sentiment to keep the densities in the SDA-2 areas and even adjacent to the SDA-1, or even in some of the SDA-1's, people were concerned they liked their current density and they didn't necessarily want to see a huge increase. They fault property rights needed to be respected.

There was concern about SDA-1's or these planned development district areas will actually increase sustainability or not. An example of certain failed developments in commercial areas near some of the SDA areas was brought up. The concern specifically was, okay, you're going to build this commercial center and nobody's going to come. Is this really going to work? That was brought up.

There were questions, some of the categories the density was to be determined. There were questions about what mixed-use and residential really mean. And there was also concern about fire safety and desire to keep the gateway to the wilderness on some of the SDA areas.

On the future land use map what happened was, since the passage of the SGMP some slight differences in categories have been developed and people identified areas where they felt the future land use map needed to be modified to conform with these new categories or just that changes need to be made. Robert is going to be discussing that when he speaks more about the future land use map.

On zoning changes, the idea of zoning changes, that there would be a set of performance standards, community members definitely felt and expressed the concern that they be allowed to have an active role and that a performance standard include some level of community involvement and also compatibility with neighboring areas. So in addition to the ideas of water or sewer, road access and any other performance standards they felt that community involvement and conformance with the report. And also there were concerns from developers and community members about what the specifics of the performance standards would be. That of course will get defined in the code based on input.

We talked about the PDDs and floating zoning. The pros were decided that they would allow flexibility in usage and encourage creativity, entrepreneurial spirit. Some of the other concerns that were brought up were that if there weren't definite zoned areas decisions would be left to "a political board" so that it lacked certainty. So that was brought up. And also a desire once again to have local oversight of some type.

The idea of using the base hydro density – some people – and it's not that currently it's 10 acres and then people use water restrictive covenants to go to 2.5 acres. Some landowners saw this as effectively as a taking, and other nearby property owners as saw this as a way to protect water. Balance there.

And then finally, even though water wasn't a central topic, we were trying to discuss more about – we were really introducing zoning and currently as staff will get into this is really the first time in Santa Fe County that a true zoning regimen is being considered, rather than a hydrological density. But water did come up and people felt it should be more part of

the discussion. There were questions about whether BDD was sufficient to support the development. There was definitely a concern that the County water system may be in conflict with the growth management plan objectives. That was brought up a few times. People felt that the hydro study that the base zoning areas were based on need to be updated. There were questions about is the 100-year water supply in SDA-1 and 2 areas truly sustainable, where people were using groundwater, is that a sustainable measure.

There were concerns about restrictions due to the stormwater ordinance that were brought up.

Anyway, that concludes what I have to say. With the water once again there is a plan underway to develop something. It may not look exactly like the CDPs that we've done in the past. This under consideration is more of a water forum because there are other issues that are not necessarily related to the SLDC but are more programmatic issues that probably ought to be discussed but they're all related to water. So that won't go away.

CHAIR VIGIL: Dave, you mentioned two parts to the water system, one you said was comments regarding it being in conflict with our Sustainable Growth Management Plan. What was the other one?

MR. GOLD: The other was the County water system plan itself. So there was a concern that currently there are plans to run waterlines into SDA-2 and 3 areas, and the overall objective of the growth management plan is to channel development into SDA-1 areas. So this was perceived as a conflict by certain community members.

CHAIR VIGIL: Okay. Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you. Was there an attempt, Dave and others, to not repeat the same comment by the same person if they came to a variety of meetings?

MR. GOLD: Yes. Yes. Because the meetings – truly these meetings, although they seemed long maybe to the people that participated in terms of what was being covered, it was like nothing. These are incredibly complex and dense topics.

COMMISSIONER STEFANICS: That's not what I asked. I asked, like if Liz Stefanics went to three meetings and she said three different places, I have a concern about water. Does that show up as all these people said they have a concern about water?

MR. GOLD: We didn't have really a lot of issues like that. I don't recall any.'

COMMISSIONER STEFANICS: Okay. Thank you very much.

MR. GOLD: I misunderstood your question.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, I have a question about the packet. I know you guys just finished it today, but I'm looking through it and I see a lot of detail associated with outreach comments at the public input meetings, and I see summaries, which I like. I actually like seeing the comments that came from the various meetings. And then I see staff recommendations and then I see summaries of the BCC study sessions, but I don't see the comments reflected from the BCC study session that we had. Specifically, I'm thinking of September 27th. I don't see the individual comments reflected in the notes in this packet like it is in the other part of the document. I think it's important because there were

lots of comments that were made that are very prudent to the discussion that I see succinctly for the focus group and for the outreach meetings but not from what happened in this BCC Chambers with the Commissioners.

So I think you need to incorporate that in there and have that part of it because for example, and I'm going to speak to it later when we get into the energy efficiency discussion, the summary that I read and the staff recommendation was while some Commissioners had some concern about the standard – well, it was a lot broader than some Commissioners had some concern, and I'll go over those sentiments later. But there was also a bunch of valuable individual input that happened in that section and others that I think should be part of the whole document, so that we're looking at the summation of everything, not just pieces.

MR. GOLD: That's a really good idea and to be honest it was just something not thought of. I think the thinking behind this was everything is from the last study session through now, but it makes sense. I wouldn't dispute it at all. It's really reasonable. It was something that didn't exist until after. On behalf of all of us I apologize for not having it in there. Did you want to say anything else, Jack?

MR. KOLKMEYER: No, but I think this is probably a good segue at this point now to kind of move forward because we have a lot of material to cover and we want to try to do our presentations in half an hour so that we have plenty of time for the people in attendance here to comment and then also to have a discussion on these items with you.

COMMISSIONER ANAYA: Hold on one second.

MR. KOLKMEYER: Sure.

COMMISSIONER ANAYA: And the reason I bring it up is that there are comments in here going all the way back to September 20th from a public input community meeting that were previous to the BCC discussion. So this does include comments and feedback going beyond the hearing. So that's the reason. There's the comments from 9/20 or 9/18 or 9/17, but then there's not the comments and the feedback that happened from Commissioners as well as members from the public. And then we go back to having comments again. So there's a gap there that I want to fill so that it's a complete packet of information and comments.

MR. GOLD: Yes. That makes sense. We were thinking in terms of the phases, kind of like that was phase 1 and 2, but it's very reasonable. I apologize.

MR. KOLKMEYER: And the fact of the matter is we can put together a full document that has all those things that you ask for, Commissioner Anaya. But the intention of our meeting tonight was really to get to preferred recommendations and the way the preferred recommendations that we're going to go over are really like a formula of public input plus study sessions plus focus groups equals preferred recommendations. That's kind of where we are tonight. But we can easily put everything together, and that's probably going to be a really helpful way as we transition into the code so you'll have all of it so you'll be able to see that.

But the point tonight was we had to find some way to bring the public's opinion on the concepts and your staff's opinion on how they fit with the growth management plan, the existing code and problems that we have with those into some kind of focus for you so that you can be able to consider a much more focused, preferred recommendation, not only from

your staff but also from the public. But that's a really great suggestion, Commissioner Anaya. We'll put all that stuff together, but that was the intention of it, of our meeting tonight was to be able to get to these preferred recommendations.

As David said, we apologize but we had so much material to try to bring together after the last series of CDP meetings and the holidays we weren't really able to get things together until really actually late this afternoon. And we didn't want to piecemeal, send things out to the public before you had had an opportunity to see it, so this is the way that we'll just have to operate this evening with what we have. We'll get everything up online tomorrow and we'll have hard copies of everything available. In fact for folks who are here at the meeting tonight, if you haven't gotten a copy of the material it's on the table in the back.

And I just want to make a couple of other really brief comments and then we can move into the energy efficiency/green building code portion, first portion of the evening. The presentations that we're going to do are going to follow the agenda that you have in front of you and the tabs that you have in your packet. They're not labeled but if you go through them you'll be able to see that they follow along sequentially.

Just a couple of things, again, kind of related, Commissioner Anaya, to some of the points that you brought up. We made a comment at I believe it was the last BCC meeting when we did an update for you that this would be the last of the CDPs that we were doing and a number of people thought, well, this is the end of the process. You guys are going to make decisions on things tonight and here we go again. And so – and I made those comments publicly so I want to just go back and clarify everyone understood what I said, that we did say that we were going to have a certain palette of concept points to go through with you that would end with zoning, density and land use, and we did that. That's where we ended up. But there are a number of other issues that still haven't been discussed to the extent that they should be, water being one of them.

But we did go over the water concept decision point relative to the role of hydrology in densities for example. But there's lots of other water questions. So we suggest that what happens next is not more CDP meetings but perhaps another type of forum, like a water forum, a summit meeting of some kind, so we can really, really go after the water questions in a way that we need to, and that will be probably something that we should discuss again in more detail on the December 13th meeting. But we recognize that certain things still need to be discussed. Fees, like we discussed this afternoon. That's really not a concept. The concept is we know we have to charge money for certain things. How much and how we do that is more of a technical issue that we can describe again in some other kind of a forum particularly related to the code.

Process issues. How do the procedures work? That has some unresolved issues. So we will go back and do that. But what we're finalizing today, or this evening, are the concept discussions that we had, because we now need to move that into code so that it can be drafted into some kind of draft code language that can really be discussed in that form. Because we've heard over and over and over again from your constituents, show us the code. They now want to see the code. So that's what we want to work towards being able to do that with all the information that we have. And again, we apologize if we didn't get certain things out ahead of time, but I think that what we've compiled for you today serves a purpose again of

the preferred recommendations, not necessarily what you were bringing up, Commissioner Anaya, but we think that you'll see how we focused in on these recommendations.

So having said that, we'd like to move along and we want to go over the presentation on energy efficiency and green building standards and that will be presented by Erik Aaboe and Craig O'Hare. Thank you.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, Jack, before we get into the topic, just a process question and a comment. I have been conveying to everyone who asks me that we have initiated a process. We did it with green energy and open space. We did it with home occupations and we did it on agriculture. We go out with the initial meeting and then we come back, give feedback, and then create a focus group. People are waiting for the focus groups, okay, for the big ones, on density, for example, as being one of the biggest ones we're going to deal with. You went out and had a discussion with the communities. Now they're expecting more discussion through the focus groups, not the drafting of a code on density issues.

So before we even get into any of the discussion tonight, we went through that process on agriculture, on green energy and open space and we're going to discuss that tonight. But it seems from what you said that you're going to broach density. We haven't even done the focus group on density. I have people that have been asking me that they want to participate on it. They want to know when those meetings are and they want to be engaged in that discussion. So I heard you say, and looking at the back of this packet that you're starting to make recommendations and I guarantee you, that's not what we've been conveying to the public on the density piece. We said we're following a process and we're going to have those discussions.

So before we get into the energy discussion, is there something different that I missed that's going on with density?

MR. KOLKMEYER: Madam Chair, I think maybe there is. We did the meetings on density. On land use. We did that.

COMMISSIONER ANAYA: We did meetings on land use and density?

MR. KOLKMEYER: And zoning and density. Yes, we did.

COMMISSIONER ANAYA: But we did not have focus groups like we did with these other – we said we were going to have focus groups, so those focus groups were going to nail in deeper. The initial meeting was to have the discussions, as we did. We went out – on agriculture, for example – we went out and we told the community here's the issues; give us some feedback. Then we came back and created a focus group, and then we had that focus group drill down deeper into those ag issues. Now, I'm reading in this packet, we had that initial meeting on density, and I called up the office and they said, no, no, no, Commissioner. We're not – we're just doing the first phase of those discussions and then we're going to drill in deeper on the focus groups like we did with the other.

What I'm reading in this packet isn't conveying that at all.

MR. KOLKMEYER: Madam Chair, Commissioner, I don't think that we actually said we were going to do focus groups for everything that we did. In fact there were

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some things that we didn't do focus groups for. In fact we left that up to the study sessions that we had with you for direction to do whether we're going to do focus groups or not. In some cases the focus groups were really necessary because we needed certain other information. In the case of the land use issues with density and zoning, it's so closely tied to the code that we feel that we have to have the code portion in some draft form to really have a good discussion with the community about what that means. So you can just go ahead and have a focus group about density, well, in the meetings that we had we had quite a few experts at those meetings who talked to us in great detail about density and we think that the next step now is to get it into code form, because first of all, that's what the constituents have asked for. They want to see the zoning, the land use and the densities in a code form that they can understand. So that's where we want to go.

We've done the public meetings. We did four public meetings on density, land use and zoning and they were very well attended, in fact some of the best conversations that we had. But we don't know what good a focus group would do just to go and talk about that stuff again without the code on the table.

COMMISSIONER ANAYA: Madam Chair, one more comment then I'm going to listen. We started, and we can go back to the minutes. I'll pull the minutes and read them verbatim. We started with those issues, home occupation for example. We started with home occupation. The points that you brought up at each of those meetings, yourself and Mr. Gold and staff was we're going to start with these issues that aren't as difficult to check this process out, to see how things work, and then as we get into the more challenging issues we will have learned from that exercise and build upon it. So if we're saying we're not going to do those same focus groups on those very intense issues then I have a real major concern. Because there are very differing needs across the county and very differing densities that people are beginning to say, look, we don't feel, based on our areas or our resources or our infrastructure, that we should be treated the same way as urban Santa Fe, for example. So I'm going to let you know that at the onset. I was waiting and based on that feedback for the phase of focus groups to talk specifics on density and the need to drill down. So I'll listen now but I want to be completely candid and straight. And this isn't something that I have not articulated again and again and again throughout the process, and trust me, two weeks ago when you had the meeting, a week and a half, whatever it was, I asked Chris Barela to please call over there because I still want to figure out when we're going to do the focus group on density and these other issues, and they said oh, no, no, Commissioner. We're doing the initial phase as we did in the previous meetings. So I have a concern, right off the get-go.

MR. KOLKMEYER: Okay.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you Madam Chair and Jack. I've been in the back listening, just so you know, but that was my impression also, Jack, that we were going to have more drill down with focus groups on different issues. I appreciate that you all went out to the Pojoaque Valley, I think on November 17th but just one thing I'm going to bring up, I was even hearing that there was not going to be a meeting out there in Pojoaque, until I said, baloney, we're going to have a meeting out there in Pojoaque. And I also was under the impression that we were going to do some more drilling down in focus groups,

especially I know density is a huge issue that we need to talk about. We haven't even broached the water. I've been bringing it up time and time again. And I would hope that you all are going to be planning on some focus groups, specifically to the water issues within Santa Fe County, just so I get that out there. That is an expectation that I have.

CHAIR VIGIL: I think we might be jumping the gun here. Why don't we let the process itself tonight unfold and let us gain as much information as we can. I actually attended your most recent Sustainable Land Development Code public hearing and most of that discussion was on density. And I really wanted to hear that discussion from the public so I think before we even start giving direction maybe we need to learn what you've learned so far. So let's move on with that.

MR. KOLKMEYER: Great. Thank you, Madam Chair. So we'll – and again, one final point is to have discussions without the code at this point or some draft of the code we think is really important so we hope that you'll bear that in mind as we go through the discussion tonight. The next step really does need to be something more than just talk, it needs to be focused on how we're actually going to go after the code. So just bear that in mind and listen with an open mind as we discuss this this evening. So having said that I'd like to turn it over to Erik Aaboe and Craig O'Hare to talk about the energy portion.

I. A. Energy Efficiency/Green Building Standards Recommendations

ERIK AABOE (Energy Specialist): Thank you, Jack, members of the Commission. As you all know, a few months ago in late September we had a study session on energy efficiency and at that studio session you got input from us as well as from members of the public. At that time the staff recommended a home energy rating system or HERS rating of 70 or the equivalent, third-party-verified energy standard for new residential construction and design to achieve the Energy Star standard for new commercial construction. We added that alternate pathway, that alternate third party pathway for compliance based on the input we got from the public.

At that time the Santa Fe Association of Realtors and the Santa Fe Area Homebuilders Association supported the proposal and for those of you who were there there was input from members of the public and there were concerns expressed by members of the Board that implementation of an energy efficiency standard might price people out of homes. That was a significant concern of folks.

Subsequently, in October, staff met with area builders and HERS raters to develop an analysis of how an owner, how a builder might reach that HERS 70 or equivalent standard starting from homes that met the code minimum requirements. And so we have a two-page summary of that analysis with a table behind it in your packet about – it would be page 45 if the pages were numbered back there. From that analysis we can see that there are a number of opportunities for an owner or a builder to reduce their home's energy consumption, to reduce the HERS number, their energy use, and those things vary from improved building orientation to insulation to modification of windows to changing lamps, light bulbs to appliances.

This example analysis, we ascribe costs to each of those steps and the example analysis demonstrates that reaching the proposed HERS 70 standard is something that would result in a positive cash flow from the beginning, from the first month of a new home being owned through reduced energy use.

And since the proposed standard is a performance standard rather than a technical, you-shall-do-this prescriptive standard there are numerous opportunities, there are a bunch of different ways to skin the cat, a bunch of different ways to get to the goal. And the analysis that we put together was brought back to a subsequent focus group meeting where we asked – we provided it to them ahead of time and we asked them to poke at it and see if there were things that we missed or things that needed to be done better. And pretty much, even those who oppose a standard thought that the analysis was something that was sound and something that clearly laid out, while it's not the only way, clearly laid out a way that an owner, that an owner-builder could achieve this energy efficient building standard.

And at that subsequent focus group meeting we asked that, based on input from Commissioner Anaya, we asked if there were incentive opportunities that might present themselves as being useful to the builder, to the realtor, to the community. We really didn't get any viable, other than possible reduction in fees, which I understand you had a discussion on today, the folks in the focus group could not think of incentives that would be useful and in fact some thought that a reduction in fees was not an appropriate thing for the County to consider.

The other thing that came out in the last focus group meeting was that certain members of the focus group believed that there are other non-economic, non-monetary benefits of sustainable building that are articulated in the Sustainable Growth Management Plan that are important to consider. We pretty much made the determination to focus on those things that have a positive benefit to the owner, to the builder over the life of their home, there are other folks who believe that there are other reasons to do sustainable development. And so very briefly, based on the input that we got, the subsequent analysis that we did, staff continues to support a HERS 70 or equivalent energy performance standard for new construction in Santa Fe County and a design to achieve the Energy Star certification for commercial construction in Santa Fe County. That's pretty much all I wanted to say. This information, you've seen some of before so Craig and I will stand for any questions you might have.

CHAIR VIGIL: Okay. Are there any questions on the HERS 70 recommendation?

COMMISSIONER STEFANICS: Comment.

CHAIR VIGIL: Commissioner Stefanics.

COMMISSIONER STEFANICS: Yes. Thank you for going back and looking at this and doing the analysis of the savings. I just want to point out that this morning in one of our meetings regarding affordable housing, we actually were talking about homes at the \$175,000 and \$162,000 level and what people qualify for, etc. I know that when I met with the two of you individually my concern was how this affects affordable housing. So for me personally, I think you're going to have to go back and do a little work on how it's going to

affect a person of low income buying a home, and then bring me the information. Don't talk about it right now. Bring it to me in hard, cold facts so I can see it. Thank you.

CHAIR VIGIL: Okay. Did everybody get a copy of the recommendations from the homebuilders? They were separate from our packets. Did everyone get that? It looks like this. Okay. Commissioner Mayfield.

COMMISSIONER MAYFIELD: Madam Chair, Mr. Aaboe, I've been looking through this and one of the things that came up and maybe you're addressing them in here, maybe you're not. One, Mr. O'Hare I believe was going to meet with our Construction Industry Division to see if they were going to even, once we had issued a permit and these folks, to see if they're in compliance, whatever the County puts forward, if they were going to honor the County's standard. Mr. O'Hare, what happened with that meeting?

MR. O'HARE: Madam Chair, Commissioner Mayfield, we did recently receive feedback from the Construction Industries Director that the Construction Industries Division is not interested in cooperating with the County with respect to enforcing our desire to have a HERS 70 rating. The primary reason they mentioned, which actually frankly surprised me was that they were concerned about this actually, this requirement of a HERS 70 rating, delaying the process of actually getting someone into a home with respect to issuing the Certificate of Occupancy. I would like to point out and we haven't had dialogue with CID since then that we do not feel, and in fact the Santa Fe Area Homebuilders Association adopted a similar statement if you will through CID that you have in front of you, to you with respect to the HERS 70 standard saying please work with Santa Fe County on this HERS 70 standard that they strongly feel, and they're very aware of the process that's over there at CID with respect to the final mechanical and other inspections that are done before Certificate of Occupancy can be issued that indeed we can have this process and not slow down at all the issuance of a Certificate of Occupancy. In other words, feeling like CID's at least stated rationale for not wanting to play ball with the County was a non-issue with respect to the process.

So I would say that it's incumbent upon us, we wanted to get the feedback from the Board today as to whether there's an interest in pursuing this but we would need to then re-approach CID and say we really are convinced that if you work with us and if we plug into the process at the right time that we can do this without withholding the Certificate of Occupancy at all and not delaying getting people into homes. So at least in my opinion it's still an outstanding issue pending the direction from the Board as far as moving forward with the HERS 70 standard. We do have again the backing of the Santa Fe Area Homebuilders that vote unanimously on November 17th to make that statement to CID because as you know and as they state in the document in front of you they really would like to see the standards consistent between the incorporated City and the unincorporated County with respect to a HERS 70 standard.

COMMISSIONER MAYFIELD: Okay. Thank you, Mr. O'Hare. Madam Chair, excuse me. Mr. O'Hare, are you all still proposing that they go with a third-party independent verifier? I know the folks talked about the cost being \$700, if I recall, that they would have to pay. I'm just worried, whatever the County action we take, how are folks, when they build that home are they going to have this certificate that says you've reached that

HERS status knowing that some of them have issues with independent costs that could be associated with achieving this standard. And then the County is going to arguably say, well, you haven't got that independent third-party verification. So are we not going to them support them getting a final inspection from CID?

Cog: Commissioner Mayfield, I'm not sure I understand your question. What I will say is this is occurring right now, obviously, within the incorporated limits of the City of Santa Fe and that a HERS rating, when you take the design, and then the two inspections that occur on site into account can run into the \$800 or \$900 a home range. That all ends up getting rolled into the mortgage and price of the home.

COMMISSIONER MAYFIELD: Madam Chair, Mr. O'Hare, on that point. The City has its own inspectors that go out and look at these homes, right? So are you all proposing that the County hire new staff to look at some of these homes?

Cog: Madam Chair, Commissioner Mayfield, no, not at all, and the City does not actually – the City uses the same third-party, independent verifying entity. They just use the system. What we were asked to do by the Santa Fe Area Homebuilders Association, or excuse me, by the Santa Fe Area Realtors, is to have a flexible standard with either a HERS 70 standard or a same energy usage standard that can be independently verified by a third-party engineer or building science professional. And so the City doesn't have its own HERS raters. They basically rely on the same private sector HERS raters to do the third-party HERS verification, and we would be doing the same here.

CHAIR VIGIL: Can I sort of interject maybe a process right here, because I see we've already lost a couple of the public and I think we really want to hear from them tonight. What we're talking about are concept development points that have gone out and been discussed with the public. So we have a HERS concept development point. We're going to have concept development points on open space, agriculture, home-based business. We're going to look at this from a sustainable development area. There are quite a few items we need to discuss. Could we go ahead and have staff make those presentations? I want to hear from the public and then we can sort of go into the technicality of the questions and how it might happen. Because some times these bring up more questions than anything, but because they're concept development points let's just go on to the open space and trails recommendation, and then we'll go to agriculture and ranching, and then home-based business. So who will do the open space and trails recommendations? Beth Mills.

1. B. Open Space and Trails Recommendations

BETH MILLS (Open Space Planner): Good evening, Madam Chair and Commissioners. I attended three focus group meetings where we discussed many of the concepts that had come up during the process of working on the code and trying to get the code to demonstrate what the Sustainable Growth Management Plan had put forward. Out of these three focus groups, the primary questions that I was able to distill from those meetings concerning open space were the following: One involved determining and having people understand clearly the difference between private and public open space and who was

responsible for each of those things and how a private open space was designated and how public open space was programmatic, and what the County was responsible for in that regard.

A lot of what we worked on was clarifying those distinctions. Secondly, we discussed what the threshold densities would be. We got into a density discussion about how dense does a subdivision have to be before you ask for the designation of open space and what is the appropriate threshold for that.

We also tackled the concept of what mechanisms we might be able to use to determine the location of the open space people. There were many people voicing the concern that we get the right open space designated. In other words they would talk about quality open space; not just random locations but ones that had meaning for the way the development was to go forward.

And finally, we discussed and grappled with the concept of how the code could regulate in a fair way to implement the open space goals from the plan while still respecting private property rights and cultural and geographic differences that we find in Santa Fe County.

So those were to my mind some of the big picture questions that we dealt with in these focus groups. The recommendations I would like to suggest, coming out of these discussions, in terms of open space are the following: It seems clear that blanket open space requirements for developers countywide was an idea that was rejected, that we couldn't just regulate one size fits all requirement for open space as we went forward. That the requirements that we come up with in the code need to be context-specific. We've heard a lot about the context within which we're designating the open space.

So following along those lines, for subdivisions that are going to occur, a development that will occur in sparse density zoning districts, that is where there's one dwelling unit per lots of acres, so there's going to be a lot of space around this dwelling unit, the open space requirement should be handled through lot coverage restrictions. So, what is the building envelope? Or what is the envelope that people are going to use on this space. And that building envelopes might then be defined and the open space requirement would be handled through site development review, not just a blanket percentage or number.

Following that, for subdivisions in more densely zoned but still rural areas, we might think about the types of subdivisions that have gone on in the Arroyo Hondo area or off of State Road 14. The recommendation would be for these new subdivisions, that a land suitability analysis be required. An on the ground analysis would be required to determine "no-build areas" and this would be the way to ensure that the parts of the landscape with high conservation values are targeted and in this way we can also try to accomplish contiguous open spaces instead of – and this is trying to get into the quality open space idea rather than just a random designation that isn't really tied to what's happening in the landscape.

Further, in traditional communities, what's being suggested is that incentives be worked out and be available in order to consolidate and create contiguous areas that could be set aside as permanent open space, particularly in regard to agricultural lands, because we see in the traditional communities the traditional long lots, often, and so we need to look at ways to incentivize people to move their development in a way that will continue to maximize the use of agricultural lands.

In commercial districts, open space requirements should be controlled through that idea/concept of lot coverage and landscaping requirements. And these could include things like standards for water-pervious and impervious surfaces, courtyards, plazas, etc. And also taking into consideration the circulation design for a commercial area, and in that way open space requirements would be addressed.

Now, in the urban and urbanizing areas, that is in the planning areas and compact development that we're expecting in SDA-1, and perhaps other areas, I prefer to think of it from what I heard as urban and urbanizing. The open space requirements would be implemented by specific area or district plans and again, the tool of the land suitability analysis would be used and performed to determine what the appropriate locations are for the development. And these would be based on terrain management, natural drainage, soils, where you want your centers or places that center the development to be, and also the circulation.

So in this way I think our recommendations are reflecting the concerns of the focus groups for context-sensitive approach to open space designation and this was the best that I could do to distill that. If I may, should I move on to the trails requirements and discussion?

CHAIR VIGIL: Please.

MS. MILLS: So again, the way I'd like to approach this is to summarize the key questions and challenges that came out of the focus group on trails. This is really tough and we had great numbers of the public on these focus groups. A lot of thought and expertise went into the discussion and I listened very carefully. There were some very tough planning questions embedded in all this stuff.

So the first sort of thing to grapple with was how is the code going to reconcile the need to plan and designate corridors for trails, and particularly regional trails that everybody seems to want to see in our planning? How are we going to reconcile planning for that with showing it on a map and private property concerns about seeing it on a map? And everybody seemed to think that you need to plan for the trails; you need to put them on paper. You need to figure out where they're going to go, but then there's this little bit of a problem with, well, when you do that a lot of property owners are suddenly very upset that they see a proposed future trail near where they own land or are developing. So there was a lot of discussion around that and how could you ensure trail right-of-way and how might we compensate a property owner in order to accomplish these trails right-of-ways?

Another point of discussion was how will the code address the differences between recreational trail standards and multi-modal trails used for alternative transportation? This was a huge part of our discussion. Okay. We're talking about trails. Are we talking about the trail that the bike commuter uses to get from the Rail Runner station at 599 to the Community College, that also goes through an equestrian neighborhood? How are we going to separate out uses and a design that are trying to achieve multi-modal transportation from purely recreational trails? And where in the code do those pieces go in order to regulate for that?

COMMISSIONER STEFANICS: Madam Chair.

CHAIR VIGIL: Commissioner Stefanics.

COMMISSIONER STEFANICS: On this point, this has been – bike trails has been a big point of discussion at the Metropolitan Planning Organization, and since there was a separate contractor set up to do a study for the entire area, and I pointed out to them that they haven't come to do a presentation to us yet to be included into our plan. And our plan really is not in sync at all with their study. So I just want to put that out so that maybe there can be some prior discussions with the before they actually get here to the Commission. You all might want to sit with them.

MS. MILLS: Madam Chair, Commissioner Stefanics, happily, Tim Rogers has come to COLTPAC. He's come to my office for discussions, and he has come to an Open Space and Trails staff meeting recently to do his presentation and have those discussions with us, so it was very enlightening and helped me formulate some of these recommendations so I think we're getting on the right track with that.

COMMISSIONER STEFANICS: Thank you.

MS. MILLS: Another question that the focus groups were discussing is how can the code ensure that access to public land is not cut off by new development? There was a real concern, I particularly heard from people in the southern part of the county that development would come in and then there would no longer be access to the public lands. So how can this iteration of the code help us get to a place where that doesn't happen.

And then how will the code regulate the location of trails to ensure that they can be built sustainably? We've run into the problem of areas being designated for open space and trails that the terrain isn't suitable to build a sustainable trail, so the terrain wasn't considered with the designation. And how can we ensure that the trails will be constructed to the appropriate standards? And how can we ensure that they make all the necessary connections to other developments, to public facilities, to other public open spaces?

So this was all in the mix in these focus group discussions. The recommendations that these discussions – that were distilled from these discussions are that the code will distinguish between recreational and transportation uses for trails. We're going to do that this time around. And that bikeways should be handled with five-foot on-road bike lanes in the road design section of the code, rather than asking for it to be in the open space and trails designations, that they be handled in the road standards in order to accomplish the multi-modal objective, and that road standards should require complete streets in the urban and urbanizing areas, again, being sensitive to the context in which you're working, so within urban and urbanizing areas we would look to require complete streets.

All subdivision plats and site development plans would be required to provide non-vehicular sidewalks or trails, or trail easements to accommodate that in the future along arterials, collectors and local roads. And where development is traversed by a trail shown on an adopted plan or the open space and trails long-range plan or an official map of the county, some sort of official planning map or document, then a trail easement shall be dedicated in accordance with the way easements are discussed in the code which substantially conforms with the trail or provides equal connectivity. So we're again trying to ensure that this connectivity happens.

But then we would suggest that there's an alternative, an in-lieu-of clause in the code in discussing these requirements and that being that in rural areas, again going back to the

context of where you're working, in rural areas an internal off-road trail system may be required rather than some of these two earlier requirements I was just discussing, provided that such a system connects existing trails, trail easements or otherwise contributes to the creation of an area-wide trail network onto the adjacent lands.

And then subdivisions greater than five lots show that they should plat trail connections to adjoining subdivisions, trails, and public open space, again seeking this connectivity, the need for connectivity that we kept hearing, and that subdivisions adjacent to public land will provide easements for a trailhead and parking to access the public land, or alternately, if that is just not going to work in that particular situation, alternately or in lieu of this requirement an easement for equivalent access for public land may be provided at another location outside of the subdivision if that could be worked out.

And finally, that the surfacing of the sidewalks and trails and the trail standards in essence be coordinated with streetscape and project design and be appropriate to the scale and intent of the development, again, so we don't have a one-size-fits-all, but an attempt to provide the correct context. I'm happy to take questions.

CHAIR VIGIL: I'm going to do an executive sort of privilege here because we lost another audience member. How many people are here to address the Commission? Please indicate so by raising your hand. Okay. This is what I'd like to do. I'd like to have the public comment, make their recommendations with the understanding that perhaps what you're going to recommend is already part of the recommendations that will be presented to us tonight. But in lieu of losing all of you who are here for only a particular item, I think I'd like to go ahead and have the public comment process begin now. You're welcome to stay. Perhaps what you're commenting on will be addressed by staff. But those of you who are here specifically to address the Board please step forward and state your name and address and let us know what your concerns are and what your recommendations are, again, understanding that we're all seeing these recommendations for the first time and perhaps part of what you are recommending may be presented to us; we don't know. But I don't want to lose the public.

IV. Public Comments

DAVID NOBLE: Madam Chair, County Commissioners, thank you very much for allowing me to speak.

CHAIR VIGIL: Thank you for being here, David Noble?

MR. NOBLE: Yes. First of all I'd like to thank the Commissioners and the County staff for conducting this long-range planning process, which is very valuable. I have attended two of the public sessions at the Nancy Rodriguez Community Center and I'm here tonight representing the West Santa Fe Association, which is located way out West Alameda. It's an association with about 150 members, and our western boundary abuts the eastern boundary of the SDA-1 territory. So we have an immediate concern about all these issues, how the SDA-1 property will be planned for the future.

I have several questions and issues I'd like to raise for your consideration, not necessarily that the questions will be answered tonight but they should be considered and eventually addressed to our association. The first is when this planning process is completed and an SDA-1 or planned development district has your endorsement for certain plans of density and so forth, to what extent will an adjacent community or neighborhood be permitted to have a say in specific developments that are proposed?

To take our association for example. If, just to the west of us a parcel of land is acquired by a developer and a plan is put forward by the developer for a subdivision or for a commercial development or mixed use, to what extent will our community, our neighborhood association be able to have a say in how this development is approved? So we're concerned about this because an area that is to be residential or zoned as commercial/ industrial or mixed use will have an impact on our immediate area, especially as regards groundwater resources and traffic, roads, and the character of our community.

The second point I'd like to raise is we're unclear about the concept of mixed use and this was brought up in fact at the last public meeting I went to and I didn't feel that the answers we got were at all clear. Could a mixed-use area include anything from 2.5-acre residential lots to a shopping mall? To a gravel quarry? And a public park? What does mixed use mean? We'd like to see that term identified and defined better so that we'll understand if a mixed-use area is designated adjacent to our subdivision what we can expect and what our rights will be in terms of its going forward.

The third point I'd like to raise is that it's my understanding that the County plans to use its public funds to provide SDA-1 developments with water, roads, sewage treatment. If this is true it sounds like a public subsidy for a private type of development. We'd like to have that clarified and to know, if it is true, how the general public, how the overall community would benefit from this type of arrangement. And the fourth point regards buffering and that's already been brought up by Mr. Gold. We feel that if there is an existing neighborhood subdivision like ours that if, in an SDA-1 area a commercial or mixed-use development is approved next to us that there should be adequate buffering between our community and what could be a factory or some rather unpleasant type of development for residences.

Now, those are the four points I have in my handout and there's another thing that was brought up tonight that I'd like to comment on briefly, and that has to do with water. At the last public meeting I attended at least three members of the public spoke about water resources in connection with density. I got the impression that other people in the meeting were agreeing with these comments. They were that it seems that the County does not yet have adequate data available to it about underground water resources in various parts of the county. And clearly the availability and the extent of underground water resources is intimately tied with density plans. We were discouraged from raising questions about water resources at the meetings because they weren't supposed to be part of the topic of those meetings, but the meetings were about density.

So I would very much encourage, and people at this last meeting said that the County should consider doing a new study of the availability or the extent of subterranean water

resources of the aquifers at various parts of the county so that water resources can be included in your consideration of density.

And with that, again, I'd like to thank you for your patience in listening to me and I wish you the very best in continuing this process.

CHAIR VIGIL: Thank you, Mr. Noble. Next. Please state your name.

FAREN DANCER: My name is Faren Dancer. I want to thank Madam Chair and the Commission for your good work and consideration about green building codes and sustainable land use. I am the past president of the Santa Fe Area Homebuilders and three-time chair of the Santa Fe Green Building Council. I'm also representing the Santa Fe board of directors currently and as you know, on November 17th we unanimously approved submittal of a mandatory HERS 70 as part of the green building code for the county. I had the opportunity for two years to sit on the City committee to write the City code that rolled out in 2009. You have copies here of the analysis that was done in terms of energy savings versus initial cash outlay and I know, Commissioner Stefanics, you wanted to see how that pertains to affordable housing and I think you'll see that it pertains favorably once you get those statistics.

I'm currently just completing a custom home in Eldorado and I'm getting my final inspection tomorrow. It's a green certified project, not based on code but based on a voluntary New Mexico certification. We got our HERS rating today; we're getting our final inspection tomorrow and when you plan accordingly there's no hiccup in terms of working with the HERS rater and the CID inspectors to get your final certifications.

So I highly recommend this approach. I think the uniformity aspect between the City having a HERS 70 and the County is kind of a no-brainer ultimately and it's very do-able in terms of not needing inspection staff for the County. The City uses these same third-party verifiers and I think it's a really viable approach in how we should proceed with the green building code. So thank you.

CHAIR VIGIL: Thank you, Mr. Dancer. Next.

KEVIN YOCKERS: My name is Kevin Yockers and I live at 386 County Road 84, which is in El Rancho, and this rewriting of the code has only recently come to my attention so I'm trying to brush up quickly on what's going on here. But I attended the last meeting in Pojoaque. That was a few weeks ago, and I'd like to comment on the home-based business occupancy in relation to the traditional community where I live. It's come to my attention that the traditional community of Pojoaque there is no commercial designation in that community at all and all along County Road 84 going back, I don't know, 60 to 100 years there's been many, many small businesses that have supported the community and to me that's what traditional community is about – the people living there, the businesses, the recreation and then also gathering places.

So I'd like to propose that the Commission consider possibly designating some type of commercial zoning between the home occupancy and the large commercial that exists in Santa Fe. For instance, three years ago I purchased the old El Rancho Bar and at the time I guess the traditional community was being formed and it wasn't to my knowledge until now that the property – or I should say until recently that the property was residential and no

longer commercial. So I'd like to see this whole thing simplified to maintain and preserve the character of the community. Thank you.

CHAIR VIGIL: Thank you Mr. Yockers. Next.

GERRY POWERS: Good evening. My name is Gerry Powers. I live at 73 King Farm Road, which is the south end of the county. Many people ask me if I would represent some of their comments from the south end of the county since it's very hard for people to get up here and the time of year, etc., etc. So first of all I'd like to say I want to thank the Commission for the thoughtfulness with which they're considering and studying these issues and it gives me a lot of encouragement about actually having input into the process. I want to thank my friend Dave Gold; he's got a massive task.

Some of the things, some of my comments I don't think have actually made it into some of these documents or at least not in a way – I'll try to get those out tonight. The lack of a CDP or public input process on both density and water, which I think are the two major issues that most people are concerned about in this process – I think it just has to happen. We've been told also, I've been told on numerous occasions that there would be focus groups that would get into these issues a lot more. I think it started out with the home-based business which was kind of an easier one to deal with and graduated up to some of the more difficult ones, but the last sessions on zoning and density, I was shocked to see that the SDA-1's had TBD or to be determined in terms of the density within those areas. Those are some of the most important areas where density is going to be encouraged but the public really can't have any meaningful comment unless a zoning map comes out that actually shows the proposed densities in those areas. It's very difficult to comment on something that's yet to be determined.

So I would highly encourage and request some CDPs and focus groups on zoning and density and I think after the zoning map has been prepared and meaningful comment can be made.

With regard to green building, I made some comments at the last study session but I'm primarily concerned about the fact that what still hasn't been addressed, there were several realtors that made comments with regard to the fact that appraisals don't get adjusted upward based on a higher HERS rating, so that means that the new homeowner has to come up with more cash equity to buy the same home that's got a higher HERS rating than the adjacent home, because the appraisals will be identical. The problem with that of course is that in this economy and the worst housing market in I don't know how many years it's very difficult for people to come up with cash equity, and you might be talking about three percent, but on a \$150,000 home that's nearly \$5,000 more equity. There was time five years ago when people were only putting five percent down to begin with.

So it makes it difficult for people to make that transition and into home ownership. I've heard people say, well, all you have to do is cut the size of the house by three percent. In a starter home of 1,200 to 1,500 square feet you're talking about 40 to 50 square feet which is the size of a bathroom.

One of the more popular configurations that has happened in Santa Fe in recent years which is a big change from 15 or 20 years ago is putting two bathrooms into a starter home, because a lot of professionals can then share a home and they can actually afford to live in as

opposed to a single bathroom. It's very difficult for two separate people to live in the same house that are single people or single professionals. So there are some major impacts with regard to the higher HERS rating standards, and of course there's the added expense and the added time that it takes a HERS rater to come out and inspect.

With regard to the southern part of the county I think one of the major changes that isn't receiving a lot of attention in this proposed density and zoning is to decouple water resource from zoning density. I think those two go hand in hand. I think several people have expressed the concern here tonight that they were dissuaded from talking about water because we're only talking about density and zoning at some of these meetings, which also underscores the need to have separate focus groups and CDPs on water, because they just go hand in hand.

The area that I live in – I don't know if you can see this. This light yellow area down here represents around 40,000 acres. There are a lot of 100-acre, few hundred-acre farms. About 90 percent of the underground water resource from the southern half of the county exists in that small area, and yet the proposed density is only ten acres. So what that means is there's enough water in each acre of land within that basin zone to supply five houses. One acre of water to supply five houses. And yet we're on a one density unit for ten acres. So that's one per ten instead of fifty per ten.

So if we're going to have growth in an area in the southern half of the county, which we need, because we need job development. We want our children to stay in the area and not have to drive into Albuquerque every day, which pollutes the air and it costs more, we would like to see changes in the zoning density that would allow the water resource to be used in our area. A couple years ago there was a group of people that tried to export our water to the City of Santa Fe. I don't know if you all remember that. But if we can't use it there those efforts are going to continue to export that water, and even if we can use it as far away as Edgewood, eight or ten, 12 miles away, you still have to build these very expensive pipelines to pipe it to where the water exists to these particular areas.

So we think zoning and water and density should not be decoupled. They go hand in hand. I would like to see a change in the proposed density for those areas that actually have the water resource and where you can prove adequate water. There are areas in that 40,000 acres where there are three and four thick, very porous aquifers stacked up on top of each other where people, to my knowledge, have even proved a 300-year supply. So to not allow a person to use the water in their community to allow their children to live there and to allow the resource to be utilized where it exists I think is very counterproductive, expensive and will also raise the cost of housing over time because the infrastructure has to go into the cost of the house.

One other point about that, the water resource in the southern end of the county. If we're not allowed to use that water resource there, also if we can't support with higher density where the water resource exists we can attract job creators and manufacturers in the kind of industry we would like to see in that area to create economic prosperity if we don't have the housing market to support it. And without that kind of density we feel like that would be counterproductive to attracting new jobs. So I thank you for listening.

CHAIR VIGIL: Thank you, Mr. Powers. Next.

CARY BOYD: My name's Cary Boyd, resident of Santa Fe County. My education is as an economist. I've continued to study it all my life in the last 42 years since I graduated. My concern – I'm looking at an overall picture rather than the micromanaging that it appears to me that this plan does. I have material I will leave with staff that I will sincerely hope that the Commissioners will read. [Exhibit 1] With these articles, one is "Housing Boom and Bust" by Thomas Sowell, a very recognized economist. In it is "Well intended regulations primarily responsible for current housing crisis."

Now I know that may not seem to apply to what this plan is, but to me it directly does, because part of my studies on a book I'm writing – I started out writing a book mainly for people that are not very well informed on economics and for like high school students. But the more I researched, the preponderance of things, unintended consequences by government action. It's just almost mind-boggling. That article addresses it.

Another one, also by Thomas Sowell, who happens to be a minority, happens to be black. He's a graduate of Harvard. He's now with the Hoover Institute at Stanford University. He says as zoning increases the cost of housing increases and drives minorities and low-income people out. And this excerpt of the book I'm giving you a copy of, he gives some really good examples how increased zoning does that.

Another article, "Smart growth equals crime, congestion and poverty." Their conclusion is that market forces, not bicycle paths create villages, and that's a direct quote.

The last one is "Zoning's steep price" by a professor at the University of Pennsylvania and Glaeser, a Harvard professor. Essentially they say that land use regulation contributes heavily to high housing costs. I'll sum it up by the Nobel Prize-winning economist, Friedrich Hayek, he got the Nobel Prize in 1974 and his writings of the unintended consequence of government regulations, all the way from national, he was an international attorney although he taught, when he retired he was at Princeton. Essentially he said every government law and regulation, including administrative law, creates an unnatural market that some people would choose and the more laws and regulations there are and the more the market is distorted to where unintended consequences ultimately affect the people that are lesser educated and lesser income, that those that gain from it are the better educated and the better well off financially.

And as I look at this, to me clearly the way this code is being written, it does that. And sincerely, I believe up there where you have "Protection of property, religion and language," in a few years you're going to be painting that over because people aren't going to have the decisions on their property. The government decision is going to be micro-managing their property. The minorities are going to leave and religion, the church, people are going to be looking to the government system for strength or support rather than their religion. Thank you.

CHAIR VIGIL: Thank you, Mr. Boyd. Next.

AMANDA EVANS: Madam Chair and Commissioners, I'm Amanda Evans, and I talked with you I think at one of the other meetings. I'm working at Santa Fe Community College, and in August we responded to an RFP to become the center of excellence for green building and energy efficiency training in the state, and we won the RFP. We now have a considerable amount of money for the green building training programs. Part

of our response was predicated upon dealing with different communities and one of the groups we identified was Santa Fe County to work with them to develop training programs that might be necessary for different things that they identify as needs. So some of the programs that we are going to bring in are a certified green appraiser training program, and certified green lenders. Dave Porter is one of the top people in the country and he'll be coming here to do subsidized training because one of the things we realized was that in committees where appraisers do understand how to value the properties they don't have the concerns that the people have addressed here tonight.

So that's one of the trainings that we're going to bring in to address that and the other one, the training that's going to be aimed at more the guys in the field, the framers and the crews who need to get up to speed on some of the green building techniques. Things like HERS become an easier thing for builders to understand. Some of those trainings are going to be done in English and Spanish. So I think some of the concerns that people have here will get addressed because a lot of it is an educational component. That's all I wanted to say.

CHAIR VIGIL: Thank you, Ms. Evans. Next.

REBECCA FRENKEL: My name is Rebecca Frenkel and I want to thank the chairperson for allowing the community to come up and speak so we have some choices.

CHAIR VIGIL: After all our bedtimes.

MS. FRENKEL: Dinner time. I want to thank you for this opportunity. I just want to make a couple of personal comments. One is I hope you will really listen carefully to the staff. The last time the County adopted a growth management plan I was astounded that they were in the process of approving it and two people got up, disagreed with what I considered to have been main issues in that plan, got it changed and it completely changed the whole tenor of the plan. So please – I think the staff has done a wonderful job of listening.

The second thing, my second comment is that there are other economic views, other views by economists. I'm just going to give you a summary of the handout that has been passed out to you from the League of Women Voters. [Exhibit 2] We do want to urge you to enact a strong code that will continue to provide leadership in sustainability, conservation and energy. This will drive the future of land use. Laying out the zoning really is important because the county hasn't been zoned, so to speak, in the past. The League does agree that you really can't separate density and water, that those are two things that are going to go along together, that we have to really adhere to what we know about current and future water supply, because there are so many things that are going to work into density that also a part of your sustainability plan that I think that needs to be kept in mind.

My experience in working with the City as they've done plans and looked at density it's not that you say it has to be this way or that, you give real broad areas for flexibility.

The other thing I want to mention, especially in those areas SDA-1, that you plan for intergovernmental cooperation. And this is outlined in your goals and policies, and strategies, in Chapter 15, goal 51 in the plan, because those are neighborhoods that do often come up to municipalities and I think that there will be movement of people across municipality lines from the county as there are now.

So I think that as you look at development in those areas that it's important to continue with establishing zoning and density in cooperation with municipalities and tribal

areas. One other thing, they did mention family transfers. I also just want to mention that the League does support strong controls within the code to prevent irresponsible granting of variances that might preclude the accomplishment of the goals. Having sat through lots of County meetings in the past I once asked somebody in the Land Use to tell me how many variances they'd granted in the past year and said we have no idea. I'm sure that's no longer true, but I hope the code can be strong in that area.

Sustainability is the main theme of this plan, and there are going to be citizens who believe strongly in the right of property owners to develop land as the property owner wishes, and I understand that. The charts that are in the back of the packets that you've received offer options for landowners and developers to use, how to use the land within zoning criteria. And so I think it's important to encourage developing within those criteria, but to recognize at the same time the rights of the neighbors of those areas and need to plan for the common good, because they go hand in hand.

So I want to thank the Commissioners again for the time that you're giving to this, that you have allowed your staff to devote to this, and the time that you've given for citizen input. In addition to the letter from the League I'm sharing with you a survey that was done as New Mexicans by the Latino Sustainability Institute which is based in New Mexico. [Exhibit 3] And I don't know if you read the article that was in the Sunday edition that was in the New Mexican on September 18th. It was an article by Arturo Sandoval, who is the executive director of that organization which alerted me to this survey. I think it has some good points to make. And Commissioner Stefanics, you might talk with the City about the new affordable housing that they've done on Alameda because I think they've really worked hard to put in and make green building a major part of that. Thank you for your time.

CHAIR VIGIL: Thank you, Rebecca. Is there anyone else out there that would like to address the Commissioners?

COMMISSIONER MAYFIELD: Madam Chair.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Madam Chair, just so you know, I passed off a couple emails to Mr. Ross, Mr. Kolkmeier and Mr. Griego of who I received some comments from electronically. I know you all have read them in the record in the past. I just sent them to you; I don't know if you're going to do that again, but if not they're there for the record.

CHAIR VIGIL: Thank you very much. We still have some presentations to have on the concept development points, but I will pause for a minute if anyone wants to make just a real quick comment to the public based on their testimony, I'm happy to take that from the Commissioners, or would you care to wait until the remainder of the presentation?

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Yes.

COMMISSIONER ANAYA: Madam Chair, I see Ms. Frenkel is probably going to leave and I want to make these comments before she and other members leave. Briefly. In reading your letter, Ms. Frenkel, that comes from the President of the League that you're here representing, Judy Williams, you speak to three succinct points in your letter, and

in looking at all three, I don't have a lot of disagreements with the items contained in the letter. What I would point out to you and ask you to pass on to the League is that there's many more things in Santa Fe County than just what's going on in the City of Santa Fe. And I couldn't agree with you more when I look at what you say about intergovernmental coordination and coordination with neighboring municipalities and neighboring governments.

And I think when we look at the varying segments in the county and the municipalities that reside therein we have a lot of coordination and direct linkage with the City of Santa Fe in SDA-1 and these areas in and around Santa Fe that make sense, but we don't have that same correlation of work as it relates to this plan and the code when we talk about Torrance County or when we talk about the City of Moriarty, or when we talk about the Town of Edgewood, or when we talk about the City of Espanola or Rio Arriba County.

And so I agree with the intent and the points raised. I would just suggest that we need to continue our work with those relationships that have impacts outside of the core of Santa Fe County and I think when we look at the public comment, when I've been looking at the public comment, the comment in and around the core area of Santa Fe is in sync with the recommendations contained in your letter, but when you get to the northern perimeter or the southern perimeter it differs because we haven't had as much interaction and work with those municipalities and governments that are dealing with similar land use issues.

And I guess in reflection with the entire process, I think I've said it again and again is we need to be able to be adapt and you said the word flexible. We need to have flexibilities, depending on where you are in the county. And I think if we build those into the code that we don't have to have a one-size-fits-all and if we incorporate what you suggested in the letter across other governmental entities on both ends or all sides, all four sides of the county, then we'll probably get there. So I just wanted you to hear that because I mean it and I just think that some of those perimeter areas is not the same agreement and concurrences with what happens in and around the core of Santa Fe.

MS. FRENKEL: Thanks, Robert. I'm glad you agree and I just want to say [inaudible] we didn't say Santa Fe. We said municipalities, which includes Edgewood and also tribal areas. We didn't try to limit what we've written to you just to the City of Santa Fe.

COMMISSIONER ANAYA: And Madam Chair, if I could, I know you haven't, but when you say to me, staff's done their work and take those recommendations in and let's move on and absorb them, when we're talking about densities in the Town of Edgewood, the municipality, a bona fide municipality applying the land use code, they have very different density issues, as Mr. Powers and others brought up, beyond a ten acre – we'll talk more about that ten acre and how that came about. But those are issues independent of that community. So there isn't a one-size-fits-all – staff, we're going to take your recommendations and move and run with them, because there's independent needs throughout the county.

CHAIR VIGIL: And Rebecca, I think that's what you testified to and I think staff is actually talking about context-based planning, so that really is not a one-size-fits all. So let's move on to agricultural recommendations.

COMMISSIONER STEFANICS: Madam Chair.

CHAIR VIGIL: Commissioner Stefanics, did you –

COMMISSIONER STEFANICS: I just got an email that we all got from someone in Cedar Grove and she is expressing – I'm not going to read it verbatim, but she's expressing concern about water. She does not believe that the water issue has been addressed in any public meeting and that to make any decisions without that consideration is too preliminary.

CHAIR VIGIL: Thank you.

I. C. Agriculture/Ranching

MR. KOLKMEYER: Madam Chair, I'm going to go through – we think we will be well served if we can get to a situation here where you can ask us specific questions and we can answer them, rather than belabor a lot of presentation material. So I'm to go through things really pretty quickly so that we can really have a chance to have a good discussion amongst ourselves.

The agriculture recommendations were really pretty simple. One was that we – that agriculture be a permitted use throughout the county and that be very clear, and that when we get to the code and we create regulations relative to agricultural uses we should allow by right such things as accessory structures to support agriculture and such things as greenhouses.

The second recommendation is that we create a transfer of development rights program specifically for agricultural lands so that we can have a mechanism for preserving these areas if the property owner so chooses and to transfer that density to a preferred growth area. Those are the basic recommendations for agriculture.

I. D. Home-Based Business Concept Code Draft

MR. KOLKMEYER: The home-based business concept draft that you have there is our third draft. We kind of apologize for that but we kept getting more and more feedback and we wanted to put that in a form that was really clear and readable for you, so there's nothing more to say that we haven't covered in previous meetings with you. It includes the tier recommendations that were made by the communities and by the focus groups and also includes a use table that we started to look at except it's not complete. I believe those are the major pieces there, and a matrix explaining that. That's all we have to say about the home-based business portion at this point.

III. Zoning and Density Public Input Meetings Summary

A. Base Zone Densities and Uses

B. Recommendations

The recommendations then on zoning density, the very last section of the handout that we gave you, and I'll go over them very briefly, because that's again, a number of things that have already been brought up. All of you have been at least to one of the meetings that we've

had regarding this issue so I can just pick these off pretty quickly and then we can get into a discussion of them.

Regarding the density and land use issues on the first page of that last memo, one of the things that we clearly want to avoid here, and have to legally avoid, is down-zoning. So we need to avoid down-zoning, we need to respect existing development patterns in an area so there not a cookie-cutter plan we've worked out at this point. It takes into very serious consideration the different geographies of the settlement patterns of the different areas, however, only allowing higher density developments that meet sustainable performance standards. This would include water availability, to one of Mr. Powers' points that he brought up. If there's water availability then there's potential for higher density zoning in those areas. And we have to work out again these issues relative to higher densities in the zoning plan based on the actual code that we need to start drafting.

The second phase is any changes. There was a lot of discussion about how zoning changes occur in the county, how confusing it is, the difficulty, how many of them occur, and the recommendation that came out of our meetings was to develop strict procedures for zoning changes that include the highest level of public notification and input. These would be procedures and these would be portions of the code that would be written to convey that in more detail.

Next is approval of the Santa Fe Land Development Code and Zoning Map. There was a lot of concern, a lot of issues that it's really hard to have some of these discussions about water available, the transit, location of major projects next to employment areas unless we can actually start to see the zoning map. So the recommendation that we make in regard to this is that, that we have to have a thorough understanding of how zoning changes would occur.

PDDs are planned development districts and area plans. This is an extremely important portion of the code because it allows projects of more complexity and higher density to occur in any part of the county, provided that they meet certain performance standards again and/or certain areas of the county would undertake area plans specific to that area so that those areas could begin to make plans much more specific to their area. Don't forget that we initiated this with the first version of the growth management plan and the only district plan or area plan that we saw come forward was the Community College District. So we're again saying that if different parts of the county or different areas of the county want to get into detailed zoning, density and land use as opportunities they need to undertake specific area district plans to be able to do that.

So the recommendation here is further planning should be done after the adoption of the SLDC, the code, to refine land use classifications, zoning districts and development standards to better accommodate differences in local conditions and regional opportunities. So again, we're taking that challenge that has been presented and many times different parts of the county are in fact very different very seriously. And we've built that in as a recommendation.

A residential density for base zoning districts, Part A there, is particularly important. Residential density for the proposed base zoning districts should reflect existing densities as well as development patterns and uses associated with the future land use map and classifications of the growth management plan's official maps. Again, we brought up the

point that we've made changes to the future land use map already based on comments such as Mr. Powers made earlier in the evening that there needs to be higher density areas in some of those other places. We took that into consideration and the map that you have, the future land use map is actually a map that already accommodates some of those changes.

If we want to get to higher and higher densities in some of those areas we do need to conform to performance standards. The whole issue of water, understanding growth projections and water supplies essential to a sustainable future is outlined in the Santa Fe Sustainable Growth Management Plan. We agree with that and we think that again, when we hear comments that we've kind of closed the book on the water discussions, I will reiterate, no, we have not, but we need to understand what forum that needs to be put in, and what specifically should we be discussing about water.

The whole idea of the hydrology based zoning – that was the only mechanism we used for density, and we want to make sure that there are other things, such as proximity to jobs, proximity to transit and transportation, access, a number of things that should be factors in density, along with water. It doesn't negate the importance of water. In fact in our opinion water is still the most important aspect. But we have to tie that into other aspects. So if we want to – certain comments were made that – things have changed since the water studies were done in 1976. Yes. Yes, they have. Have we kept up with it? Have we done certain research and data? Some, we have, but it would be very helpful for us, as we move now from this point today into the future about zoning and density and land uses, what specifically we should focus on relative to water and what conversations and discussions do we want to have?

When we can arrive at that then we can say, okay, let's do it this way. Let's have a water summit. Let's have a focus group on this. Let's have a forum, whatever we need to have. Because we are in total – and I'll make this really clear. We're in agreement with that. That's what we believe needs to occur next. But what all of this is leading us to is zoning districts, which we need to be very certain about and they're on the map there, and a zoning map. So how do we make that bridge? And that's kind of our question at this point, not only to ourselves and to the community but also to you as our policy makers, how do we bridge that? How do we get there? How should we best do that?

That concludes our presentation and I look forward to answering whatever questions you might have at this point.

CHAIR VIGIL: Could you – I'm sorry to – on the family transfers, is that anything you want to inform us about? I thought kind of those were discussed?

MR. KOLKMEYER: Madam Chair, I think David Gold said it clearly when we started. There was complete, there was almost unanimous favor about continuing to use family transfers and again, it was reiterated that one of the its most important functions is as a mechanism of affordable housing. When we talked about affordable housing plans and programs we frequently leave that out and it's important because it is a way to be able to reduce the cost of land. The comments relative to that was people in the county recognize that in some situations family transfers are being abused. They're being done not as real family transfers but as a mechanism to make money for property owners. If that's what we want to do then let's do that and let's devise something that helps us out with that. If there are going to be family transfers they should be family transfers.

The other thing that has come up relative to them is family transfers are not required to do offsite improvements. So if that stays in the family that might be one issue, but when somebody turns around and sells the property that's difficult to access, that has flooding or erosion or environmental problems, because there wasn't proper attention paid to offsite improvements, who does that benefit? How does that really help us in the long run? So those are the questions that were brought up relative to family transfers. But there was a tremendous positive feedback to us on keeping them but working out the loopholes and the possible infractions of family transfers.

CHAIR VIGIL: So is it fair to say that the recommendations mostly from the hearings on that particular subject, because I needed clarify, is that family transfers should occur but regulated.

MR. KOLKMEYER: Madam Chair, that's correct. And then again, and the point that I keep making here is the best way for us to be able for us to do that is as regulation in the land use code. But again, we have to keep focusing our efforts to get there, so we have something substantive to be able to talk about.

V. Board Discussion

Green Building/Energy Efficiency

CHAIR VIGIL: Thank you very much. I'm thinking the way, because I know that staff is looking for specific direction, maybe we should take each one of the concept development points and just ask anyone, all of the Commissioners here for example on the HERS – are we in favor of staff moving forward towards the HERS? Are we not? If we are in favor or it, is that a concept development point we will pursue in the code rewrite? We know that it's going to involve a lot of additional technical information and that probably will need to be brought forth with regard to how that would be implemented in the code. Is that how you'd like to proceed? Otherwise I think we might be all over the map.

COMMISSIONER STEFANICS: Madam Chair.

CHAIR VIGIL: Okay.

COMMISSIONER STEFANICS: We did discuss a lot of this at our last study meeting.

CHAIR VIGIL: But my understanding is staff needs further direction.

COMMISSIONER HOLIAN: Madam Chair, I have a comment on that too. I know especially on the green building issue the staff did not feel that we actually gave them clear direction so I think it would be a good idea, at least on that one to express our opinion.

CHAIR VIGIL: Okay.

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, my comments associated with HERS are similar to the comments I made last time. There's cost issues associated still that I have concerns about that I heard from one of the other Commissioners as well. The third-party verification is another concern that I have associated with that. I had a conversation with CID myself yesterday. I have a concern that they will grant Certificate of Occupancy

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anyway. So I don't think from my perspective that we're in a position to move forward on the HERS rating. If the Commission saw fit in the urban area in and around the city I suppose I would evaluate that but I still would have some of the same concerns.

Manufactured housing associated with the HERS rating – what are we going to do? Go ask people to – if they pick out a mobile home if that's all they can afford are we going to ask them to now go retrofit that mobile home associated with the rating. Single-wides, double-wide housing of whatever resort people have financially I still have those major concerns. So my feedback is no. I'm not prepared.

CHAIR VIGIL: Commissioner Holian.

COMMISSIONER HOLIAN: I strongly support the HERS rating standards. I feel that we passed last year a??? If the Commission saw fit in the urban area in and around the city I suppose I would evaluate that but I still would have some of the same concerns.

Manufactured housing associated with the HERS rating – what are we going to do? Go ask people to – if they pick out a mobile home if that's all they can afford are we going to ask them to now go retrofit that mobile home associated with the rating. Single-wides, double-wide housing of whatever resort people have financially I still have those major concerns. So my feedback is no. I'm not prepared.

CHAIR VIGIL: Commissioner Holian.

COMMISSIONER HOLIAN: I strongly support the HERS rating standards. I feel that we passed last year a sustainable growth management plan that we plan that we passed unanimously. It was evolved with the input of hundreds of people and groups and it expresses the vision I believe of the people of Santa Fe County.

The sustainability is a common thread that runs through that entire plan, so I feel that any coding that we do in fact must reflect that. I also feel that sustainability is not just about green, being green or trying to reduce your carbon footprint. Sustainability has a lot to do with being able to continue living in your home for many, many years, or continue living in your area, and having your children continue being able to continue living here as well. And I will just point out that energy prices have gone up steadily over the last decade. As a matter of fact I know in 1998 the price of a barrel of oil was \$11. It is now in the high \$90s. I don't expect that trend to turn around any time soon.

So the cost of the home is more than just buying the original home and having a mortgage on it. It also has to do with the utility bills that you pay when you live in that home, and I think we can say with a certain amount of confidence that utility bills are going to increase over time, so it is important for us now. It's a matter of us showing leadership at this point to require that future homes that are built will continue to be sustainable to live in, not only in an environmental sense but in an economic sense as well and that's what I think this particular part of the coding is all about.

I think that's the reason we put safety measures in for the code in the past. We realized, probably 100 years ago people built houses any which way that they wanted to, and there were fires, especially when they started putting electricity in the home and all sorts of issues that occurred. And then we realized that wasn't really a very good thing, to allow people to build homes any way that they want.

I think another important point is that people who live in a home, most of the people who live in a home are not the people who really actually have anything to do with building

that home in the first place. So by putting these standards in place we are protecting future people who will be living in those homes.

Now, on the issue of affordable housing, I'll also say that I think that it's more important for people who need affordable housing to have low utility bills than anybody else, as a matter of fact, and when we talk about affordable housing we often talk about incentives for affordable housing such as down payment assistance and that sort of thing, and so I think that we could also look at incentives for making contributions to affordable homes that are being built so that those homes are built in an energy efficient way, so we will protect people in the future from high utility bills.

So I just think that it's time now to put in energy efficiency standards. I think it's important to recognize that Santa Fe Area Homebuilders Association has endorsed this as well. They have thought a lot about these issues, and I think that future generations will thank us if we do this now and show leadership. Thank you.

CHAIR VIGIL: Commissioner Stefanics, do you have a direction on HERS rating?

COMMISSIONER STEFANICS: I support the concept of energy efficiency. As the recommendation said, it said HERS or some other equivalent means. I have asked staff to work with Darlene Vigil to actually look at the different levels of affordable housing qualifications down to the dollar and the penny of what people can afford. So I support energy efficiency in homes, but in terms of how it affects affordable housing, until I get that analysis the verdict's out.

CHAIR VIGIL: Okay. Commissioner Mayfield.

COMMISSIONER MAYFIELD: Madam Chair, thank you. I also share the same thoughts with Commissioner Stefanics. One of my thoughts a little earlier today, we were meeting on passing a resolution or at least looking at a resolution to look at the fees for folks who come forward to put in photovoltaic or wind. One of the gentlemen who I guess is a third-party provider to do this, I asked a pointed question. How many people can't do this because they can't afford the \$300 filing fee we have here. Now we're looking at arguably, at least I believe there was testimony that I heard a couple meetings back that this third-party independent verifier would be \$700 or \$800. That's not even the additional cost to get to that HERS rating. I think trouble right here in Santa Fe County is at a 60 – what's the current HERS rating?

MR. AABOE: Madam Chair, Commissioner Mayfield, currently, within the City of Santa Fe limits a HERS 70 requirement is required.

COMMISSIONER MAYFIELD: In Santa Fe County do we have any HERS requirement?

MR. AABOE: There's no requirement currently in Santa Fe County.

COMMISSIONER MAYFIELD: Madam Chair, Mr. Aaboe, I'm just going to ask – maybe you know, maybe you don't know. But let's say for each five percent, let's say we're looking at 60, 65 70, is there a dollar increment each time you try to gain that extra five percent HERS rating?

MR. AABOE: Madam Chair, Commissioner Mayfield, it's a complex issue. If you look at the landscape table at the back, that describes, you can get a large number of points for \$40. And you can get a number of points for zero dollars. So it's not something –

we took a day and a couple of days follow-up to develop a menu of choices, and that's for a 2,300 square foot home which is an average size home in the US. Subsequently I have done it for a 1,200 square foot home but I haven't written it up as I did for this. And there are many, especially with the designer community, the large number of folks who are experienced in passive solar development. There are low cost and no-cost options to get points.

So that's kind of the beauty of this and the difficulty in explaining it, because there are many different ways to get there, so you can't say it's going to cost you \$1,000 a point, or whatever. It's just not something that can be done really easily.

COMMISSIONER MAYFIELD: Thank you. And Madam Chair, I think you were at a meeting at the Santa Quintana board meeting out in Pojoaque. It was one of our initial meetings, our CDP on this. There was an individual there, a builder I think, at least he builds homes. But he indicated that he thought – at least I thought that he said and it might be in this record – that the additional cost to get to a HERS rating was like \$5,000 or between \$5,000 and \$7,000. Do you recall that?

MR. AABOE: Madam Chair, Commissioner Mayfield, I think the gentleman was referring to the application and processing fees within the City of Santa Fe. Their impact fees, rather than the cost for the HERS compliance. If you look at that table you can kind of see the actual cost of compliance and again, it really depends on how you do it.

COMMISSIONER MAYFIELD: Thank you. And Madam Chair, my last summary point is this. I don't want to put homeownership out of reach of anybody. I don't want to put it out of reach for me, respectfully. I started out in a mobile home. I would hate – and I think we asked that or I asked that at one of our meetings also. Would manufactured homes have to become compliant with this? Let's say someone wants to get a permit in Santa Fe County and they want to put a manufactured home on a piece of property. Are we going to say, wait a minute. You need to go get a certified HERS rating of 70, because that's Santa Fe County's standard? Are we not going to issue them that permit? So they never get a certificate of occupancy?

MR. AABOE: Madam Chair, Commissioner Mayfield, manufactured homes are not subject to CID. Anything with an axle is not regulated by the state. There's an interstate commerce clause requirement. We don't essentially touch those.

COMMISSIONER HOLIAN: Madam Chair, on that point. I just wanted to let Commissioner Mayfield know that I believe at the Community College they are working on a program to determine ways that they can do fairly low-cost ways to make manufactured homes much more energy efficient. I don't think that they would really be impacted by our code in that way, but I just wanted to let you know that people are thinking about that issue.

CHAIR VIGIL: On that point, Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, the gentleman that was here earlier – he's still there, Mr. Boyd brought up unintended consequences. So potentially, based on what you just said an unintended consequence of the rating would be that people that might otherwise build a house might to a manufactured house instead just to avoid having the additional costs or dealing with the HERS rating at all. It could be an unintended consequence of the rating.

MR. AABOE: Madam Chair, Commissioner Anaya, that's a possible unintended consequence. Another unintended consequence is that with doing nothing and

with energy costs on the increase, the possibility of foreclosure, because folks need to pay \$500 a month to heat their homes is an issue that – so unintended consequences happen all the time.

COMMISSIONER ANAYA: Madam Chair, if I could, on manufactured housing. So then we could potentially have people that might have otherwise built a 1,200 square foot home decide to get a 1,500 or 1,600 square foot manufactured house, maybe have more space, but ultimately end up in a difficult situation associated with value over time, because typically value declines in manufactured housing even in a permanent structure setting and site-built housing increases. So another unintended consequence associated with it.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Madam Chair. I'll close. Gentlemen, I'm just worried about the additional cost that we could be putting on somebody. And I respect and fully understand. I'd like to get to a better efficiency rating for all these homes. I personally want to do that for my home and I continually do things to my home to try to achieve that. At least I think I do. I've met some folks who have said my home is too air-tight now. So there's a contradiction I guess to that. But with that being said I just don't want to put initial homeownership out of anybody's hands and by doing that where somebody's going to say, look, we can't afford that extra upfront cost right now to maintain that.

Because I do think we have to protect everybody out there with their future bills, but also I think that we should at least have an opportunity for folks to have these homes to get into. And there might be some folks who have the income to afford this. Believe me, gentlemen, there may be some folks that don't. That \$2,000, that \$700 makes a huge difference. And that's just my concerns. Thank you.

CHAIR VIGIL: Okay. I am of an opinion that's going to come from another direction. I do believe that the reason why the Homebuilders Association supported this is because they are market-driven. They know and they make accommodations for cost. We have an affordable housing requirement. When that affordable housing requirement is attempted to be met the market adjusts to that. Either it adjusts by looking at the square footage. It adjusts by looking at where the terrain is, the density, those kinds of things. I do not see HERS rating as making that much of a difference in moving into a home. It will, I agree, probably affect it, but I do believe that homebuilders and the market itself will make the adjustment with regard to that.

And that's probably why they're supporting this. They're willing and know this could actually occur. I believe that if we do not do a HERS rating then we're defeating our own purpose here. With regard to unintended consequence by government action, what about the unintended consequences that go with non-action? The fact of the matter is if we don't act and move forward towards energy efficiency for the future of those people who can't afford it, if we keep that in mind, then we're doing them a larger injustice.

I believe we should go forward with the HERS rating. I think there's a lot to work out. I've heard many questions tonight with regard to certification and how that's going to actually happen. We don't have a community that has the most accessible alternatives to moving forward in this. We're doing this for the first time, but if we don't do it, in my mind

why are we even doing this? Why are we looking at sustainable development? It just doesn't make sense to me.

So I would look at moving forward with the HERS 70 rating. And it is such a minimal benchmark. The places we could go for energy efficiency are so far above and beyond what HERS 70 says that we're just barely touching the tip of the iceberg, so to speak in terms of what our future can be. And if we see a benefit to the HERS 70 what more benefit will we gain if we continue moving in that direction, would be my concern. So I really think that all the concerns that we have with regard to costs will be addressed very easily and I also think that – I would probably bow out of this if we don't start moving towards sustainable issues like this. So I definitely think we need to move forward with that.

I think maybe the best way to give you direction is you sort of have two of us that are saying yes, two of you are saying no. Commissioner Stefanics is saying she wants to see how it affects affordable housing. Maybe we need to get some more data on that. I'd like the Homebuilders to tell us why they're supporting this and I do believe they'll say these things are market driven. I just want to address that.

MR. AABOE: Madam Chair and Commissioners, thank you very much. I look forward to preparing information that is requested by Commissioner Stefanics. One of the real interesting things about this is that one of the smaller the home unit the easier problem is. Many of the Habitat for Humanity homes are built to meet a HERS rating of 55 or so. This is something that we when we work with staff at affordable housing I think we'll really be able to demonstrate kind of the cost effectiveness as we look at those smaller homes in terms of their energy profile. So we understand what we need to do and thanks very much for the direction.

CHAIR VIGIL: Okay. Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, just a quick comment. I would ask you, Mr. Powers if you can take back to those members in the Mid-Region Homebuilders – the Mid-Region Homebuilders had a different perspective than the Santa Fe Homebuilders so I would ask you to ask them to, not individuals but actually go through the discussion process similar in nature to what the Santa Fe Area Homebuilders did. I would be interested to hear what their board has to say and whether or not they're in agreement or non-agreement with the Santa Fe Area Homebuilders.

Open Space and Trails

CHAIR VIGIL: Okay. Let's move on to open space and trails and I hope I can do a decent summary here. It's seeming that with that recommendation, the first statement that was made is we can't regulate one-size-fits-all. But basically it's context-based regulations. That it should be lot coverage, context-based regulated. There should be site development review. This all goes also to trails. I think that there would be exceptions for agricultural areas and buffered areas, incentivizing people in traditional communities for open space and trails. That incentive should be more around agriculture than anything else, I think.

The planning tools of this is regard to land suitability, the terrain, the way that that can be managed, the soils and things of that nature. So this is sort of a cursory review of it, but I

think basically, if I were to condense it, what staff is recommending, no, you can't regulate, but if you are going to move forward with open space and trails recommendations that it should be context-based. Is that a fair assessment?

MR. KOLKMEYER: Yes.

CHAIR VIGIL: Okay. Commissioner Stefanics, why don't we start with you on the open space and trails direction.

COMMISSIONER STEFANICS: Thank you, Madam Chair. I haven't heard anything in the recommendations that really – that I couldn't live with, but I go back to what – and I might be oversimplifying this, but I think it would be a lot clearer for me and others if we knew or if we decided if this was applying to SDA-1, -2 or everything, or phasing in over years.

So for example, in terms of density, and in terms of the areas that we wanted to focus on, if we knew that everything that we were talking about was only related to one area, that would make a difference to me. And if I knew that we were then going to add another area, so many years down the line or when we got so many inhabitants in that area, that would make a difference. But I think that for me and the public, that's one of the big question marks as we deal with all of this. Because some of the comments that came through for open space, was wait a minute. If we're out there and we have these big tracts of land we're not ready to say you should preserve it as open space because we have open space. But if we're talking about a dense area then maybe there's a more immediate need to take care of that. So that's all I'm saying.

CHAIR VIGIL: Okay. And I, at least the open space discussion I went to was focused on SDA-1's, but the way I think this is condensed is if you are going to look at all the sustainable development areas that you really have to look at it from a context base. For example, if you're looking at Edgewood or Moriarty, you really need to see, is sparse density something you need to address here. Should it be one dwelling per lot? Should that one dwelling per lot, should the lot be one unit per ten acres? Should there be lot coverage restrictions? Should there not? Should those count as open space and trails?

I think what they've done, at least according to these recommendations, because it's context-based it allows for the opportunity to look at every sustainable land development area. And I may be wrong. I'll defer to staff or even you, David Gold, if you have a different understanding of that. But I think when it comes to SDA-1 you can still go with context-based, because perhaps it is going to be further dense. SDA-1 is also going to have different terrain, so it would have to be context-based. I went through this whole issue when we were talking about annexation in the Alameda area. Those residents were concerned about whether or not the arroyo would be considered open space and whether that was going to be factored into. When you do look at context-based design on open space and trails, you're looking at the terrain, you're looking at site description, you're trying to see what works in what particular area. In my mind, that's a wonderful resolution. I think it works for any development areas. I could be wrong here.

COMMISSIONER STEFANICS: Well, Madam Chair, to finish, the other thing I heard staff say was that there still is a concern about private property being taken for open space. And so I think that that still needs to be thought out, how that would be

addressed, whether it would always be a reimbursement, whether we would – I just think that that concern Beth was still talking about. Thank you.

CHAIR VIGIL: I guess I don't have a concern with that because we cannot take private property. It's prohibited. Even going through the Santa Fe River project, all of the easements we have to purchase, we have to do it really market-driven purchases. So I – when you do a context-based design for open space and trails I think you take into consideration what may be available, what may not, whether or not it's private property that will be available for sale, or not. Those kinds of things are very much a part of context-based design. Are they not?

MR. KOLKMEYER: Madam Chair, yes, they are. And again, back to the takings issue. The issue here is that if it's open space to be used for public use then that's one thing and then it would have to be compensated for. If it's openness, in the sense of it being lot coverage, for example. This was part of the confusion we had ten, twelve years ago when we discussed this before. If you had a ten-acre lot, you put one house on it, essentially 90 percent of your property is open. This does not mean it's public open space. It means it's open. So we have to make it very clear that we're making these distinctions about whether it's open for public use or not. So that's one thing.

And that leads to the context-based situation. I think a good example of that becomes the Community College District, where we required 50 percent open space, and the trail system. So that trail system was laid out pretty much so everybody knew where it was going to go, what it was going to connect to, so it became functional and useful because it was context-based. And again, that's partly the function of the official map that we have that's already adopted in the growth management plan. So we're going to be able to show some of these things, how they connect, where they are, and then be able to get into more specific context features as we get into specific subdivisions, for example. Does that answer your question?

CHAIR VIGIL: I think, yes. And that's a clear way of distinguishing private/public. It's interesting to me and Dave, you might be able to address this even better than I did because at some point in time you were one of the original members of COLTPAC. It was my understanding that there was a preliminary design of a trail network that was all around the County of Santa Fe, and knowing through the process of COLTPAC that trail network was not developable and probably part of the reason was because it wasn't context-based. And I fully support open space and trail; so does our community. They have been to the polls many a time and they have voted in favor of dollars allocated for the purchase of open space and trails. Not very many communities have done that. And I know that our current COLTPAC is considering taking that back to the community, because we have the ability to continue to pursue open space and trails and I do believe, in terms of planning and design, if you do not incorporate open space and trails you just deal with density and that's all. So anyway, Commissioner Anaya, what is your position on open space and trails?

COMMISSIONER ANAYA: Madam Chair, I have several points but I'm going to go back to the September 27th meeting and pretty much ditto most everything in that discussion. But I'll re-elaborate some of it right now. I think maybe some of the problem that I'm having has to do with – when Beth did the presentation. I'll just give a practical example,

and she was going through the points in open space. She got to rural areas and she said in rural areas we have received feedback and comments from yourself and from the community that we need to have alternative mechanisms to deal with open space and that it's not as simple when there's interconnected trails. And I said, good. That's good.

But then in the next breath she said but there will still have to be linkages in the development to other trails. So I heard something that was consistent with feedback I've received in the rural areas and then the very next statement I heard, but there will still be linkages within the development. And I think Commissioner Vigil was doing a good job of talking about in the context of the location and what's in the surrounding area. I just think we need a way to figure out way to be more succinct in the wording so that it's not both items but that there is some latitude. Let me just give a practical example that we discussed at the last meeting.

In and around the acquisitions of open space that we have in the Galisteo Basin on in the San Pedro Mountain for example it makes perfect sense for development that come in in and around that area to make sure that on those developments there's linkage to that San Pedro site that we bought to have open space and trails. Okay. By the same token if somebody proposed a development off of White Lakes Road, eight miles in, and I don't know if any of you are familiar or all of you are familiar with White Lakes Road, eight miles in, it's in the middle of nowhere. And if you were attempting to say in the code that you were going to have open space and trails on that site it wouldn't make a whole lot of sense. But if there was an alternate mechanism where potentially that potential development off of White Lakes Road was going to say I'm going to work with the trails unit to connect in our region to the Wild West Park in Edgewood, or to work to expand opportunities for trails in San Pedro, that would maybe make more sense.

But to say that to contain it within that subdivision off of White Lakes Road and have linkages to trails, well, there are no trails. And it's predominantly government land; no government land. So it's those types of things in that example that on the one example I heard in the context of what Commissioner Vigil was saying and in Beth's words, but then I heard in the next breath that no, you'll still have a trail in that subdivision. Or you'll still have to have a park in that subdivision. And maybe, for those rural areas it would be better served to work on those areas where we already do have linkages or we do have work already in progress.

So maybe it's there and we just need to retool how we say it but that's a concern I have. Relative to private property I would echo the sentiment that Commissioner Stefanics brought up, that it's still a concern. Overall, let's focus on those trails and networks that we already have as known quantities, instead of assuming that every corner and every portion of Santa Fe County would be connected. I don't think we have to work off that premise, that every segment of the county has to be connected. If people in a segment of the community can access an open space or a park and there's adequate linkages to the park or that area, then I think that's a good thing, but to assume that we have to have that in every single case, I don't think is good. So maybe that's in there; help me pull it out I guess is what I'm saying.

CHAIR VIGIL: Okay. Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. I'm in general agreement with staff recommendations on this score. The one thing that I'm concerned about

and it wasn't really – well, maybe it was sort of addressed in here under the context-sensitive decisions that would be made. And that is protecting sensitive ecological areas. I'm worried about that we don't do development in areas, say, that are wildlife corridors because those are – if we ruin those we've changed things permanently. So I'm sort of very concerned about continuing to make sure that any wildlife corridor is protected, any riparian area is protected, especially places that are real habitats for our wildlife.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Madam Chair. I looked at staff's recommendations and I support your recommendations. One thing though. A couple folks, constituents have brought to me, just concerns, regarding issues as far as access, to make sure that these areas are accessible. Again, if we do have, I think Manager Miller and myself are going to go look at a couple issues. But when these trailheads are established, or these open spaces are, that there's adequate parking, because then they impinge on private residents. So we have to understand or respect the neighbors that are living right next to all this open space land. So there's concerns with the amount of traffic they're bringing in.

Also, I think that another issue that they brought up is just as far as the accessibility of bicycles to be able to be utilized. They brought up like bring in, allow these vehicles to park to unload these bikes to have these bikes being run.

One other thing that came up on one of the trailheads that I was on, it was just equestrian use. Again, residents want to support equestrian use on some of these trails and then some residents are say, well, look. These horses are making a mess on our private property accessing. Respectfully, the dogs are making a mess on some of these trails, accessing. So that's just what I would ask that you all look at too please.

CHAIR VIGIL: I think that most of the Healthier Tomorrows recommendations do incorporate trails and planning and open space. So I think we're in the right direction with that and there do seem to be some things that need to be worked out in terms of what goes into the code. So I think you have a clear direction at least on open space and trails.

Agriculture

CHAIR VIGIL: With regard to agricultural uses, if I could just condense those recommendations. What they were is we should promote agricultural uses, particularly in traditional historic areas, and one of the ways that that could be done is through a transfer of development rights. I'm in perfect agreement with that. I think there needs to be some real detail worked out because some of the earlier public hearings that we had were not clear in terms of what is the scope of an agricultural use. Is it somebody's backyard? If it is somebody's backyard – those kinds of things need to be incorporated in the code. When I think of agriculture and preserving agricultural uses I think of the traditional historic village of Agua Fria that I represent and I see that in that village a lot of the agricultural land that that was once very vibrant in that community no longer exists. How can we incentivize that to reoccur, particularly in something that has the history such as that? So I definitely am in favor of it. Commissioner Anaya, your position on agricultural uses?

COMMISSIONER ANAYA: Madam Chair, I think earlier on in the discussion the concern was that people that have agricultural use would be forced to keep that use and that's not what's occurred in the discussions, which still provides latitude for agricultural users to transfer that use to other residential use if they deem that's the direction they want to move.

One thing I would say and it kind of piggybacks off what Commissioner Vigil was just talking about is I think in smaller family transfers or divisions of land, whether they be small subdivisions or transfers that many times in the code we divide the land, let's say, but then it's still maintained as an agricultural use but it goes to residential use on the County books and the taxation gets impacted, even though the only difference was a house was added to a parcel but still the same agricultural use was maintained, whether it was farming or some other agricultural livestock purpose. And I think in the code we have an opportunity to say that within those divisions if they occur, but there's still other agricultural use occurring, but we should still classify them as agriculture. And not just transfer over the assessment to deal with residential taxation.

It's a broader issue that will involve the Assessor's Office, but I think that many times even though those splits or transfers occurred, the same residential use is going on yet the tax rate gets highly escalated because now it's been a division of land. I think that's counterproductive to our desire or the desire in the plan to promote and enhance agricultural use. So I think that's an item that I would like us to have some more conversation on as we get through the code process and maybe even engage the Assessor in that discussion.

CHAIR VIGIL: Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. Well, I'm in agreement with staff's recommendation. Agriculture is an important part of our culture and an important part of a lot of our land right now in Santa Fe County. So anything that we can do to help people who want to continue using their land for agriculture is a good thing. I think a lot of people end up selling out because they just can't afford to continue farming their land. I'm totally in agreement with TDRs and I think now, even for small parcels we have the tool of conservation easements to keep people in their land.

CHAIR VIGIL: Just a clarification for the record. I think we're interchanging agriculture and ranching, sort of giving you direction on both when we're dealing with agriculture and think we should promote it. I think we, at least I'm also intending to promote ranching and that's how it's been noticed. So Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Madam Chair. I have no problems with the recommendations on agriculture, grazing and ranching. I would recommend though that we think about tools. I had a rather unique experience a week or two ago where the dogs were barking, barking, barking, and I go to the front door and a herd of cattle is running through my property. Now, we have no cattle anywhere near my house. I have no idea where this herd of cattle came from.

When I lived down in Madrid we'd get cattle all the time. We'd have cars hit cattle, then be responsible for paying for the cattle. I know we're a state that has to fence out, but we need to think a little bit about tools for animals and grazing. And I don't know – I don't have a concrete suggestion. I think these recommendations are fine. I never would have thought that this would be an issue where I lived.

COMMISSIONER ANAYA: Madam Chair, I've been looking for those cows.

COMMISSIONER STEFANICS: Well, you know what happened, and thank goodness my aggressive dog steeped out of the way, hoping she wasn't trampled. But there was this huge white dog that was chasing them. And I don't know if that dog was herding the cattle or if the cattle got use and then the dog had decided to have a free-for-all. But it must have come miles to get to where I was. And I don't know how that rancher will ever get their cattle back. Thank you.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you and thank you for the recommendations, Mr. Kolkmeier. Jack, and I think Commissioner Holian brought up a relevant point that I want to bring up, but as far as agricultural use throughout the county, lets say in traditional areas or smaller areas that are incorporated, so there won't be any issue if somebody wants to raise a chicken on their property?

MR. KOLKMEYER: Commissioner Mayfield, that's correct. And that's correct right now as well. You can raise anything you want in the county.

COMMISSIONER HOLIAN: Except in Eldorado.

MR. KOLKMEYER: That's right. It's different in Eldorado.

COMMISSIONER MAYFIELD: So Madam Chair and Jack, we kind of talked about this a little earlier, so if there might be some covenants, restrictions, in an area where folks live, that's where they may not be able to raise that chicken or goat.

MR. KOLKMEYER: That's the situation in Eldorado that Commissioner Holian was talking about. There are covenants. Although we don't restrict the raising of livestock or animals in the county.

COMMISSIONER MAYFIELD: Thank you. And Madam Chair, Mr. Kolkmeier, on the map, the small-scale map, I don't see some of the agricultural green blocks in the northern part, just very limited. But again, this will be allowed throughout the county?

ROBERT GRIEGO (Planning Manager): Yes, Madam Chair, Commissioner Mayfield. You're looking at the land use map and we're looking at agriculture as a use, versus the land use map that's here which would be a base zone or zoning category. So we're saying the agricultural uses as a use is distinct from the land use category.

COMMISSIONER MAYFIELD: For the zoning on the map.

MR. GRIEGO: Yes.

COMMISSIONER MAYFIELD: So we're going to address that and we're going to allow agricultural use throughout the county, but if we don't have that incorporated on the zoning map I think that's something that we need to address.

MR. GRIEGO: It would be more related to the land use table that was in the zoning section there's a table there, there's a bunch of agricultural uses there, so that's where it would apply.

COMMISSIONER MAYFIELD: Thank you. And Madam Chair, Mr. Kolkmeier, if it's established use throughout the county, and I'm going to look at predominantly acequia areas, where there's acequias running, there may be one or two acequias still that are viable here in the metro area of Santa Fe I believe, so if an individual

wanted to establish an agricultural use off an acequia, there'd be zero issues with that, right? Even if it's a small, little garden?

MR. KOLKMEYER: Commissioner Mayfield, that's correct. I think the other point though that I believe Commissioner Holian brought up, that we don't have a definition for ag use right now. We probably need to do that relative to that kind of situation as well as really what does it mean. Is a garden an ag use? Because this will tie into some regulations. If we're then going to allow, let's say greenhouses to occur and simply that process. Would a garden then be an acceptable ag use to allow a greenhouse? So we need to work out some of this terminology. But I think that's an example where we clarify that to some of the definitions.

COMMISSIONER MAYFIELD: I'm glad you brought that point up, Madam Chair, Jack, because if somebody does want to build a greenhouse there won't be any issues with arguably permitting. If they're saying, look, it's agriculture –

MR. KOLKMEYER: That would be the idea.

COMMISSIONER MAYFIELD: Okay, and then last question, I think it came up in one of our meetings from a constituent who can talk to me all the time, day or night, but I appreciate his comments. And it kind of goes back to the traditional area that I represent. When we go and we talk to folks about – and it's going to come into our wastewater systems, that sometimes the County – maybe it's not the County; maybe it's CID or whoever does the permitting for our septic systems, but if we are allowing these septic systems to happen and we're basically saying you've got to put it over 500 or 600 feet, they're saying that that's diminishing any potential use for any agricultural land. So I don't know if that's anything you can address or try to address, to just allow – I don't want to say flexibility. I want to make sure folks are safe, there's no nitrates or anything else seeping into any of this area that might be common next to it to be used, but I know that came up and if you guys could look at that I'd appreciate that.

MR. GRIEGO: The New Mexico Environment Department is the one that regulates septic use but we can certainly look at the agricultural use and see how that relates to that.

COMMISSIONER MAYFIELD: Yes, just whether it would make some individual site, some leach field. And then as far as the County, we fully support advanced septic systems, right? They're approved? Anybody can use them? Okay. Thank you.

Home-based business

COMMISSIONER STEFANICS: We are now on the home-based business concept code, and we have three categories: the no-impact home occupation, the low-impact home occupation, and conditional use. And the chart, if you haven't looked at it would probably give you a quicker glance at that. But any comments? Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, I don't have any comments. I know there's been a lot of input and a lot of dialogue and the home occupation actually provides probably more flexibility – well, I know it provides more flexibility than what we have now and more opportunity to probably fit businesses that have existed more in line with

what they're doing and seem to be less onerous than what we have now. So I don't have any problems with those provisions.

COMMISSIONER STEFANICS: Thank you. Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Madam Chair. Madam Chair and Jack, just – it came up a little earlier and I know I brought it up. Just as long as you know we afford an opportunity for mom and pop homeowners. And they are throughout – they're throughout my district. They were old, existing mom and pop commercial developments. Local little stores, local little feed stores, local little grocery stores. And just at that, maybe that's something you guys could look at if at all possible as to how to have these folks incorporated.

Because I know it came up, Jack, where again, home-based business, but I think you all have said, and I'm going to put some words in your mouth, but maybe intended use. So if an individual did have a little mom and pop organization as a home-based business and maybe they wanted to use – one example was maybe you want to put a dentist office in that property now. That could change. Some significant change for intensified use. I think, say, a mom and pop gallery owner wants to make – I don't know – a craft business for weaving, that that could change or intensify use, and I don't know if that's incorporated or not but that's something I'd ask you to look at.

MR. KOLKMEYER: Madam Chair, yes it is, and when Mr. Yockers brought that up before it does raise the issue of how we grandfather things in. That's always an issue, particularly with the intensification issue, because what we try to focus on right now is does it mean more cars, does it mean more clients? Does it change really it from being a residential use, shifting over to more and more commercial use. But we're allowing that to actually shift along kind of a different paradigm where we get more intense with a little bit more input from the neighbors through the process. So we're sort of taking care of that.

But there's always an issue when we have to look at the intensification of use, what does that mean? We have a certain interpretation of that; the resident may not. In many cases we've been able to kind of work it out. In some cases – if you were going to do a dentist's office, for example, where it was some little mom and pop business before, that may very well be an issue of intensification. Mr. Yockers also said that there weren't commercial designations in the Pojoaque area, and they are; they're actually on the map and I gave him a copy of the map so he could see where those were, just for your information.

COMMISSIONER MAYFIELD: And Madam Chair, Jack, just so I know, those are off of say the 502, 503, 285/84 –

MR. KOLKMEYER: Yes.

COMMISSIONER MAYFIELD: The side streets?

MR. KOLKMEYER: Yes.

COMMISSIONER MAYFIELD: Thank you.

COMMISSIONER STEFANICS: Jack, going to this section, the last materials you handed us had fee structures and they're not included here. Could you comment on that?

MR. KOLKMEYER: Yes. We intentionally left them out again, so that we could include those when we have a discussion on fees for lots of other situations as well. Because we don't want to, again, focus on fees for something that maybe needs to be looked again when we bring the full code up. However, having said that, one of the things that we

did discuss about the home-based business one is that you may want to take this forward now as a standalone ordinance. If that's the case we do have a sheet of suggested fees on it, so it would be entirely up to you. But we just didn't want to get into another discussion about fees, because we would like to keep all the fees together so we could do them through a fee ordinance as we discussed this afternoon.

But if you want to do a standalone home-based business ordinance we would provide you with the thoughts we have on the fees for this.

COMMISSIONER STEFANICS: So could you describe the pros and cons of doing a standalone ordinance for this, for the home-based businesses?

MR. KOLKMEYER: The pros, as we discussed when we first – when you all first suggested this was that clearly with the economic times there's more and more people that want to operate businesses in their homes. So we think that the more expedient that we can make that and allow them to be able to do that, it's really a good time for us to do that right now.

The problem is, the con is that we have to be careful that we're not allowing commercial uses in residential areas so that they really are commercial uses that should go through commercial zoning. So there's a fine line. Some things are really clearly home-based but since we have now three categories rather than one we're allowing a certain movement towards things that approach being a little bit more conditional, but then they have to go through more and more of a process. In fact the conditional use ones have to go to the CDRC, for example.

So we have to be careful that we're not allowing something that's clearly a commercial use in a residential area, but we think there's a swath of uses that we should be allowing people to do right now because they have economic opportunity and they're at home.

COMMISSIONER STEFANICS: So if we did not do a separate ordinance for this, and people roll into the next annual cycle for business registration, life would continue on as it is now, and it would be difficult for people starting new businesses?

MR. KOLKMEYER: Commissioner Stefanics, yes. Under this code that we have right now. A bed & breakfast is a good example. For example, some bed and breakfasts that we have in the county are clearly commercial uses; they're pretty big operations. But if somebody wants to use one bedroom or two bedrooms in their house then we should probably be making that easier, because that's a good use for somebody to undertake right now. The problem with that particular use though is when you have people staying in your house there are fire restrictions, fire concerns that need to be taken into account and kitchen facilities and those kinds of things.

But we think that this is an opportunity to make some changes that will help a few more people to be able to do businesses. If we don't we're operating under the existing ordinance that we have.

COMMISSIONER STEFANICS: Madam Chair, it's only you and Commissioner Holian that have to respond to home businesses.

CHAIR VIGIL: I think that the discussions that I observed with regard to home-based business concept really brought out most of the issues that residents had. I think that they do need to be incorporated into our code rewrite and I agree with you with regard to

distinguishing commercial from home-based businesses. But I also think that even in our own growth management plan when it was first developed and Jack, you were a part of that, we knew that home-based businesses were going to be very much a part of the future, we actually in the Community College District created a live-work space promotional concept within that growth development plan. I think we do need to support all that can make that happen for folks, particularly because we all know that small businesses drive the economy and particularly because of the direction that we're going with regard to our future economic development has a lot to do with home-based businesses with regard to the Internet and things of that nature. But I also would – how do you distinguish them? One of the questions that was brought up from one of the residents is somebody was making jelly at home and they were making it to sell it at the farmers market. Is that a home-based business? And maybe they just did it one time. I don't know.

Those kinds of things that are brought up in my mind aren't something that we have to permit. So I think there's a reasonableness that has to occur here in terms of how we put this into the code. If somebody's making cookies to sell them at a bake sale – you know what I'm saying. Those are the kinds of questions that came up at the hearing I was at and it's within reason. Do you have a consist service provider of some kind of service or a product that is something that's sustainable for somebody who lives in the home then I think that is a home-based business.

So I think conceptually you have to be really careful on the kind of language you use for this but I'm in support of really being very conceptually clear.

MR. KOLKMEYER: And Madam Chair, we can work some of those things out again through the definitions, because some things are clearly hobbies, for example. But if you're making a livelihood out of it then that's where the separation occurs. But we think some of that can be worked out with the definitions that we – we haven't done – I think we did some but we need to refine some of them.

CHAIR VIGIL: Okay. Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. I'm really impressed with what you've put together for home-based businesses. You've gotten a lot of input from the public and a lot of great ideas and suggestions, and I think given the economy right now in our community, I think this needs to come forward sooner rather than later, so I personally would like to see this come forward as a standalone ordinance to us.

COMMISSIONER MAYFIELD: Madam Chair.

CHAIR VIGIL: Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Madam Chair. Jack, if for whatever reason, something's not on this list, we'll incorporate them later? One thought I'm just looking at is like artists. There's different mediums – there could be an individual blowing glass at their home. There could be an individual, I just saw something on TV recently, recession-proof, somebody doing a lot of welding art in their home, but then I see another category for a welder. So that's kind of subjective of where that would fall under for home-based business.

MR. KOLKMEYER: Commissioner Mayfield, absolutely. You may recall the first draft we brought forward to you we didn't have a land use table. So we put one in and we started off with a model from some other community and tried to deal with the categories

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that way and then we took three or four rough cuts at it and we're still missing some things. So this is one we really need some feedback on. So any suggestions that you have or your constituents have, let us know and we can work on them. And this also needs to be flexible, again, because some will, sure enough, the week after we pass a home-based business ordinance somebody will come in with an aberration to the land use list. So we'll have to try our best to see how many of them we can get in, and then some way to accommodate something that comes in that doesn't exactly fit what we have.

COMMISSIONER MAYFIELD: Madam Chair and Jack, thank you. And also as far as any community plans that we have, are there any that would not allow home-based businesses? Or all of them are fine for that?

MR. KOLKMEYER: No, in fact the traditional communities, don't forget allow – somebody asked the question earlier to define mixed use. I think one of the ways to really consider what mixed use means is to look at the traditional communities, because they're a really good example of having residential, small-scale commercial and institutional uses like schools and churches. So that's what it means. And in the Pojoque plan and ordinance for example, we approved a use list in there that helped us to determine how some of those could qualify as small-scale business. Actually, it was the Pojoaque plan that gave us a good jump on how to think about doing this.

But the traditional communities are really a good example of why we want to have mixed uses in certain contexts, because it works. It has worked for a long time.

COMMISSIONER MAYFIELD: Thank you, Jack.

CHAIR VIGIL: Is staff recommending a standalone ordinance?

MR. KOLKMEYER: No, but when we first started talking about home-based businesses that subject came up in one of our early discussions with you that perhaps we could put this together in a way that if you wanted to do that – the text we have in there is not code language but it was based that directive. We could quickly turn that into code text if we wanted to. So I think we're still leaving that up to you, because again, we can put this in the code if you want, but if we think it's appropriate to move this forward sooner rather than later, it's really much set up to go either way.

CHAIR VIGIL: I will tell you, and I bring this up because I respect Commissioner Holian's recommendations but it seems to me that one of the purposes, the underlying purposes for creating this code is to do away with the ordinance and resolution upon resolution upon ordinance, so that staff themselves don't have to reference so much. So that if we have everything within one codified system it's much easier to deal with staff perspective. So if all that you recommend can be placed in the code, even the matrix and used as a guideline as I look forward to that, I would like to see it be in the code, unless you have some really overwhelming reason that would convince me otherwise.

COMMISSIONER STEFANICS: Could somebody clarify what Commissioner Holian's recommendation was?

COMMISSIONER HOLIAN: Oh. I said I thought that because of our economy that this is something that would be a good thing to have sooner rather than waiting for the code, so I sort of would like to see it brought forward as an ordinance before we deal with the final code. Now, I don't want to make it more difficult to create a – I think we

should end up with a code that is comprehensive and coherent. But if we could easily pass this separately and then go ahead and fold into the same code.

MR. KOLKMEYER: Madam Chair, Commissioner Holian, that's our intent. When we say standalone we mean that we could do that now if we wanted to but it would fold into the code, so it would be part of the code ultimately.

COMMISSIONER HOLIAN: Madam Chair.

CHAIR VIGIL: Commissioner Holian.

COMMISSIONER HOLIAN: I just heard a lot of comments from the community that they would really like to see this now, that the way that we do home businesses is sort of not acceptable to a lot of people in the community and it seems like this was put together really well. You got a lot of input from the community, you got a lot of input from people who would potentially have home businesses. So I really got the impression from people that they would like to see that as soon as possible.

CHAIR VIGIL: Okay. And on that point, Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you. When we visited the Santa Fe Small Business Development Center, they indicated that it was really difficult right now and that we were not encouraging businesses to initiate start. So based upon that I have a sense that maybe we should do something sooner rather than later. But I also have recommended that it is possible that if we did a really tight outline we could pass, chapter by chapter ordinances, and then at some point, Steve, just have one ordinance that combined all of these different chapters. So that we are not waiting until the very end for this.

So this was an idea we put out, so I don't see that it would be bad to start with this if we determined to do that. Because right now, Madam Chair, what I'm hearing from the staff is it's difficult for a new business to get started.

CHAIR VIGIL: With regard to that, since staff's been working on this, are you going to be duplicating services? How do you feel about condensing chapter by chapter to an ordinance and then folding it all in at the end? Is that – to me, I'll just tell you, it sounds daunting. It sounds like a lot of work for the same end when you're just trying to look at codifying. It's going to be hard enough to codify. I don't know if you follow a different format when you create an ordinance.

MR. ROSS: Well, Madam Chair, we've got chapters 1 through 5 out there in their former form, in the form they were in two years ago and they all have been authorized for publication of title and general summary. We could do the same thing – what were we saying? It was Chapter 10? Supplemental 10? So we could roll out something like Chapter 10 and do the same thing. Have the Commission authorize publication of title and general summary on 10 and then Jack could administratively administer that as if it were an ordinance pending actual adoption of this ordinance. That's one way you could get it on the ground quickly and legally.

We could probably pull that off. We haven't worked as much on 10 as we have on the earlier chapters because we're trying to get a roll-out on everything except zoning, design standards and supplemental uses. Those are the three that we don't have put together yet. But we could focus on 10 and get that out to you so that you could authorize title and general summary and then the Land Use Administer could just administer it as if it were – that

portion of the ordinance as if it were already in force. And that would be legal. That's one way to do it.

Another way is to be piecemeal and go through chapter by chapter by chapter, and then pull it all together at the end. It's really workload. The whole thing is a workload issue because it's a tremendous task we're undertaking but we actually sort of see the end more closely than the beginning at this point. What I just said is we have three chapters which really are not done but the remaining chapters are all roughed out and some of them are done. So by the 13th you'll see all but those three chapters, we hope, and then it's certainly possible to do chapter by chapter, attack them.

CHAIR VIGIL: I guess my question, and Commissioner Mayfield, I just need that clarification and I'll turn it over to you. Is it more work for staff to go ahead and do an ordinance now? Than to just have us approve the concept development points and allow you to move forward with codifying them?

MR. ROSS: Well, Madam Chair, developing a new ordinance right now is going to take time away from all the other stuff.

CHAIR VIGIL: That was the bottom line.

MR. ROSS: The ordinance has to be complete. It has to do all the things you want it to do. The advantage to having it in the code is that lots of the administrative stuff is already there. It's already handled in other places in the code and it would all have to be duplicated and put into a standalone ordinance. I don't know. If you want to do that we can certainly do that but it is going to slow down the other work, because we'll have to focus on that for a while.

CHAIR VIGIL: Okay. That would be my concern, not slowing down. Okay. Sounds like Commissioner Holian is okay with staff just to move forward with working on the code rewrite. Commissioner Mayfield.

COMMISSIONER MAYFIELD: Thank you, Madam Chair, and Mr. Kolkmeier, just the category of use then. Like you said we can find a new occupation every day we're around. I was just wondering, do you have a cosmetologist in here anyway. Just somebody that cuts hair?

MR. KOLKMEYER: It would be under services, service provider. Event planner – nope. So that's a good example. We'll add it. Beautician, barbers. Home healthcare. So that's the kind of thing we need to add.

COMMISSIONER MAYFIELD: Madam Chair, Jack, I'm assuming you're going to find an occupation here or there that we're not just going to say miscellaneous. Maybe they'd all be miscellaneous. I don't know. Okay. Thanks.

CHAIR VIGIL: Okay. I think you've got a sense of direction for that.

II. Growth Management Strategy and Procedures

CHAIR VIGIL: We're going to move onto growth management strategy and procedures, which is really process recommendations that you have. And I didn't see any disagreement except maybe we do need to address some kind of a public hearing, a focus group with regard to water. And perhaps the direction that we could give staff on that. I don't know if it will require a focus group or not. So with that, my recommendation is that unless

there's anyone that has a glaring statement they want to make on items II and III, I think the recommendations are pretty much in order. The only additional thing that I'm hearing about tonight's hearing is to do something with water, perhaps create a focus group or public hearings.

The only think I would recommend with regard to that and I'll defer to my colleagues here in terms of what they'd like to see is a lot of what occurs by recommendation of folks out there really occurs because we don't know what information we actually have about water and how much is actually documented, and perhaps maybe this needs to be stepped back and designed with regard to who needs to be there to answer some of the questions. When I was at one of the focus groups I thought, gee, it's too bad we don't have our hydrologist here. Gee, it's too bad we don't have the State Engineer here. Gee, it's to bad we don't have Conci Bokum, who did the Jemez-Sangre water plan. It's too bad that a lot of people who have done a lot of work on quantifying as best as we possibly can, both underground and surface water systems aren't there. And that is a true fear in our community and I think it's legitimate.

So I would ask that you design something that includes either an informational presentation or at least those people who would be able to answer questions for folks to be there, and then give us a summary on that, perhaps at the next proposed meeting. I defer to Commissioner Anaya and I'll pass on to anyone else who wants to put some input in there.

COMMISSIONER ANAYA: Yes, relative to the water I think I'm okay with having more focus discussions. I do want to re-emphasize that I would like to see focus groups associated with the density discussion but I have a suggestion associated with that as well. On home occupation, it was easier to have a broader overview and acceptance across the entire county than I think it is with density issues, because the regions are different. So I'm going to suggest, and I hope we don't try and get into a discussion on density tonight because I haven't absorbed the information that we have tonight and I just don't think it would be beneficial given the hour.

But what I'm going to suggest is we take those same regions – Estancia, Galisteo, El Centro and El Norte – and we assemble groups affected in those areas. That rather than having a focus group that's going to cover all the entire county let's have some focus groups on the density and maybe inclusive of some of the water discussion that are specifically from those regions. So that we begin to really zero in on those area issues that are independent to each of those – Estancia, Galisteo, El Centro, and El Norte. How does the Commission feel about that?

CHAIR VIGIL: Well, I was going to say that I thought that was the intent of your recommendation with the community planning processes from different areas, that that would bring that in because you were sort of recognizing the uniqueness of what each community might be able to bring forth and we defer to that, and maybe we're talking about the same thing here, because I think there's a community planning process that you recommend that that would incorporate water. It would incorporate home-based for discussion. Is that not correct?

COMMISSIONER ANAYA: From my perspective, no. I think if we can accommodate the needs of regions within the code in this process now that we don't have to have a community planning process if we accomplish our goals within the code now. So

those community plans, they still have that option, but I don't want to put communities in the position of saying, no, we really wanted to have the capacity to go to 2.5 acres, but the County zoned us at 10 and now we have to go in to have a community plan to do it. If within that region it's justifiable for water and use to have the 2.5 now then let's do the 2.5 now as opposed to waiting through a process and saying let's do it after the fact and the community can do it later. And so that's what I'm suggesting. If in the density discussions go back to the regions but have focus groups of affected individuals within those regions, then we're cutting to the core of people that are directly affected by the decisions that we'll make in the code.

CHAIR VIGIL: So what was your intent, Jack, on the recommended – when I talked to a community planning process I'm not talking about the long and arduous planning process that we are accustomed to doing here, I am talking about a planning process with specific communities that are interested in doing it that want to be able to come forth and make – what was your intent? Maybe that's the best way to ask.

MR. KOLKMEYER: I'm a little confused here because we have three kind of subjects interweaving here. The intention of community plans is to take on land use issues within the community. We're going to have three tiers in that. We're going to have community organizations, which can do what we're calling a strategic work plan, so if they want to talk about having a teen center, a community center, they can do that. But that wouldn't be land use based. Then we have the registered organizations which simply want information. So if we're talking about density, for example, we're going to have – that's why we're trying to work out the zoning districts.

So those theoretically could apply anywhere in the county. So if a community wants to do a community plan then those densities could conceivably apply to that community. Now, we have some examples where people wanted to be a little different. We haven't gone into that discussion very deeply, but other things like design standards, for example in Pojoaque where we designated zoning, actual districts, where there could be commercial uses. That would be the function of a community plan.

The density issue is, again, it just comes back to three things: What is it that we want to know and why? And that's why we feel it's really important to continue the dialogue about water, but to really focus it in a way that we're all kind of on the same page, because we've said, and you've adopted in the growth management plan that we want to move away from hydrology as being the only factor relative to determining density. So if we are going to do that, and that's what we've agreed to with the growth management plan, then what else do we need to consider and how should we consider it. That's really the discussion that we need to have.

So it's about water, but it's also about other things if we're talking about density. So we're all for having that discussion, but it still comes back to what do we really need to know? And the idea of using the growth management areas, the four districts again is a good one. We created that from the very beginning and it served a lot of purposes for planning issues. I would suggest that – I lost that train of thought.

Regarding density, that's what the discussion ought to be about. Who needs to be involved in that? So we want to know what it is that we want. Who should be at the table? The idea of the focus group is to have real experts at the table too so that we can rely on them, not just community meetings where everybody goes on and on with their own personal

feelings about water. So if you want to do this correctly we really ought to focus to what we want to know, who needs to be at the table to do, and then thirdly, what do we ultimately want to use it for? In this case we want to use it for zoning and density purposes. So if we can do that and I think maybe the initial suggestion that was made is let us think about this a little bit collectively. You all think about it and let us work on this a little bit and come back with some ideas that we might have.

Because it really is timely to have a water – a really, really serious water discussion in the county for a lot of reasons, not just density, but to really have that discussion, a really good discussion. But one of the outcomes would be what is its relationship to density and how we deal with it.

CHAIR VIGIL: Okay. Are you done, Commissioner? Commissioner Stefanics.

COMMISSIONER STEFANICS: It's on this point.

COMMISSIONER ANAYA: Madam Chair, going back to my earlier comment I still want to have the focus groups, and I think maybe if we segregate them by region with the experts at the table as you suggested, others – I don't know how you would classify a rancher that's concerned about the use of their land, what potential they might be, I would classify them as an expert in their own right. I think if we're cautious with how we define those, I think we need to have a broad range of people that are in that community, that have a bona fide interest in that community and that if we do it across those regions, each, four different groups if you will, of people focused on the issue that we're going to get what we need to get.

Let me go to a meeting that you were at. I wasn't a Commissioner yet. Mr. Powers back there was at the meeting, and the maps came up and we were looking at the maps and people said, well, what about density? What about the ability for me to use my land? And Jack, I took some real detailed notes that day. And you stopped everybody in that meeting and you said, no, no, no. We're not talking about density. There is no density set forth. The densities will be established when we get to the code discussion. That's when the density discussion will occur.

Now today, and I brought it up at the beginning of the meeting, you give us this packet and you provided some of this a week and a half ago, two weeks ago, where you actually said, no, here's the proposed densities. Well, that's not how we represented in that meeting that the discussion was going to take place. The discussion was going to take place based on feedback and input. We then were going to get into what are the proposed densities. And when I look at this chart, this was what was distributed at those four community meetings and what was puzzling to me was how can they provide a proposed chart on what the proposed densities were when densities weren't discussed as part of the plan, and we kept telling the public in the plan process, no, we're not going to talk about densities; we're going to do that in the code discussion, but yet we distributed this plan that does have pretty major impacts to areas.

And I'll just focus on the Estancia. When you look at areas that currently are able to have 2.5 acres for a lot are now in an area where they are 10. That's a pretty substantial deviation from what we have existing to what we're going to. And that was not put forth by public comments and discussion. This chart was given to them as a starting point. So I hope

you understand some of my concern going all the way back to that discussion in Stanley and then progressing over all the meetings we've had thus far, that that's the type of discussion and concern that people are having where they're going to come back to me and say, wait a minute. Commissioner, remember that meeting when we were having the discussion where it was clearly articulated to us that density was not going to be discussed right now. That that was going to be a code discussion?

CHAIR VIGIL: Can we explain that? Because it's probably referencing when we were talking about the plan, and that's a separate group of meetings versus now the code meetings. It was appropriate that when you're talking about the plan that you don't talk about density. Now it's appropriate that you talk about density because you're talking about the code. We have two aligned processes here, so I think, Commissioner Anaya, what I want to clarify is that you're probably right, that he probably made that statement, but he made it when you were the Sustainable Development Growth Plan; that's different. Is that correct?

MR. KOLKMEYER: Yes, partially. Your own constituents, when we had these meetings when we didn't have the numbers, asked us for numbers. So when we had the discussions on density, which was the last series of meetings, which was about densities. And you weren't at those meetings, but that was the topic of those meetings. We brought forth these proposed density ideas based on hydrologic zones. That's what those numbers are. We don't have densities that we've agreed upon or have come before you in any manner that – and this again is why it is important to start melding this into the code, because that's where it's going to have significance. These were just ideas based on going back to the original hydrologic zones, and those are the numbers, because your constituents kept saying to us, well, how are we supposed to grasp this unless we have some numbers. And so these are the numbers that we brought forward, based on very logical thinking about the hydrology in all the areas. That's why they're there. These are not the final densities and we have not decided on the final densities, and that will be up to you to do that when we get to the code.

COMMISSIONER ANAYA: Madam Chair, Mr. Kolkmeier, within the current code the current densities in the basin, the basin fringe, and the homestead, in the current code, were based on hydrological analysis. And trust me, and I requested them from your staff and you gave it to me, a copy of the old code. I've been going back through that code where we have many deviations within the county because of many deviations of water supply, water source and those issues. What I'm asking you to do is rather than speculate on proposals and put those numbers down, at minimum, the basis for a discussion from my perspective based on feedback I'm receiving from constituents – and let's just talk about the Estancia. That's not the only place I'm receiving input, right? I'm receiving input in the Galisteo and the Centro as well. Okay.

But if we just looked at the Estancia for discussion purposes, as a basis of information and content we should show the public, this is what you have today. Okay? And we should clearly articulate in the map and say this is what you have right now in the code, and then from that point say, here's some assumptions we might draw from some additional proposals as to where we might need to go. And right now, they don't have that. Right now they just see where we're at and what we're proposing. So I hear what you're saying but when you distribute this map out and then you provide a chart, you begin to raise the ire of some folks that are going to say, wait a minute. Aren't you hearing our concern?

You just said we haven't set forth the densities. You just said we have options to make changes and amendments. Well, let's not provide the perception we do. Let's allow the process to evolve. I can't tell you how many calls and issues that I have and maybe it's not a broad in any of the other Commission districts, but I get call every single day and on the weekends associated with the concern and issues associated with this very point – density and potential uses.

So I apologize if I'm going a little long. I just want to make sure we show them what we have, we show them proposals, and that we're clear that we stamp "draft" all over these types of documents and we put suggestions on there so in no way do we lead people to think that we're predetermining what those densities might be, or what we absolutely think they should be as a staff or as a Commission. That we allow, as you said and as we've said throughout this process, that you're going to be not just listened to but that you're going to be heard, right? That's what we keep saying. So I apologize, Madam Chair. It's a tough issue and the staff has been working many hours and attending many meetings but I think we have learned a lot and I think we are making progress. I just – I don't want us to get too anxious and make missteps or maybe get too far ahead of ourselves. So thank you, Madam Chair.

CHAIR VIGIL: I have a concrete suggestion from Commissioner Stefanics.

COMMISSIONER STEFANICS: Well, people are going to think I'm just beating a dead horse here. I still think that we would have more agreement to move forward if we were dealing with SDA-1. If people were only looking at the high density areas we would be able to address that area. Now, aside from that, because it's a dead horse. Nobody else seems to think this. I'm still on the left, not just sitting here on the right, but inclusionary zoning to me affects density and development. We haven't defined development. We haven't said it's four, we haven't said it's ten, we haven't said it's 15. And that's going to affect our inclusionary zoning, which is going to affect our density, which goes back to whatever definition for development we have. So I think that has to be rolled in here. That's all. Thank you.

CHAIR VIGIL: I would just sort of underscore that even in SDA-1 you're going to have a variety of density, despite the fact that it's been touted as the next growth area. You're going to possibly be dealing with ranchette settings, you're going to be dealing with areas where perhaps ranchers want to continue to be there. Just because it's designated by us as a potential growth area just by its location and the way we're developing a Sustainable Land Development Plan, we need to be really careful to say and to be really cautious about this is probably our next growth area, but that doesn't mean it's all about density. It means it's all about how do we manage the growth and how do we manage the issues of the neighbors, of the people that live in that area, and it may need less density. I don't know.

I think maybe we have to conceptually understand that when we're looking at growth and management and development of that, that we're not saying we want more density. We're saying we want to see what's going to happen there, and we want to be able to complement growth and manage growth in a way that works for all kinds of growth, whether it's high dense cluster, ranchettes, farming, agricultural. How do we deal with all of that? How do we – in my mind this code is going to be very process-based. So I don't think it's

good to isolate out growth development plans. I just don't think the SDA-1 is going to be all about density.

COMMISSIONER ANAYA: Madam Chair, on the point Commissioner Stefanics just made, I don't disagree with us evaluating that as a potential interim solution at all. I don't disagree with that. I think that's something we should look at.

CHAIR VIGIL: Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. I just want to get back to the subject of water, because at the community meetings that I attended that came up over and over and over again in any discussion about zoning or density. I really think that water first of all is a regional issue and if we truly want to be sustainable with our water use it isn't just about how much water is under a given piece of land, how much groundwater exists under a piece of land, because we have to consider what our backup supply is. We know that we're going into a period of drought and there are going to be a lot of areas in our county where the wells are going to be going dry. So we really have to think about what our backup sources are going to be.

So I really think – I don't know how we'll exactly do this. I think a summit, where we talk about water in a regional way in its entirety as a subject would be a great thing to have. I don't know if – I know the Commissioners, we have a lot of meetings planned, but it does seem to me that water is the most important topic as far as people are concerned. Now, if we don't do a summit and we have focus groups instead, I would really like to be involved and I wouldn't be surprised if a number of the other Commissioners would like to be involved because it is just so, so important. And it's important to look at it in its entirety and its overall context.

CHAIR VIGIL: And just so – I could just sort of see, what does that mean to staff? Are we going to do a summit or are we going to do focus groups? Why don't you start with the summit and identify whether or not through the summit or through a large group, bring in – and then identify through that if there needs to be breakouts of focus groups. Because we can't just leave you with saying, do a summit or a focus group. Start with one and go on to the other as you learn from that process whether or not that creates a benefit. Commissioner Mayfield.

COMMISSIONER MAYFIELD: I'll be brief, Madam Chair. Madam Chair, Jack, it came up at one of our meetings and I'll bring it up as far as maybe zoning and stuff. I don't know if we need to maybe ask the Assessor to come, but based on how we determine what zones, could we arguably be putting somebody in a higher taxable value area than somebody that we're not. If you guys could just address that or bring that up I would appreciate that. Because that may have some public say, of hey, we don't want to be in that zone if our taxable values are going up.

MR. KOLKMEYER: That was brought up at our last meeting that we attended. Right, Commissioner? And we're on that and we're going to investigate that.

COMMISSIONER MAYFIELD: Thank you, Madam Chair, and Jack, just in case I've missed it, do we have a new employee that can be introduced or maybe she's been introduced.

MR. KOLKMEYER: Sarah Ijadi. She's one of our community planners.

COMMISSIONER MAYFIELD: Welcome aboard.

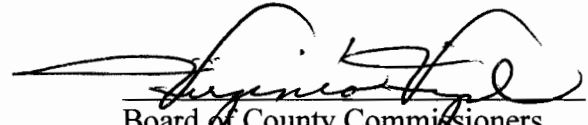
SARAH IJADI (Community Planner): Thank you very much.

CHAIR VIGIL: I'm sorry. You did a nice job at the last meeting that I was at.
Thank you for your participation.

XV. ADJOURNMENT

Upon motion by Commissioner Holian and second by Commissioner Mayfield,
Chairwoman Vigil declared this meeting adjourned at 10:30 p.m.


Approved by:


Board of County Commissioners
Virginia Vigil, Chairwoman

ATTEST TO:


VALERIE ESPINOZA
SANTA FE COUNTY CLERK

Respectfully submitted:


Karen Farrell, Wordswork
453 Cerrillos Road
Santa Fe, NM 87501



HOUSING BOOM AND BUST

This article clearly illustrates the disaster of unintended consequences resultant of "good intentions" by elected officials.

The same discredited assumptions and the same disregard of repercussions.

By Thomas Sowell
Jewish World Review, 2009

An African-American, Sowell's father died before he was born. He dropped out of Harlem's Stuyvesant High School because of financial difficulties and a deteriorating home environment. To support himself he worked at various jobs, from machine shop to delivery man, then Civil Service before drafted in 1951, when he went into the US Marine Corps.

After discharge, Sowell passed the GED examination, enrolled at Howard University then transferred to Harvard University, where in 1958 he graduated Magna Cum Laude with a B.A. Economics. He received a M. A. in Economics from Columbia University and a PhD from the University of Chicago, choosing to teach at Columbia University because he wanted to study under George Stigler.

Sowell has taught Economics at Howard University, Cornell University, Brandeis University, and UCLA. He has been a Senior Fellow of the Hoover Institution, Stanford University, where he holds a fellowship.

Sowell stated that he was a Marxist during "the decade of my 20s." His experience working as a federal government intern during the summer of 1960 caused him to reject Marxist dogma in favor of free market economic theory. His intern work revealed a correlation between the rise of mandated minimum wages for workers in the sugar industry of Puerto Rico and the rise of unemployment in that industry. Studying the patterns led to his conclusion that the government employees who administered the minimum wage law cared not that they may be causing higher unemployment of the poor by enforcing that law; their primary concern was keeping their own jobs secure.

Let us go back to square one to consider the empirical consequences of policies in the housing market. Politicians in Washington set out to solve a national problem *that did not exist* – a nationwide shortage of "affordable housing" – and have now left us with a problem whose existence is as undeniable as it is painful. When the political crusade for affordable housing took off and built up steam during the 1990s, the share of their incomes that Americans were spending on housing in 1998 was 17 percent, compared to 30 percent in the early 1980s. Even during the housing boom of 2005, the median home took just 22 percent of the median American income.

Santa Fe is a prime example of higher home prices as a result of political and governmental laws, regulations and administration.

What created the illusion of a nationwide problem was that, in particular localities around the country, housing prices had skyrocketed to the point where people had to pay half their income to buy a modest-sized home and often resorted to very risky ways of financing the purchase. In Tucson, for example, "roughly 60% of first-time home buyers make no down payment and instead now use 100% financing to get into the market," according to the *Wall Street Journal*. Almost invariably, these locally extreme housing prices have been a result of local political crusades in the name of locally attractive slogans about the environment, open space, "smart growth," or whatever other phrases had political resonance at the particular time and place.

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Where housing markets have been more or less left alone – in places like Houston or Dallas, for example – housing did not take even half as big a share of family incomes as did comparable housing in places like the San Francisco Bay Area, where heavily hyped political crusades had led to severe restrictions on building. It was in precisely these extremely high housing-cost enclaves that the kind of people for whom the national housing crusade expressed much concern – minorities, low-income people and families with children – were forced *out* disproportionately.

In 1946 Henry Hazlett warned that government subsidized housing results in great losses absorbed by the taxpayers due to political decisions.

Few things blind human beings to the actual consequences of what they are doing like a heady feeling of self-righteousness during a crusade to smite the wicked and rescue the downtrodden. Statistical studies about disparities between blacks and whites in mortgage loan approval rates might be said to have “jump-started” the housing crusades that began in the 1990s. Politicians and the media led this crusade, with many community activists following in their wake, much like scavengers, able to extract large sums of money from banks and other institutions by raising claims of discrimination, whose power to delay government approval of bank mergers and other business decisions made pay-offs to these activists the only prudent course for those accused.

Even where loudly proclaimed concern for the poor and minorities gave impetus to the drive for over-riding traditional mortgage lending standards, this is not to say that the poor and minorities were the sole beneficiaries or even the main beneficiaries. When you open the floodgates, you cannot tell the water where to go. Housing speculators – “flippers” – found the new and looser home mortgage rules a bonanza. So did many others. It is by no means clear that the poor or minorities came out ahead at all, after the housing boom turned to bust and many were left with mortgage payments they couldn’t meet on homes they couldn’t afford.

With rich rewards available – politically, ideologically, and financially – from the “affordable housing” crusade, there were ample incentives to keep this crusade going for years. Meanwhile, various special interests found ways to benefit themselves from all this, whether as home builders, real-estate investors, or others, and therefore added their voices in support of the open-ended goal of more home ownership through various ways of achieving, or seeming to achieve, affordable housing. Supporters of such policies and programs easily drowned out the voices of those economists and others who increasingly warned of the risky financial arrangements that were behind the statistics on the growing numbers of home buyers that were so triumphantly being paraded as fruits of the crusade for affordable housing and the stamping out of mortgage lending discrimination.

In short, this was a crusade that was feeding on its own successes by its own criteria, and was not likely to stop unless it got stopped.

The housing market collapse dealt a blow to some of the devices that fed the crusade – “creative” financing and lax lending standards, for example – but even the ensuing national crisis did nothing to end the political attractiveness of the goal of making housing affordable by government fiat, rather than by individuals buying or renting housing that was within their own income range. Just as the utter discrediting of public housing projects did not discredit the underlying beliefs that caused such projects to be built, so in this case even the more widely disastrous consequences of the affordable-housing crusade have led only to

seeking other ways of carrying on that same crusade, based on the same discredited assumptions and the same disregard of repercussions.

While some congressional Democrats have proposed a moratorium on mortgage foreclosures or allowing judges to change the terms of mortgage contracts, Senate Republicans have proposed “providing government-backed, 4% fixed mortgages to any credit-worthy borrower.” What these proposals from politicians of both parties all have in common is an utter absence of any serious consideration of the repercussions in multiple directions of arbitrary government fiats.

Anyone who expected any such consideration of repercussions by most members of either political party would have little chance of avoiding painful disappointments. Certainly few politicians of either party have questioned whether the track record of politicians in the housing market justified more of the same in other markets. Many are in fact eager to extend political intervention into other industries receiving the government “stimulus” or bailout money.

Before we go forward as a nation, it is well to look at where we have been, despite being urged to take drastic actions immediately – and, in fact, *especially* when being urged to take drastic actions immediately.

Whether we look at the American economy in general or the housing market in particular, we see a history of remarkable progress for generation after generation – and a few recent years when things turned very bad, very quickly.

It has been almost axiomatic, for at least a century, that the American economy produces more output than any other economy in the world. All this is so much taken for granted that no one considers it worth commenting on the fact that 300 million Americans today produce more output than more than a billion people in India or an even larger population in China – indeed, more than these two countries which, put together, have more than eight times the population of the United States. We also produce more than Japan, Germany, Britain, and France combined.

The housing market has, of course, changed drastically in the past few years, as have other things in the economy. But does all this suggest that (1) we need to change some recent bad policies or that (2) we need to restructure a whole economic system that has worked well for centuries? More specifically, does it mean that we need to allow politicians a bigger say in how American businesses are run?

Lenders did not spontaneously begin to lend to people who would not have qualified for loans under the traditional criteria that had evolved out of years of experience in the market. Such risky loans were made under growing pressures from government regulatory agencies and politicians, and even threats of prosecution from the Justice Department if the statistical profiles of borrowers whose loan applications were approved did not match the government’s preconceptions.

The growth in subprime loans was one way of meeting arbitrary quotas for lending to people who did not meet the criteria for loan approval that had prevailed for years. Quota lending was one of many political patches put over problems caused by previous political

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“solutions.” Often these interventions have focused on some limited goal, with no real concern about, or even awareness of, the wider ramifications of what they were doing. It is doubtful whether most of the state politicians of the past who enacted laws to prevent branch banking had anything in mind more far-reaching than enabling local banks to avoid having to compete with branches of much bigger and better-known banks. It seems even less likely that these local politicians felt any responsibility for the thousands of bank failures during the Great Depression of the 1930s.

Nor is it likely that the national politicians of our own times, who for years made “home ownership” the touchstone of housing policy, will acknowledge any responsibility for the financial disasters and widespread unemployment today.

What that means is that the voting public must at a minimum be skeptical of political spin, no matter how often it is echoed in the media. What would be even better would be to develop some sense of awareness that everything “is interconnected in the world of prices, so that the smallest change in one element is passed along the chain to millions of others.”

It is a caution especially apt when someone is pushing the political crusade of the day as an overriding “good thing,” whether home ownership, mortgage foreclosure mitigation, or a restructuring of the whole economy.

The very idea that the current economic crisis will go to “waste” if it is not used by politicians to rush through a fundamental restructuring of the economy, while the public is too panicked to object, should at the very least give us pause, if not set off alarm bells. From the standpoint of those who seek to remake the economic institutions of America, the worst case scenario would be to have the economy begin visibly recovering on its own before they can get their blueprint for salvation enacted into law. The urgency behind the hasty passage of the “stimulus” legislation was real, even if the reason for that haste was not a swift economic recovery.

Will the history of the New Deal and the Great Depression repeat itself? There is, of course, no way to know in advance. However, history has repeated itself many times before, when past experience has been ignored – and especially when past mistakes have been repeated, often in the name of doing something new and different. Comments made years ago by distinguished British historian Paul Johnson remain very apt in our times:

“The study of history is a powerful antidote to contemporary arrogance. It is humbling to discover how many of our glib assumptions, which seem to us novel and plausible, have been tested before, not once but many times and in innumerable guises; and discovered to be, at great human cost, wholly false.”

... *Thomas Sowell is a syndicated columnist and a scholar in residence at the Hoover Institution, Stanford University. This is adapted from his new book, The Housing Boom and Bust.*

Excerpt from *Basic Economics* by Thomas Sowell
A Citizens Guide to the Economy

Source: Scribd
<http://www.scribd.com>

People have often forestalled transfers of property by getting laws passed to restrict property rights in a variety of ways. For example, various affluent northern California communities have required land to be sold only in lots of one acre or more per house, thereby pricing such land and homes beyond the reach of most people and thus neutralizing the greater aggregate purchasing power of less affluent people.

Zoning boards, "open space" laws, historical preservation agencies and other organizations and devices have also been used to severely limit the sale of private property for use in ways not approved by those who wish to keep things the way they are in their communities. The effectiveness of these laws infringing or negating property rights has been shown, not only by the maintenance of existing communities in their existing character, often with negligible population growth despite rising employment in the area, but also by the rapid increase in home prices as more people bid for a relatively unchanged number of homes, leaving those who lose out in this local competition to have to live farther away from their jobs.

Using many political and legal devices to prevent the unfettered sale of property rights from transferring land and transforming communities, Palo Alto, California-adjacent to Stanford University had its home prices increase approximately four-fold in one decade, while its population actually declined in the face of increasing employment around them in Silicon Valley. In San Mateo County, another affluent area in northern California, more than half the land is legally off-limits as "open space," likewise causing home prices to skyrocket and keeping the less affluent from being able to live in the area.

One symptom of this is that the number of minorities living in San Mateo County actually declined by 10,000 people between the 1990 census and the 2000 census, even though the overall population of the county increased by 50,000 people. Similar patterns of a declining minority population while the total population increased also appeared in nearby San Francisco County and Marin County, both similarly affluent counties with similar restrictive land use policies.

Despite a tendency to think of property rights as special privileges for the rich, many property rights are actually more valuable to people who are not rich and such property rights have often been infringed or violated for the benefit of the rich. Although the average rich person, by definition, has more money than the average person who is not rich, in the aggregate the non-rich population often has far more money. This means, among other things, that many properties owned by the rich would be bid away from them by the greater purchasing power of the non-rich, if unrestricted property rights prevailed in a free market. Thus land occupied by mansions located on huge estates would pass through the market to entrepreneurs who would build smaller and more numerous homes or apartment buildings all for the use of people with more modest incomes, but with more money in the aggregate.

Someone once said, "It doesn't matter whether you are rich or poor, so long as you have money." This was meant as a joke but it has very serious implications. In a free market, the money of ordinary people is just as good as the money of the rich and in the aggregate, there is more of it. The individually less affluent need not directly bid against the more affluent.

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Entrepreneurs or their companies, using their own money or money borrowed from banks and other financial institutions, can acquire mansions and estates, and replace them with middle-class homes and apartment buildings for people of modest incomes. This would of course change the communities in ways the rich might not like, however much others might like to live in the resulting newly developed communities. Wealthy people have often forestalled such transfers of property by getting laws passed to restrict property rights in a variety of ways. For example, various affluent northern California communities have required land to be sold only in lots of one acre or more per house, thereby pricing such land and homes beyond the reach of most people and thus neutralizing the greater aggregate purchasing power of less affluent people. Zoning boards, "open space" laws, historical preservation agencies and other organizations and devices have also been used to severely limit the sale of private property for use in ways not approved by those who wish to keep things the way they are in their communities.

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By infringing or negating property rights, affluent and wealthy property owners are able to keep out people of average or low incomes and, at the same time, increase the value of their own property by ensuring its growing scarcity relative to increasing employment in the area. Some even acquire a sense of moral superiority in doing so, demonizing the intermediaries who seek to transfer land to new uses. "Developer" is as much of a dirty word among those protecting the status quo in California as "profits" were to India's socialist Prime Minister Nehru.

While strict adherence to property rights would allow landlords to evict tenants at will, the economic incentives are for them to do just the opposite-to try to keep their apartments as fully rented and as continuously occupied as possible, so long as the tenants pay their rent and behave themselves. Only when rent control or other restrictions on their property rights are enacted are landlords likely to do otherwise. Under rent control and tenants' rights laws, landlords have been known to try to harass tenants into leaving, whether in New York or in Hong Kong.

Under stringent rent control and tenants' rights laws in Hong Kong, landlords were known to sneak into their own buildings late at night to vandalize the premises, in order to make them

less attractive or even unlivable, so that tenants would move out and the empty building could then be torn down legally, to be replaced by something more lucrative as commercial or industrial property. This of course was by no means the purpose or intention of those who had passed rent control laws in Hong Kong. But it illustrates again the importance of making a distinction between intentions and effects-and not just as regards property rights laws. In short, incentives matter and property rights need to be assessed economically in terms of the incentives created by their existence, their modifications, or their elimination.

The powerful incentives created by a profit-and-loss economy depend on the profits being private property. When government-owned enterprises in the Soviet Union made profits, those profits were not their private property but belonged to "the people"-or, in more mundane terms, could be taken by the government for whatever purposes higher officials chose to spend them On. Soviet economists Schmelev and Popov pointed out and lamented the adverse effects of this on incentives.

But what justifies confiscating the larger part-sometimes 90-95 percent-of enterprises' profits, as is being done in many sectors of the economy today?

What political or economic right-ultimately what human right-do ministries have to do that? Once again we are taking away from those who work well in order to keep afloat those who do nothing. How can we possibly talk about independence, initiative, rewards for efficiency, quality, and technical progress?

Of course, the country's leaders could continue to talk about such things, but destroying the incentives which exist under property rights meant that there was a reduced chance of achieving these goals. Because of an absence of property rights, those who ran enterprises that made profits "can't buy or build anything with the money they have" which represent "just figures in a bank account with no real value whatever without permission from above" to use that money. In other words, success does not lead to expansions of successful enterprises or contraction of unsuccessful ones, as it does in a market economy.

While government officials in the United States cannot arbitrarily confiscate profits as directly as Soviet officials could, American legislators can pass laws imposing costs on private enterprises, thereby causing profits to be reduced-and incentives to be changed. In California, for example, the state legislature passed a law requiring landlords to give elderly tenants a year's notice before evicting them and to pay up to \$3,000 to each tenant evicted, to help with relocation costs. This legislation was intended to deal with the danger of mass evictions by landlords who were losing money under rent control in places like San Francisco, and who wanted to stop renting.

Since this legislation went into effect on January 2, 2000, owners of cheap hotels in San Francisco evicted many elderly tenants during December 1999, in order to escape these impending costs of shutting down their hotels. Here again, the goals of the law were very different from the consequences which, in this case, caused many poor and elderly single men to be thrown out on the streets during the Christmas season, in a city with a severe housing shortage and the highest rents in the country. Far more anger and indignation were directed at the hotel owners than at those who had passed such legislation. Yet, in the absence of attempts to confiscate profits through both rent control laws and laws on evictions, the ordinary incentives of property rights and a free market would have caused the hotel owners to want to keep all the tenants they could.

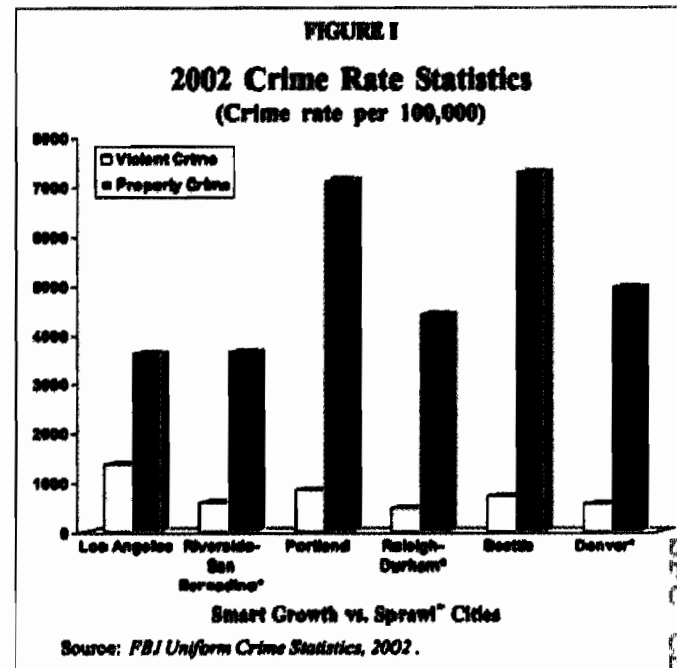
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Smart Growth = Crime, Congestion and Poverty

by H. Sterling Burnett, Ph.D., and Pamela Villarreal

Urban sprawl has sparked a national debate over landuse policy, launching a movement in the past decade called "smart growth." Advocates of such policies contend that urban sprawl causes crime and congestion, and limits opportunities for the poor and minorities. They argue for such development policies as drawing "growth boundaries" around cities, outside of which residential and business development is banned or severely restricted. Inside the boundaries, however, zoning restrictions and tax incentives encourage high density development.

Smart Growth Does Not Reduce Crime. Author Douglas Morris and other smart growth advocates claim that suburban sprawl contributes to increased violent crime rates. Accordingly, the Local Government Commission's Center for Livable Communities promotes policies that create densely developed, walkable neighborhoods with bike paths and common areas that provide more "eyes on the street." These policies are known as Crime Prevention through Environmental Design (CPTED). But a comparison of crime rates among cities characterized as "smart growth" and "sprawlers" reveals a different story. As Figure I shows:



- In 2002, Los Angeles' violent crime rate of 1,349 per 100,000 was more than double that of the Riverside-San Bernardino metro area, considered the country's most sprawling area by Smart Growth America.
- Portland's violent and property crime rates of 828 and 7,127 per 100,000, respectively, were much higher than sprawling Raleigh-Durham, N.C., with rates of 455 and 4,416.
- Seattle's violent and property crime rates of 705 and 7,298 per 100,000 outpaced sprawling Denver's rates of 534 and 4,994.

In addition, both violent and property crime rates in Portland, Seattle and Los Angeles are much higher in the central city than in the wider metropolitan area including the suburbs. In fact, according to FBI crime statistics *there are no suburbs in the country with a higher murder rate than their associated central city.*

Smart growth CPTED policies have produced mixed results at the neighborhood level as well:

- A Raleigh, N.C., study showed that street robberies were less likely in neighborhoods with sprawl associated features like cul-de-sacs, high rates of home ownership and single family homes.
- In New Bedfordshire, England, neighborhoods designed using Europe's equivalent of CPTED averaged more than twice the number of crime and disorder incidents per year (5,200) as traditional neighborhoods of comparable size (1,800).

SMART GROWTH DOES NOT REDUCE CONGESTION. By increasing high density development centered on mass transit, smart growth advocates hope commuters will abandon their cars for the convenience and lower cost of public transportation. But U.S. Census Bureau data reveals that has not happened:

- In 13 of 15 major cities with light rail systems, automobile trips as a share of overall transportation have increased an average of 2.5 percent, while the market share of mass transit has declined.
- Ironically, the greatest increase in auto use occurred in Washington, D.C., where — despite the construction of a \$10 billion, 100 mile long light rail system — the share of trips taken by auto rose from 73.9 percent in 1970 to 79.3 percent in 2000.

- Indeed, mass transit's market share has dropped in several large cities with smart growth policies — Portland, for instance, has experienced a 22 percent decline since 1980, and only Los Angeles saw a slight increase. [See Figure II.]

SMART GROWTH HURTS LOWER INCOME AND MINORITY FAMILIES. In some states, growth management acts (GMAs) that restrict development have made housing less affordable for middle class families. A recent study by the Reason Public Policy Institute observed three states where statewide GMAs were implemented in the 1990s. The result:

- In Washington State, housing prices increased about 8.6 percent from 1995 to 2000 in counties that were not required to implement GMA restrictions, whereas prices increased almost 16 percent in counties with growth restrictions.
- In Florida, 20 percent of the increase in urban area housing prices from 1994 to 2000 was attributable to GMA rules.
- In Oregon, housing prices almost doubled between 1991 and 2000 — from \$75,100 to \$146,500 — a 95 percent increase that far outpaced the 39.8 percent growth in the national median house price.

A study by the Urban Institute indicates that smart growth policies reduce both housing affordability and economic opportunity, especially for minorities.

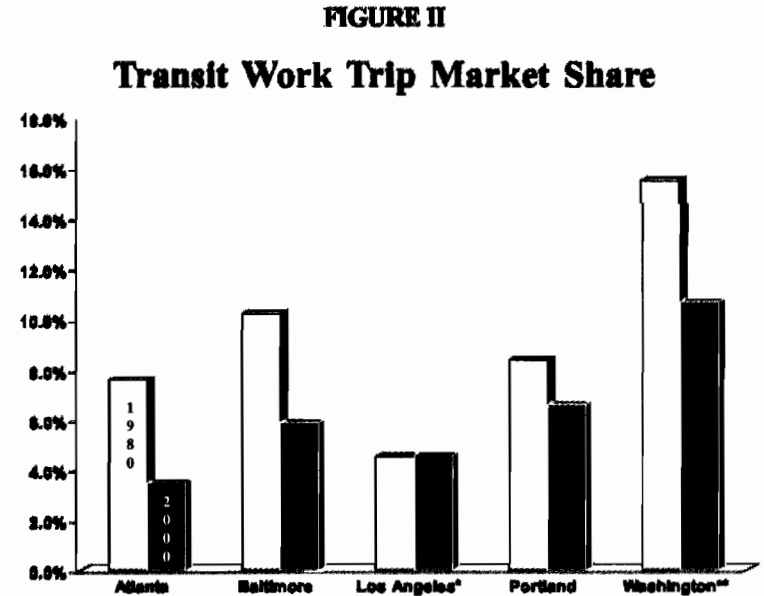
The study measured the ratio of urban development relative to population growth — called the dispersion rate — with a higher rate indicating greater sprawl. It also measured economic opportunity by the concentration of poverty, wage gaps between black and white males, and the availability of so called living wage jobs — which pay well above the minimum wage — for black male heads-of-households. Researchers found that:

- The degree of sprawl in a metropolitan area is positively associated with economic opportunity and social equity — in other words, there tend to be more living wage jobs available in sprawling cities.
- Portland's dispersion index indicated no sprawl between 1980 and 1990, but living wage employment for less educated males declined 24 percent; for black males, the decline was an even steeper 48 percent.
- Norfolk, Va., ranked the highest on the dispersion index from 1980 1990, and also experienced the second highest growth in economic opportunity during that period.

Conclusion. Even in the face of high impact fees, suburbs continue to grow and develop — because consumers demand them. Market forces, not bicycle paths, create villages.

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The NCPA is a 501(c) (3) nonprofit public policy organization.



In the nation's tightest housing markets, land-use regulation contributes heavily to high housing costs.

Zoning's Steep Price

BY EDWARD GLAESER

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AND JOSEPH GYOURKO

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A CHORUS OF VOICES APPEARS TO proclaim unanimously that America is in the midst of an affordable housing crisis. In his introduction to a Housing and Urban Development report in March of 2000, then-secretary Andrew Cuomo asserted the existence of such a crisis, and he repeatedly cited it to justify aggressive requests for funding. Numerous advocacy groups share Cuomo's view; in the words of the Housing Assistance Council, "The federal government should commit to a comprehensive strategy for combating the housing affordability crisis in rural America." Home-construction trade associations agree; the National Association of Home Builders asserts, "America is facing a silent housing affordability crisis." Adds the National Association of Realtors, "There is a continuing, growing crisis in housing affordability and homeownership that is gripping our nation." (See "The Fall and Rise of Public Housing," Summer 2002.)

Does the United States really face a housing affordability crisis? Are home prices high throughout the country, or are there just a few places where they have become extreme? In those places that are expensive, why are house prices so high? Is subsidized construction a sensible approach to solving the crisis,

or would other reforms be more effective?

HOUSING PRICES IN THE UNITED STATES

The R.S. Means Company monitors construction costs per square foot of living area in numerous American and Canadian cities. Their data on construction costs include material costs, labor costs, and equipment costs for four different qualities of single-unit residences — economy, average, custom, and luxury. No land costs are included in their data.

Table 1 shows the distribution of housing values relative to construction costs (according to Means) for the nation as a whole and for the four main census regions. The table indicates that at least half of the nation's housing is less than 40 percent more expensive than economy-grade home construction costs, or no more than 20 percent more expensive than average-grade home construction costs. It also indicates that a large share of the nation's housing has its price roughly determined by the physical costs of new construction, as most of the housing value is within 40 percent of the physical construction costs of modest-quality homes. That said, the regional breakdowns reported in Table 1 emphasize that much land in western cities looks to be relatively expensive.

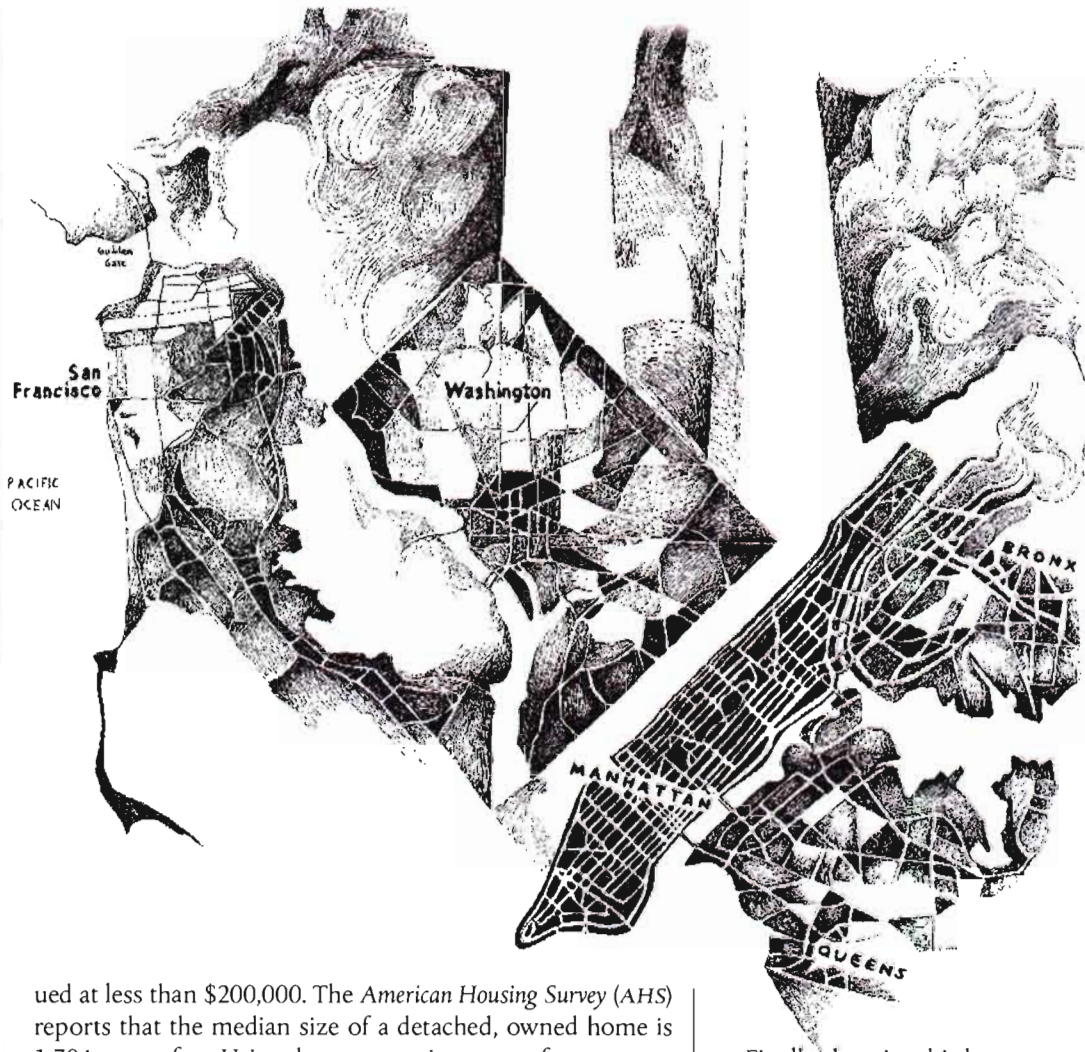
The data for housing prices for several major urban and suburban areas in 1989 and 1999 appear in Tables 2 and 3. As the tables show, there are many areas with extremely cheap housing. Some central cities such as Philadelphia and Detroit have especially large fractions of housing priced at less than 90 percent of the structure cost, as shown in Table 2.

More recent data from the 2000 Census reports that the self-reported median home value is \$120,000. Sixty-three percent of single-family detached homes in America are valued at less than \$150,000. Seventy-eight percent of those homes are val-

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This article is based on Glaeser and Gyourko's paper "The Impact of Building Restrictions on Housing Affordability," which was written for the Federal Reserve Bank of New York's February 2002 conference "Policies to Promote Housing Affordability."



ued at less than \$200,000. The *American Housing Survey (AHS)* reports that the median size of a detached, owned home is 1,704 square feet. Using the construction costs of an average-grade home, the data imply that the median-size home should cost about \$127,500 to build, while an economy-grade home should cost about \$102,000 to construct.

The data provide us with the first important lesson from housing markets. The majority of homes in this country are priced — even in the midst of a supposed housing affordability crisis — at close to construction costs. The value of land generally seems modest — probably 20 percent or less of the value of the house. To us, that means that America as a whole may have a poverty crisis, but its housing prices basically reflect the cost of new construction. Unless state intervention can miraculously produce houses at far less than normal construction costs, such programs are unlikely to reduce radically the distribution of housing costs in America.

Horror stories But if average housing costs in the United States are so low, what about the horror stories? What about the teardowns going for millions in Palo Alto? What about the multi-million-dollar apartments in Manhattan?

Our calculations suggest that America can

be divided into three broad areas. First, there are a number of places where housing is priced far below the cost of new construction. Those areas primarily are central cities in the Northeast and the Midwest, such as Detroit and Philadelphia, where there is almost no new growth. In general, those places had significant housing price appreciation over the 1990s, but values are still below construction costs.

In large areas of the country, housing costs are quite close to the cost of new construction. Those places generally have robust growth on the edges of cities where land is quite cheap. The areas represent the bulk of American housing, according to data contained in the *AHS* — although they do seem to be somewhat under-represented in the *AHS*.

Finally, there is a third category of cities and suburbs where the price of homes is much higher than the cost of new construction. Manhattan and Palo Alto are two of those places. Indeed, many such places are in California, but the 1990s saw an increase in the number of those areas in the Northeast and South. While there are a number of areas with extremely

TABLE 1

Housing Across the Nation

House price distribution, 1989 and 1999

	1989		1999	
	Units valued less than 90% of construction costs	Units valued greater than 140% of construction costs	Units valued less than 90% of construction costs	Units valued greater than 140% of construction costs
Nation	17%	46%	17%	50%
Northeast	12%	58%	37%	34%
South	11%	50%	13%	46%
Midwest	41%	14%	30%	27%
West	5%	69%	4%	77%

Source: Authors' calculations, derived from central city data contained in the *American Housing Survey* and construction costs from the R.S. Means Company.

TABLE 2

Housing in the Cities

House price distribution for major U.S. cities, 1989 and 1999

City	1989		1999	
	Units valued less than 90% of construction costs	Units valued greater than 140% of construction costs	Units valued less than 90% of construction costs	Units valued greater than 140% of construction costs
Albuquerque, N.M.	2%	82%	3%	83%
Anaheim, Calif.	0%	100%	0%	93%
Austin, Tex.	0%	46%	6%	71%
Baltimore, Md.	18%	41%	30%	27%
Chicago, Ill.	20%	28%	16%	44%
Columbus, Ohio	33%	18%	12%	29%
Dallas, Tex.	6%	56%	13%	47%
Denver, Colo.	4%	60%	8%	86%
Detroit, Mich.	85%	5%	54%	20%
El Paso, Tex.	5%	34%	2%	28%
Fort Worth, Tex.	12%	40%	26%	29%
Greensboro, N.C.	13%	59%	0%	69%
Houston, Tex.	25%	40%	25%	27%
Indianapolis, Ind.	25%	22%	24%	22%
Jacksonville, Fla.	8%	55%	11%	43%
Kansas City, Mo.	33%	9%	40%	12%
Las Vegas, Nev.	0%	29%	3%	45%
Little Rock, Ark.	9%	36%	8%	40%
Los Angeles, Calif.	2%	93%	4%	89%
Milwaukee, Wis.	32%	10%	27%	22%
Minneapolis, Minn.	22%	21%	20%	30%
Nashville-Davidson, Tenn.	2%	69%	5%	56%
New Orleans, La.	2%	49%	3%	57%
New York, N.Y.	4%	81%	11%	56%
Norfolk, Va.	1%	87%	2%	66%
Oklahoma City, Okla.	13%	30%	16%	41%
Omaha, Neb.	21%	15%	30%	21%
Philadelphia, Pa.	10%	52%	60%	16%
Phoenix, Ariz.	2%	69%	5%	65%
Raleigh, N.C.	6%	81%	2%	81%
Sacramento, Calif.	0%	55%	3%	72%
San Antonio, Tex.	12%	48%	30%	26%
San Diego, Calif.	7%	88%	3%	93%
San Francisco, Calif.	0%	97%	4%	96%
Seattle, Wash.	6%	49%	2%	86%
Tampa, Fla.	9%	43%	13%	49%
Toledo, Ohio	27%	16%	40%	23%
Tucson, Ariz.	6%	43%	4%	61%
Tulsa, Okla.	7%	36%	8%	38%
Wichita, Kans.	18%	21%	13%	48%

Source: Authors' calculations, derived from central city data contained in the *American Housing Survey* and construction costs from the R.S. Means Company.

expensive homes, they do not represent the norm for America. However, both poor and non-poor people suffer from higher housing costs in such areas.

ZONING AND THE DEMAND FOR LAND

Why are home prices in those areas so high? The traditional answer is that land in those areas is intrinsically expensive. According to that view, there is a great deal of demand and land, by its very nature, is limited in supply. As such, the price of housing must rise.

There is another alternative, namely that homes are expensive in high-cost areas primarily because of government regulation in the form of zoning and other restrictions on building. According to this view, housing is expensive because of artificial limits on construction created by the regulation of new housing.

There is no doubt that property values are relatively high in the coastal parts of the country, at least partially because of strong demand to live in those high-amenity areas. However, our examination of the data suggests that there is plenty of land in high-cost areas, and new construction might be able to push the cost of houses down to near the cost of construction. However, the barriers to building create a potentially massive wedge between housing prices and building costs.

The gap between total housing costs and the price of structure is a combination of land costs and what we call the "zoning tax." The zoning tax is meant to include all of the impact of government regulation on the cost of construction housing. In principle, the gap between structure costs and total housing costs measures the combination of the zoning tax and the land costs. However, we can use several measures to determine the significance of the zoning tax.

Land-value testing If the driving force for the wedge between construction costs and housing costs is intense demand for land in high-cost areas, then houses with bigger lots should be much more expensive than similar houses on smaller lots. If you double the lot size, you should double the gap between the structure cost and the housing price. But, if zoning also is driving the wedge, then the gap should be wider (and more constant for homes on various-size lots). That is, the lot's ability to accommodate a house in accordance with land-use regulations produces the lot's value. That implication is the best test of the importance of the zoning tax.

Empirically, we can test that implication by

looking at two different ways of valuing land. First, we would compare the price of comparable homes situated on lots of different sizes to see if the prices of the larger lots are proportional to the smaller lots. That hedonic methodology can be thought of as giving the "intensive value" of land — that is, how much land is worth on the margin to homeowners. Once we have determined that value, we would then determine the "extensive" value for the land by subtracting the construction cost from the home value and dividing by the number of acres. That would give us another per-acre value of land that is implied in the home price. The second methodology shows us how much it is worth to have a plot of land with a house on it.

In a free market, land should be valued the same using either methodology. After all, if a homeowner does not value his land very much, he would subdivide and sell it to someone else. But under regulation, the differences between the two values can be quite large because the homeowner is not allowed to subdivide.

The test To determine the intensive value, we estimated both linear and logarithmic regressions of housing prices as a function of lot size and a number of control factors, including the number of bedrooms; the number of bathrooms; the number of other rooms; the inclusion of such features as a fireplace, garage, basement, or air conditioner; whether the home was located in a central city; and the home's age. Using data from the 1999 AHS, we estimated regressions separately for 26 metropolitan areas, each of which had at least 100 observations, so that our estimate of the value of land would be reasonably precise. Our results are shown in the first two columns of Table 4

In general, the estimates suggest that land is relatively cheap. In places where the point estimate is reasonably precise, land prices tend to be between \$1 and \$2 per square foot. In those areas, that implies that an average homeowner would be willing to pay between \$11,000 and \$22,000 for an extra quarter-acre of land. The estimates are higher in some cities, primarily in California. For example, in San Francisco it appears that homeowners are willing to pay almost \$80,000 for an extra quarter-acre of land.

We determined the extensive values by computing the difference between home prices and structure costs. Subtracting structure costs from reported home values and then dividing by the amount of land generated an estimate of the value of land including the implicit tax on new construction. The average values for each metro-

TABLE 3

Housing in the Suburbs

House price distribution for major U.S. suburban areas, 1989 and 1999

City	1989		1999	
	Units valued less than 90% of construction costs	Units valued greater than 140% of construction costs	Units valued less than 90% of construction costs	Units valued greater than 140% of construction costs
Albany, N.Y.	6%	63%	0%	40%
Anaheim, Calif.	25%	96%	3%	96%
Atlanta, Ga.	3%	67%	6%	58%
Baltimore, Md.	5%	66%	1%	61%
Birmingham, Ala.	10%	56%	12%	53%
Boston, Mass.	1%	87%	2%	86%
Chicago, Ill.	6%	67%	5%	74%
Cincinnati, Ohio	10%	29%	10%	47%
Cleveland, Ohio	15%	23%	5%	58%
Columbus, Ohio	12%	47%	3%	61%
Dallas, Tex.	3%	58%	6%	52%
Detroit, Mich.	24%	26%	8%	58%
Fort Lauderdale, Fla.	0%	76%	0%	85%
Fort Worth, Tex.	9%	59%	9%	49%
Houston, Tex.	23%	24%	8%	31%
Kansas City, Mo.	15%	22%	5%	33%
Los Angeles, Calif.	4%	91%	4%	89%
Miami, Fla.	5%	72%	0%	73%
Milwaukee, Wis.	5%	39%	8%	53%
Minneapolis, Minn.	8%	29%	5%	43%
New Orleans, La.	10%	53%	6%	61%
New York, N.Y.	3%	85%	9%	78%
Newark, N.J.	1%	96%	1%	72%
Orlando, Fla.	3%	70%	4%	61%
Oxnard, Calif.	0%	100%	4%	93%
Philadelphia, Pa.	3%	78%	11%	47%
Phoenix, Ariz.	2%	65%	0%	76%
Pittsburgh, Pa.	23%	19%	25%	21%
Riverside, Calif.	5%	87%	2%	76%
Rochester, N.Y.	1%	63%	9%	28%
Sacramento, Calif.	3%	83%	5%	72%
Salt Lake City, Utah	10%	22%	2%	86%
San Diego, Calif.	4%	92%	5%	88%
San Francisco, Calif.	1%	98%	2%	97%
Seattle, Wash.	2%	72%	1%	90%
St. Louis, Mo.	11%	34%	21%	34%
Tampa, Fla.	3%	57%	5%	66%

Source: Authors' calculations, derived from central city data contained in the American Housing Survey and construction costs from the R.S. Means Company.

TABLE 4

At What Price, Zoning?

Land price on the extensive and intensive margins

City	Hedonic price of land/ft linear specification	Hedonic price of land/ft log-log specification	Imputed land cost from Means data (extensive margin)	Mean house price
Anaheim, Calif.	\$2.89 (1.54)	\$3.55 (1.34)	\$38.99	\$312,312
Atlanta, Ga.	\$0.23 (0.50)	-\$0.30 (-0.70)	\$3.20	\$150,027
Baltimore, Md.	\$1.15 (2.53)	\$5.21 (2.31)	\$4.43	\$152,813
Boston, Mass.	\$0.07 (0.10)	\$0.55 (0.67)	\$13.16	\$250,897
Chicago, Ill.	\$0.79 (2.43)	\$0.80 (1.96)	\$14.57	\$184,249
Cincinnati, Ohio	\$0.89 (1.92)	\$0.50 (1.14)	\$2.71	\$114,083
Cleveland, Ohio	\$0.26 (0.95)	\$0.24 (0.81)	\$4.13	\$128,127
Dallas, Tex.	-\$0.83 (-1.14)	\$0.21 (0.27)	\$5.42	\$117,805
Detroit, Mich.	\$0.14 (0.92)	\$0.45 (2.31)	\$5.10	\$138,217
Houston, Tex.	\$1.43 (2.61)	\$1.62 (2.66)	\$4.37	\$108,463
Kansas City, Mo.	\$2.06 (2.75)	\$1.65 (2.11)	\$1.92	\$112,700
Los Angeles, Calif.	\$2.19 (4.63)	\$2.60 (3.53)	\$30.44	\$254,221
Miami, Fla.	\$0.37 (0.45)	\$0.18 (0.24)	\$10.87	\$153,041
Milwaukee, Wis.	\$1.44 (3.08)	\$0.95 (1.90)	\$3.04	\$130,451
Minneapolis, Minn.	\$0.29 (0.93)	\$0.35 (1.09)	\$8.81	\$149,267
New York, N.Y.	\$0.84 (1.09)	\$1.62 (1.60)	\$32.33	\$252,743
Newark, Del.	\$0.42 (0.62)	\$0.10 (0.11)	\$17.70	\$231,312
Philadelphia, Pa.	\$1.07 (6.41)	\$0.77 (5.28)	\$3.20	\$163,615
Phoenix, Ariz.	\$1.89 (3.88)	\$1.86 (3.26)	\$6.86	\$143,296
Pittsburgh, Pa.	\$2.28 (6.26)	\$1.71 (4.55)	\$3.08	\$106,747
Riverside, Calif.	\$1.35 (3.55)	\$1.60 (2.95)	\$7.92	\$149,819
San Diego, Calif.	\$0.58 (0.97)	\$1.29 (1.33)	\$26.12	\$245,764
San Francisco, Calif.	\$0.97 (0.76)	\$7.84 (2.42)	\$63.72	\$461,209
Seattle, Wash.	-\$0.68 (-0.69)	\$0.48 (0.06)	\$18.91	\$262,676
St. Louis, Mo.	\$0.63 (1.91)	\$0.07 (1.55)	\$1.74	\$110,335
Tampa, Fla.	\$0.19 (0.36)	\$0.89 (1.30)	\$6.32	\$101,593

T-statistics in parentheses

politan area are in the third column of Table 4.

Comparing the first two columns with the third column illustrates the vast differences in our estimates of the intensive and extensive prices of land. In many cases, our extensive estimates are about 10 times larger than the intensive prices. For example, in Chicago our imputed price of land per square foot from the extensive margin methodology is \$14.57. That means that a home on a quarter-acre plot in Chicago costs over \$140,000 more than construction costs. In San Diego, a quarter-acre plot is implicitly priced at nearly \$285,000. The analogous figure is even higher in New York City at just over \$350,000. And in San Francisco, the plot apparently is worth just under \$700,000.

Empirically, we found that the hedonic estimates produce land values that often are about one-tenth of the values calculated with the extensive methodology. We believe that the dramatic difference between the two sets of estimates is our best evidence for the critical role that zoning plays in creating high housing costs. The findings suggest that, for an average lot, only 10 percent of the value of the land comes from an intrinsically high land price as measured by hedonic prices.

Lot-size testing If the price of land, and not the zoning tax, is driving the high housing costs in "extreme" areas, then people should consume less land and houses would be built on small lots (holding incomes constant). However, prices inflated from a high zoning tax would not push people onto small lots; instead, the land-use restrictions would force homebuyers to purchase larger yards than they may otherwise desire. As such, if the zoning tax is driving high housing prices, we should not expect to see much of a correlation between land costs and lot sizes.

We can test that implication empirically by looking at crowding in high-cost areas. If high-cost areas have high population densities, then we have reason to believe that demand for land is what is driving the high housing prices. If, however, the high-price areas do not have abnormally high population densities, then we have reason to believe that regulation is driving the high prices.

The test To test that implication, we correlated land density within a central city with our various measures of housing prices within the city. We used as our land area measure the logarithm of the city's land area divided by the number of households. (Use of population per

square mile yields similar results.) Obviously, density is higher the lower the value of this variable.

Table 5 shows the results from a series of regressions exploring the relationship of our density measure with the index of expensive homes and land in our sample of cities. In the first regression, we use our measure of the share of houses that cost at least 40 percent more than construction costs as the independent variable. In that case, the relationship is negative so that a higher concentration of expensive homes is associated with greater density. However, the coefficient is not much larger than its standard error, so the relationship is not statistically significant. The standard error was large because of the extraordinary amount of heterogeneity in the relationship between density and the distribution of house prices. For example, Detroit, Seattle, and Los Angeles have similar land densities per household, but radically different fractions of units sitting on expensive land. Analogously, New York City and San Diego have similarly high fractions of expensive land but very different residential densities.

In the second regression, we controlled for median income in each city in 1990 to allow for the possibility that richer people live in expensive areas and demand more land. However, there still is no strong relationship between density and the fraction of expensive land and homes. Density is slightly higher in more expensive areas on average, but the relationship is tenuous even when controlling for income.

In the third regression, the median house price in 1990 was used as the independent variable. There is a statistically significant negative relationship between density and price in that case, with the elasticity being -0.56. However, the large heterogeneity described in the first regression is also found there.

For the fourth, fifth, and sixth regressions, we took the zoning-tax model more seriously and used an amenity to look at the impact of housing costs and land consumption. We focused on a particularly well-studied amenity — average January temperature. In the fourth regression, we see that there is a strong positive relationship between the fraction of expensive homes and land, and average January temperature. That relationship is necessary for the variable to qualify as an amenity. In the fifth regression,

we regressed the logarithm of land area per household on January temperature. In that case, the relationship is much less strong; the t-statistic is 1.6. Taken together, the results show that warmer January temperature may raise housing prices, but there is no strong evidence that it increases densities — at least, not by very much. Indirectly, that suggests that the warmer temperatures are not raising the marginal cost of land by much.

For the sixth regression, we regressed the logarithm of land area per household on the distribution of housing prices using average January temperature as an instrument. January temperature is meant to represent the exogenous variation in amenities that causes prices to rise. Not only is there no statistically meaningful connection between prices and land consumption, but the instrumental variables results also imply that higher prices are associated with lower, not higher, densities. One possibility is that incomes are higher in the areas and that richer people are demanding more land. Consequently, we redid the analysis adding median family income as a control, but the results were largely unchanged. That is, there is no statistically significant relation between instrumented prices and density, and the point estimate still is slightly positive (albeit small). While we acknowledge that the sample is small and there could be other omitted factors, the results suggest to us that higher prices have more to do with zoning than a higher marginal cost of land.

As a final test, we regressed our two measures of land costs from Table 4 with average January temperature. We only have 26 observations, but the results are still quite illuminating. A standard deviation increase of 14.7 degrees in mean January temperature is associated with a \$5.02 higher construction cost-based price of land. The same increase in warmth is associated with only a 47¢ higher hedonic-based price of land. Once again, amenities seem to have more of an effect on the implicit zoning tax than on the marginal cost of land.

TABLE 5						
Demand for Land						
Density and the distribution of house prices in U.S. cities, 1990						
	Dep. var: log land area per HH	Dep. var: log land area per HH	Dep. var: log land area per HH	Dep. var: % units valued at ≥ 140% of CC	Dep. var: log land area per HH	(2SLS: Jan. temp. as instrument) Dep. var: log land area per HH
% Units valued at ≥ 140% of CC	-0.51 (0.451)	-0.57 (0.507)				1.177 (0.880)
Log median family income, 1989		0.266 (0.895)				
Median house price, 1990			-0.565 (0.225)			
Mean January temperature				0.013 (0.003)	0.015 (0.009)	
Intercept	-7050 (0.245)	-9.784 (9.191)	-0.959 (2.536)	-0.021 (0.113)	-7.882 (0.387)	-17.254 (8.678)
\bar{R}^2	0.01	-0.02	0.12	0.34	0.04	
Number of obs.	40	40	40	40	40	40

Notes: HH = household; CC = construction costs. Standard errors in parentheses. Density is defined as the log of the ratio of square miles of land in the city divided by the number of households. See the text for the details.

Regulation and prices The third implication of the zoning tax view suggests that the amount of zoning should be correlated with land prices, but not lot size. As such, our third approach is to correlate measures of regulation with the value of housing prices. That approach is somewhat problematic because high values of land may themselves create regulation. Nonetheless, we find a robust connection between high prices and regulation. Almost all of the very high cost areas are extremely regulated even though they have fairly reasonable density levels. Again, we interpret that as evidence for the importance of regulation.

The test As a measure of zoning, we used data from the *Wharton Land Use Control Survey*, which is a 1989 collection of information on land-use restrictions from jurisdictions in 60 metropolitan areas. We specifically looked at the zoning information for the 45 metropolitan areas covered in the *AHS*.

The variable we focus on here is a survey measure of the average length of time between an application for rezoning and the issuance of a building permit for a modest-size, single-family subdivision of less than 50 units. The measure can take on values ranging from one to five with a value of one indicating the permit issuance lag is less than three months, a value of two indicating the time frame is between three and six months, a value of three indicating a lag of seven months to a year, a value of four meaning the lag is between one and two years, and a five signaling a very long lag of over two years.

The correlation of the permit length variable with the fraction of housing stock priced more than 40 percent above the cost of new construction is fairly high at 0.43. The mean fraction of high-cost housing among the cities with permit waiting times of at least six months is 0.75. Difficult zoning seems to be ubiquitous in high cost areas.

Table 6 reports some regression results using that variable.

In the first column, we regressed our housing cost measure (again using the share of the city's housing stock priced more than 40 percent above the cost of new construction) on the time required to get a permit issued for a rezoning request. We see a strong positive relationship so that when the index increases by one, 15 percent more of the housing stock becomes quite expensive. That positive relationship also survives controlling for population growth during the 1980s and median income, as shown in the second column.

In the final column of Table 6, we returned to our implied zoning tax calculated using the data in Table 4. Specifically, we subtracted the cost of land estimated in the non-linear hedonic equation (i.e., the second column of Table 4) from the cost of land implied by subtracting structure cost from total home value (i.e., the third column of Table 4). We then regressed that variable on our zoning measure. As the results show, the implied zoning tax is strongly increasing in the length of time it takes to get a permit issued for a subdivision. Increasing a single category in terms of permit issuance lag is associated with an increase of nearly \$7 per square foot in the implicit zoning tax. If the dependent variable is logged, the results imply that a one-unit increase in the index is associated with a 0.50-log point increase in the implicit zoning tax.

CONCLUSION

America is not facing a nationwide affordable-housing crisis. In most areas of the country, home prices appear to be fairly close to the physical costs of construction. In some areas of the country, home prices are even far below the physical costs of construction. Only in particular areas, especially New York City and California, do housing prices diverge substantially from the costs of new construction.

Those areas where houses are expensive are not generally characterized by substantially higher marginal costs of land as estimated by a hedonic model. The hedonic results imply that the cost of a house on 10,000 square feet usually is pretty close in value to a house on 15,000 square feet. In addition, the high prices often are not associated with extremely high densities. For example, there is as much land per household in San Diego (a high price area) as there is in Cleveland (a low price area).

The bulk of the evidence that we have marshaled suggests that zoning and other land-use controls are more responsible for high prices where we see them. There is a huge gap between the price of land implied by the difference between home prices and construction costs and the price of land implied by the price differences between homes on 10,000 square feet and homes on 15,000 square feet. Measures of zoning strictness are highly correlated with high prices. While all of our evidence is suggestive, not definitive, it seems to suggest that land-use regulation is responsible for high housing costs where they exist.

If policy advocates are interested in reducing housing costs, they would do well to start with zoning reform. Building small numbers of subsidized housing units is likely to have a trivial impact on average housing prices (given any reasonable demand elasticity), even if well-targeted toward deserving poor households. However, reducing the implied zoning tax on new construction could well have a massive impact on housing prices. **R**

TABLE 6

The Effects of Zoning
Zoning regulations and the distribution of house prices

	Dep. variable: % units valued at ≥ 140% of CC	Dep. variable: % units valued at ≥ 140% of CC	Dep. variable: implied zoning tax
Time to permit issuance for rezoning request	0.150 (0.051)	0.112 (0.044)	6.796 (3.048)
Log median family income, 1989		0.260 (0.255)	
% Pop. growth, 1980-1990		1.080 (0.411)	
Intercept	0.111 (0.120)	-2.512 (2.634)	-3.527 (7.732)
R ²	0.16	0.40	0.15
N	40	40	22

Notes: CC = construction costs. The independent zoning variable is a categorical measure of time lag between application for rezoning and issuance of building permit for development of a modest-sized single-family subdivision. See the text for details.

REC ORDER RECORDED 9/17/2017



LEAGUE OF WOMEN VOTERS®
OF SANTA FE COUNTY

EXHIBIT
2

November 29, 2011

Members of the Board of County Commissioners
Santa Fe County Administration Building
102 Grant Avenue
Santa Fe, NM 87501-2061

Dear Commissioners,

Almost exactly a year ago the League of Women Voters of Santa Fe County urged swift passage of a strong Sustainable Growth Management Plan. The Commission did that, and directed staff to proceed with development of the code that implements the plan, going to great lengths to ensure that all residents of the county have had access to information, were able to take part in discussions, and have had their voices heard on the website or in person. The League commends the BCC and staff for the transparency of this project. Thank you.

Now we again urge you to look forward to the future and enact a strong code that will provide leadership not only in zoning and density, but also in sustainability, conservation and energy efficiency, especially the following considerations.

- Sustainability is the main theme of the SGMP. It is what must drive the future land use map, laying out the zoning of the lands of various types. The densities for the zoned areas must be designed to promote the goal of sustainability set out in the plan. The League believes that densities and zoning, must adhere to what we know about current and future water supply, sustainable agriculture, open spaces, transportation and all the other elements in the SGMP. These and other closely related ideas have been expressed by many others in public input sessions conducted in the past several weeks.
- Intergovernmental coordination is essential at any time, but even more so in times of economic belt-tightening. The goals, policies and strategies outlined in Chapter 14, Goal 51, of the SGMP include promoting “intergovernmental cooperation and coordination to address regional issues and support county goals.” The strategy for this is to “establish...joint projects, service agreements and other cooperative arrangements.”

In the SDAs that neighbor municipalities, and since the elimination of the Extra Territorial Zone, the League believes county and city coordination and cooperation on land use planning, including zoning is important. This includes a coordinated effort with the municipalities and tribal areas when considering zoning and density, as well as our previously advocated cooperation on building codes and enforcement and conservation of water and energy. The League will continue to advocate for all of these components of a strong code throughout its development and implementation.

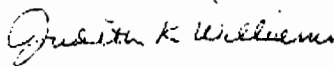
SFC CLERK RECORDED 01/12/2012

- The League supports strong controls within the code to prevent irresponsible granting of variances that might preclude the accomplishment of the goals of the SGMP. No matter how vigorous the requirements of the code may be, if variances are easily allowed it will all come to naught.

We neither can nor should turn back the clock. Sustainability is the main theme of the SGMP. It must also be the theme of the code. There will be citizens who believe strongly in the right of the property owner to develop his land as he wishes. The charts presented to the Commission provide options for land owners and developers for use of land within the zoning criteria, and also recognize the importance of the rights of their neighbors and for planning for the common good.

Again, the League recognizes the great efforts on the part of the commissioners and staff to include public input in the development of the code. This is the time to ensure that this input is truly embedded in the code, not just given lip service. Thank you for the opportunity to comment, and for your attention to the substance of these comments.

Sincerely,



Judy Williams, President
League of Women Voters of Santa Fe County

Cc: Katherine Miller, Santa Fe County Manager
Jack Kolkmeier, Growth Management Director
Robert Griego, Planning Manager

The League of Women Voters is a nonpartisan, political organization that encourages informed and active participation in government and influences public policy through education and advocacy.

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Latino Sustainability Institute

Hispanic Conservation Values

New Mexico Statewide Survey

September, 2011

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strategies

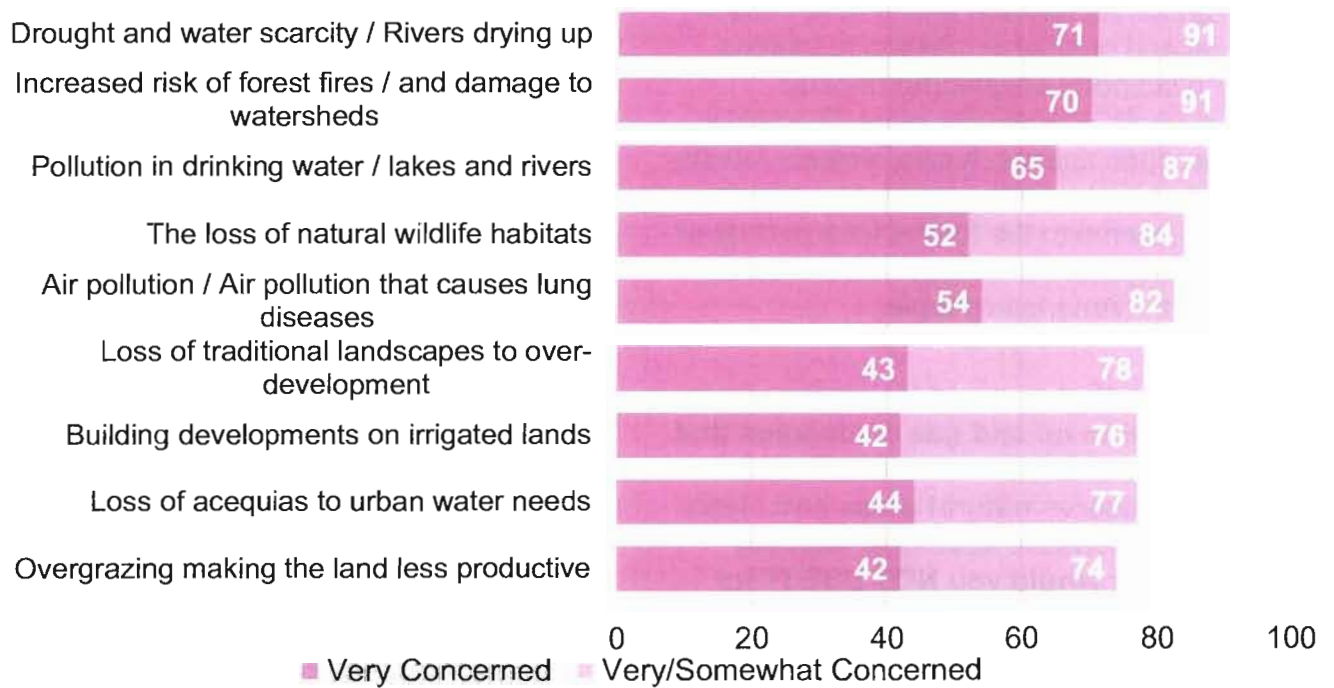
SFC CLERK RECORDED 01/12/2012

Survey Overview

- Survey of 600 Hispanic registered voters in New Mexico
 - 500 interviews conducted statewide
 - 100 additional interviews conducted in the 3rd Congressional District for a total of 262
 - Data weighted to reflect the overall distribution of Hispanic registered voters statewide
- Survey conducted August 28th-30th, 2011
- Margin of error of +/- 4.4%

High Concern About Specific Conservation Issues

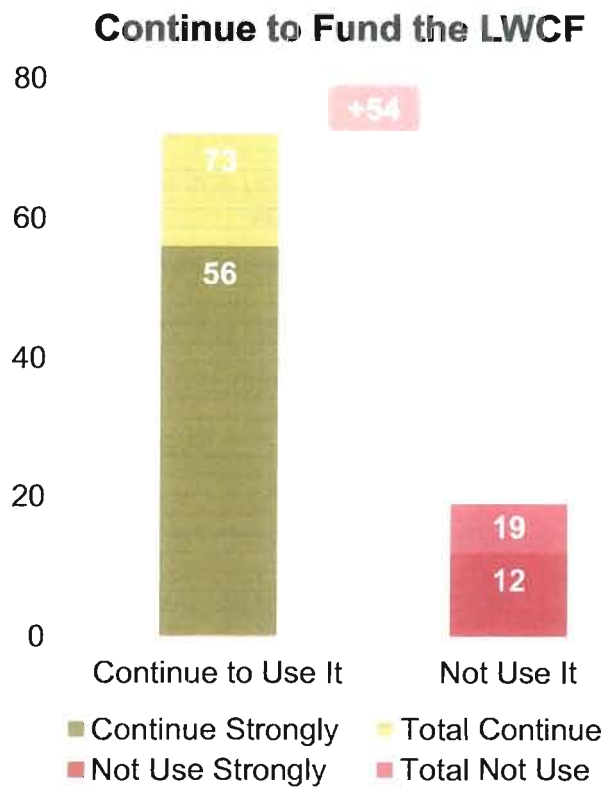
Please tell me whether you are very concerned, somewhat concerned, a little concerned, or not at all concerned about that particular item.



Overwhelming Support for Continuing to Fund The Land and Water Conservation Fund

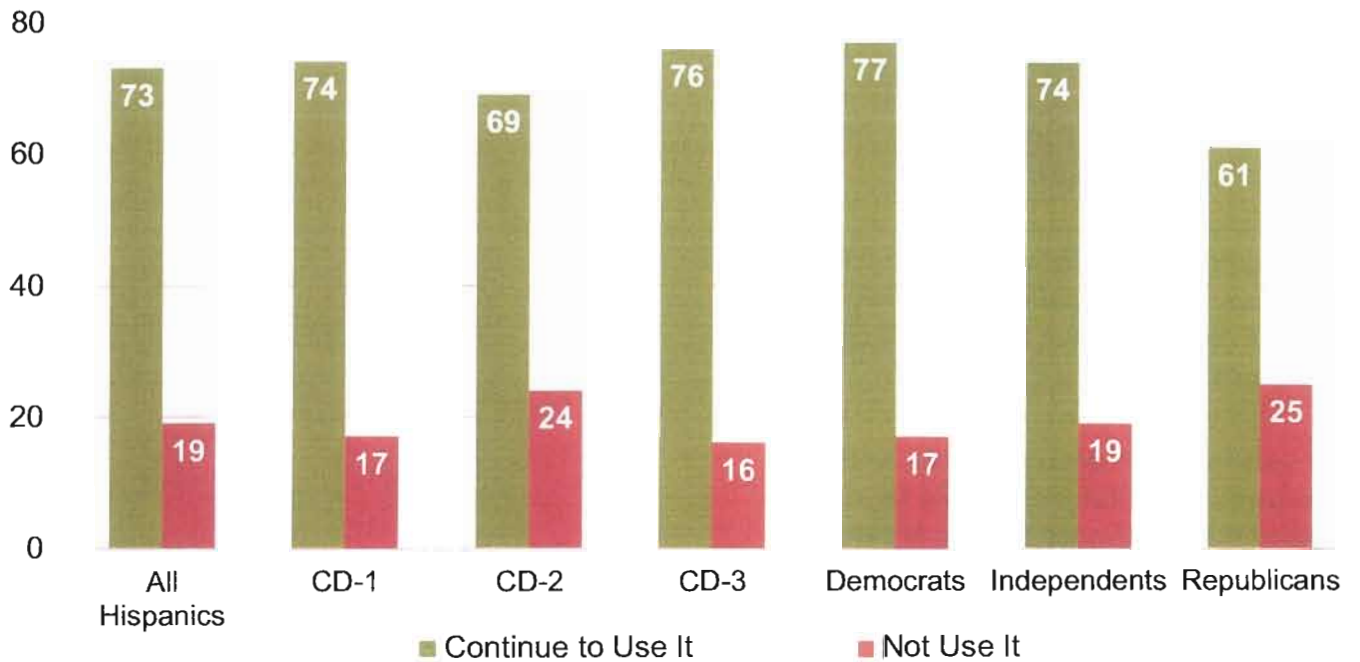
The Land and Water Conservation Fund is a federal program that was established in 1965 to help preserve, develop and ensure access to natural and outdoor recreation resources. This fund supports neighborhood parks, including pools, barbecues, recreation areas, and other open spaces. It also protects forests, rivers, lakes and wildlife habitat. The primary source of income to the fund is fees paid by oil and gas companies drilling offshore in waters owned by the American people.

Do you think that some of the money from fees charged to oil and gas companies that drill offshore should CONTINUE TO BE USED to conserve natural areas and clean water, and to ensure access to outdoor recreation, or would you NOT USE IT for those purposes?



Partisan and Regional Support for The Land and Water Conservation Fund

Do you think that some of the money from fees charged to oil and gas companies that drill offshore should **CONTINUE TO BE USED** to conserve natural areas and clean water, and to ensure access to outdoor recreation, or would you **NOT USE IT** for those purposes?

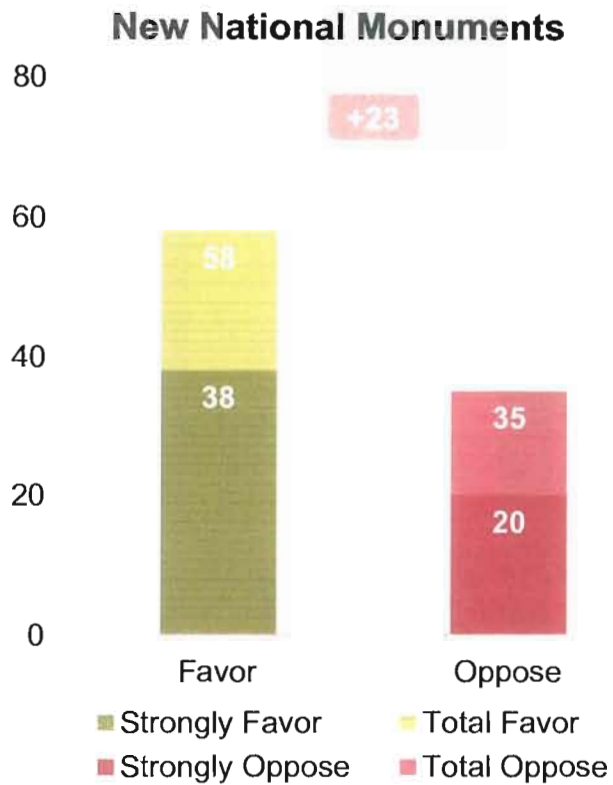


Broad Support for Designating New National Monuments

As you may know, National Monuments are similar to national parks. This designation provides protection from development to public lands, such as White Sands, Bandelier, Gila Cliff Dwellings, and El Morro. Federal law allows the President to designate new national monuments on public land already owned by the federal government.

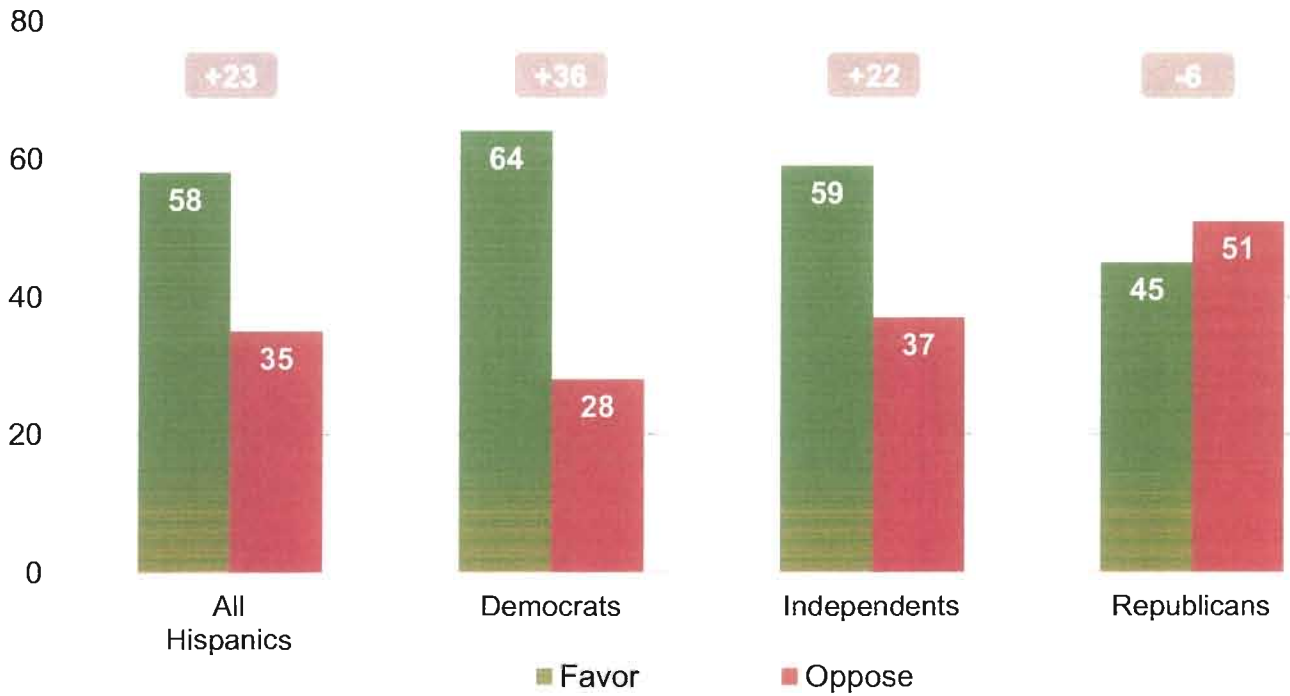
This would allow continued public use for recreation, including hunting and fishing, but prohibit new oil drilling, mining and other forms of development.

Do you favor or oppose the President designating additional public lands as National Monuments in New Mexico?



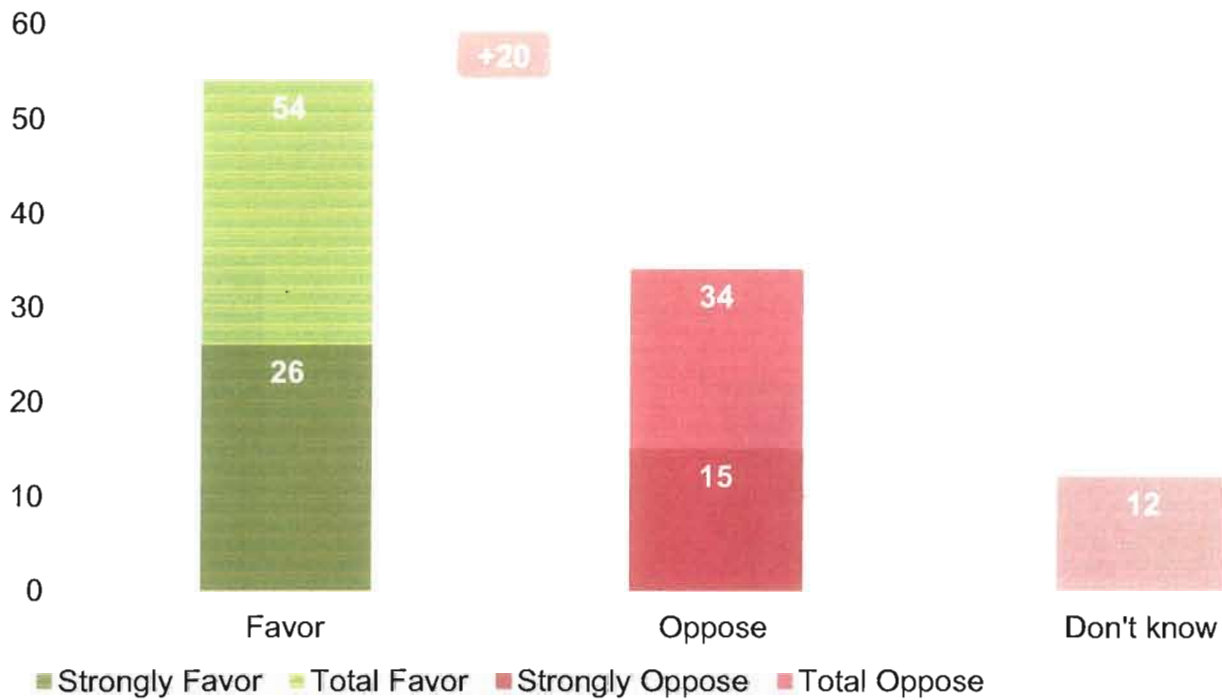
Partisan Support for Designating New National Monuments

Do you favor or oppose the President designating additional public lands as National Monuments in New Mexico?



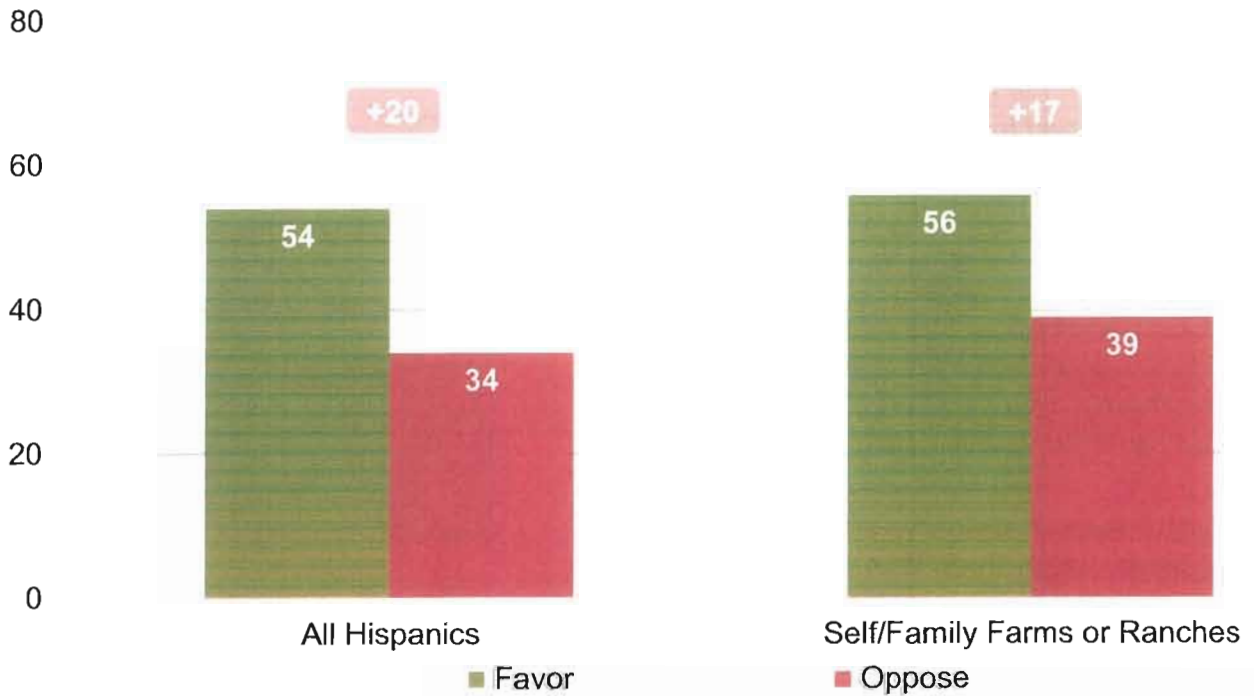
Wide Support for Regulations to Limit Cattle Grazing on Public Lands

Generally speaking, do you favor or oppose regulations that place limits on how much cattle grazing can be done on public lands in order to protect the land from overuse?



Support for Grazing Limits Among Those Closest to the Issue

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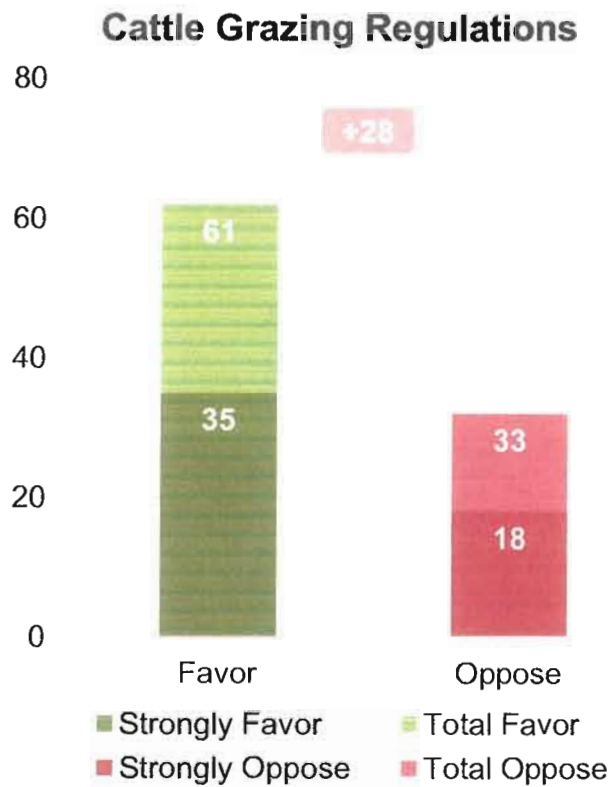


Public Debate Generates Additional Support For Cattle Grazing Regulations

(Some/Other) people say that these regulations are important in order to protect public land, water, and wildlife from overuse that makes it less productive. Our public land and water are part of our community's cultural traditions, and we need to leave it in better shape for our children than we found it.

(Some/Other) people say being able to control our public land and make a living off of it is part of our cultural tradition. The government needs to stop trying to tell us what we can do with our public land, water and wildlife. It's our land and we have the right to use it.

Having heard these statements do you favor or oppose regulations that place limits on how much cattle grazing can be done on public lands in order to protect the land from overuse?



Overwhelming Support for Ending Tax Breaks for Oil Companies

(Some/other) people say that big oil and gas companies receive nearly \$16 billion in tax breaks every year, while making record profits and charging us higher prices for gasoline. We pay the oil companies twice—once at the pump and then again on tax day. At a time when the country is facing huge deficits, it's time for oil companies to lose some of these tax breaks and pay their fair share.

(Some/other) people say that the oil and gas industry is critical part of New Mexico's economy, providing people thousands of jobs in the state. New energy taxes would increase the cost of energy for consumers, hurt the economy, and kill jobs. Instead we should reduce energy costs and develop energy sources at home to create jobs and reduce our dependence on foreign oil.

Having heard these statements, do you think the U.S. should end tax breaks for oil companies?

