

SANTA FE COUNTY

BOARD OF COUNTY COMMISSIONERS

REGULAR MEETING

March 10, 2009

Kathy Holian – District 4

Liz Stefanics – District 5

Virginia Vigil – District 2

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This regular meeting of the Santa Fe Board of County Commissioners was called to order at approximately 3:04 pm. by Virginia Vigil, in the Santa Fe County Commission Chambers, Santa Fe, New Mexico.

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

Members Present:

Commissioner Virginia Vigil
Commissioner Kathleen Holian
Commissioner Liz Stefanics

Members Excused:

Commissioner Mike Anaya, Chair
Commissioner Harry Montoya

V. INVOCATION

An invocation was given by Dale Lucero of the IT Department.

VI. APPOINTMENT OF CHAIR (Temporary)

COMMISSIONER VIGIL: The next order of business is the temporary appointment of a chairperson. Do I –

COMMISSIONER STEFANICS: I move that Commissioner Vigil serve as our temporary chair for today's meeting.

COMMISSIONER HOLIAN: I second it.

The motion passed by unanimous [3-0] voice vote.

VII. APPROVAL OF THE AGENDA

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- B. Tabled or Withdrawn Items**

COMMISSIONER VIGIL: Mr. Abeyta, any changes?

ROMAN ABEYTA (County Manager): Madam Chair, the only change that staff is a clarification to one of the captions on page 3 of the agenda. Item number 2 under Staff and Elected Official Items, Matters from the County Attorney, we added under number 2, Approval of an agreement/change order with HB Construction of Albuquerque, Inc. of Santa Fe. We have no further amendments.

COMMISSIONER VIGIL: Okay.

COMMISSIONER HOLIAN: I move for approval.

COMMISSIONER VIGIL: Motion. Is there a second?

COMMISSIONER STEFANICS: I'll second.

The motion passed by unanimous [3-0] voice vote.

VIII. APPROVAL OF CONSENT CALENDAR

- A. Consent Calendar Withdrawals**

COMMISSIONER VIGIL: Are there any Consent Calendar withdrawals? This is item VIII.

COMMISSIONER STEFANICS: Madam Chair, I could either ask for a clarification right now or I could withdraw item A. 1.

COMMISSIONER VIGIL: Why don't we withdraw item A.1. Of course these are findings of fact. Any other withdrawals? Seeing none, is there a motion with the withdrawal as an amendment?

COMMISSIONER HOLIAN: I move for approval of Consent Calendar with the removed item as specified.

COMMISSIONER VIGIL: I'll second that.

The motion passed by unanimous [3-0] voice vote.

XI. CONSENT CALENDAR

A. Findings of Fact

- 1. LCDR Case #MP/S 06-5212 Santa Fe Canyon Ranch. Rosanna Vazquez, Agent for Santa Fe Canyon Ranch, LLC (Jim Borrego), Applicants, Requesting Master Plan Approval for a Residential Subdivision Consisting of 162 Lots (174 Total Residential Units) On 1,316 Acres to be Developed in 3 Phases, Including a Request For Several Culs-de-Sac to Exceed 500 Feet in Length. The Property is Located off Entrada La Cienega Along Interstate 25 in the La Cienega/La Cieneguilla Traditional Historic Community within Sections 1,2,10,12,13 Township 15 North, Range 7 East and Sections 5,6,7,8 Township 15 North Range 8 East. (Commission District 3) Approved 3-2**
- 2. CDRC Case # S 07-5501 Apache Springs Subdivision. Beverly Chapman, Applicant, Joe Ortiz, Agent, request Final Development Plan and Plat approval for a sixteen (16) lot residential subdivision on 40 acres. The property is located at 87 Camino Valle, within Section 10, 11, 14, and 15, Township 15 North, Range 10 East, (Commission District 5) Approved 3-1**
- 3. CDRC CASE # Z 08-5040 Oliver Road Business Park Ray Dunn, applicant, James Siebert and Assoc. Inc (James Siebert), agent, requested Master Plan approval for a commercial development consisting of four buildings of 8,668 square feet each, for a total of 34,672 square feet for the purpose of office/warehouse uses on 2.64 acres more or less. The subject property is located at the northwest corner of Baca Lane and Oliver Road, within the Santa Fe Airport Business Park, which is off of Airport Road, within Section 11, Township 16 North, Range 8 East (5-Mile EZ, District 2) Approved 4-0, Vicente Archuleta**
- 4. EZ Case # APP 07-4431 Lujan Appeal. Solis Lujan, Applicant, Appealed the Extraterritorial Zoning Commission's Decision to Deny a Request For Plat Approval to Divide 5.01 Acres Into Two Lots For the Purpose of a Family Transfer. The Subject Property Is Located at #4 Brooks Way, within Section 25, Township 16 North, Range 9 East (2-Mile EZ, District 4). Approved 4-0**

B. Miscellaneous

- 1. Request Approval of a Memorandum of Understanding Between Santa Fe County and the Pojoaque Valley District School For the Purchase and Installation of Tennis Courts (Community Services Department)**

2. Resolution No. 2009-56. A Resolution Approving the Submittal of Grant Application to US Economic Development Administration For Broadband Infrastructure Improvements For the Santa Fe County Media District (Economic Development) (Growth Management Department)

COMMISSIONER STEFANICS: Madam Chair, I move that item A. 1 – well, are you ready –

COMMISSIONER VIGIL: We're on Consent Calendar withdrawals, yes. We're on item IX. A.

COMMISSIONER STEFANICS: For questions?

COMMISSIONER VIGIL: For questions.

COMMISSIONER STEFANICS: Okay. I would like to clarify for myself and for the public, the difference in a finding of fact versus our hearings versus our approvals and denials of other items. Since I was not here for any discussion of the Canyon Ranch, it was prior to my term, that we clarify this.

COMMISSIONER VIGIL: Mr. Ross, that one's yours.

STEVE ROSS (County Attorney): Madam Chair, Commissioner Stefanics, what the practice has been at the County is that the Board votes in favor or against a particular project when it's before the Board and then subsequently staff prepares a document, which is a findings of fact and conclusions of law, which are required by state statutes, and then puts those in front of the Commission later for approval. The purpose of findings of fact and conclusions of law are to state the reasoning behind the approval or disapproval of the project.

COMMISSIONER STEFANICS: So, Madam Chair and Mr. Ross, are you saying that in fact the County Commission in 2008 already approved this item and we are just receiving the formal findings at this time?

MR. ROSS: Correct.

COMMISSIONER STEFANICS: So, Madam Chair, I would move for acceptance of that item then.

COMMISSIONER VIGIL: I'll second that.

The motion passed by unanimous [3-0] voice vote.

IX. MATTERS OF PUBLIC CONCERN – NON-ACTION ITEMS

COMMISSIONER VIGIL: This is the point in time that I contact or ask the public to come forth with any items that are not a part of our current agenda. Mr. Siebert, I assume you know that. Is there anyone else that wants to address the Commission on Matters of Public Concern. Please raise your hand. I see none. Mr. Siebert, is this about the letter

we've received from you?

JAMES SIEBERT: Madam Chair, Commissioners, yes it is. My name is Jim Siebert. My address is 915 Mercer. Why I'm here tonight is just to ask for your consideration, your assistance on two development applications. And to give you a little bit of quick background on it, one is the LaFarge request, and what that is is that they're asking to take down their current concrete batch plant, bring a new batch or another batch plant up from Sedillo Hill that's a newer model. They're having some problems with their old one. Simply sticking that one up, so they're replacing one batch plant with another batch plant.

We've been through the staff review. It was as of – it was two weeks ago it was supposed to go over to Construction Industries Division for their permit review, to review the building permit. What's happened is that particular case has been forwarded to the City, since this is within the presumptive city limits, for the City review. I guess I have two issues with that. One is that it's not – there's nothing in the Code or joint powers agreement that would give authorization for the County to do that, and the second is the burden it places on my client, LaFarge and the period they have to wait for action on the part of the City.

I checked with CID recently and found out the City at this point doesn't even have jurisdiction to issue permits or do inspections outside the city limits. So who knows how much longer that delay can occur? From the standpoint of LaFarge, the concern they have is that we're moving into construction season. They would like to have their new plant operation before the main part of the construction season.

The other case is the Oliver Road Business Park, and that's actually been reviewed by the County Commission, approved by the County Commission and we're awaiting the recordation of the master plan. Well, the master plan has been forwarded to the City as well. The problem is that City staff never reviewed it. It was outside the City jurisdiction at the time; it was reviewed by CDRC. So I think it's going to be very difficult for them to do any kind of meaningful review. We also have a master plat. The master plat was authorized by the County Commission.

So what we're requesting is that both of those applications be delivered back over to the County and they continue to be reviewed under County jurisdiction. I would – probably the most recent thing that the City and the County have acted on is the joint powers agreement and if you take a look at item B of the joint powers agreement, it reads, "Over those lands within the presumptive city limits, the City and the County, through the ELUC and the ELUA shall adopt City ordinances as the Extraterritorial Zoning Ordinance for that zone and so expressly delegate to the City all decisions over zoning in that area and by such delegation hereby ratify such decisions." Well, that will happen once the zoning ordinances are adopted. As of this point and probably for several months they will not be adopted. So we're simply asking your consideration, help, in resolving this dilemma. We'd like to be able to put people back to work and the delay at the City will prevent that. Thank you.

COMMISSIONER VIGIL: Thank you, Mr. Siebert.

MR. SIEBERT: I have the two clients, if you'd like to talk to them, which is Ray Dunn, of Oliver Road Business Park, and Jeff Latanza who is manager for LaFarge.

COMMISSIONER VIGIL: Okay. I was concerned when – personally, I’ll just respond – when I received your letter and I did speak to staff about it. My understanding is that you are getting an appropriate response with regard to this, and I don’t know if we’ve had an opportunity to do that. Are you as a result of that response? Or are you still awaiting it?

MR. SIEBERT: We did receive a response from Stephen Ross and I appreciate that. But I didn’t see as part of that response that there was any real resolution in the matter, other than we’d have to pursue it through the City, which see there’s going to be substantial delays at the City side of this.

COMMISSIONER VIGIL: Okay. Any questions? Comments? Thank you very much, Mr. Siebert. Is there anyone else under Matters of Public Concern? Mr. Sedillo, I was just going to introduce you. You were hidden behind the man in front of you. Welcome very, very much. And thank you for Senator Bingaman’s keeping us advised on the stimulus package.

PABLO SEDILLO: Thank you, Madam Chair, Commissioner Stefanics and Commissioner Holian. I just want to announce today that the congressional delegation released a guide for the stimulus package. The State of New Mexico will be receiving approximately \$1.8 billion, so I’ll be working closely with the County Manager and with senior staff. I understand that the County Manager has appointed a point person to go through all of these. I know that there’s been a lot of links, but the congressional delegation is taking particular care in making sure that everything that’s in that stimulus package for the State of New Mexico is going to be in there, and some direction as to how to apply for the funds.

Many of the funds, of course, are going to go through the state, but there are also going to be grants by the federal agencies. This morning I was pleased to be a part of an agreement with the Corps of Engineers and the City of Santa Fe; they received \$984,000 for the treatment plant on Canyon Road that hopefully, either the senator or his representative, myself, will be attending some of these events and giving you checks to get some things done. I’m hopeful that – this is not going to cure everything. It’s not going to take care of everything that needs to be done, but hopefully this will help will the stimulus, stimulate the economy, and more importantly put people to work. So thank you so much. Are there any questions?

COMMISSIONER VIGIL: Yes. Commissioner Stefanics.

COMMISSIONER STEFANICS: Madam Chair and Mr. Sedillo. Thanks so much for being here. So is there an estimate for Santa Fe City and County combined that you think might be part of this \$1.8 billion?

MR. SEDILLO: No, there isn’t any particular – there isn’t earmarks. I think Senator Bingaman has said to the senate that he doesn’t see anything wrong with earmarks as long as they’re good earmarks. But as you know, Congress is frowning upon earmarks. But we’re going to try to identify what joint projects they have, like the Buckman Direct Diversion, we’re hoping to see how we can get some money for that that will help both the County and the City. You’re shovel-ready. You’re already shoveling. But there isn’t any

particular amount of money.

COMMISSIONER STEFANICS: Well, Madam Chair, I know that the public asks us and asks their congressional offices all the time, what are we getting? What are we getting? And I think that any time we have that specific information, I understand that there's a website, Recovery.com. Is that going to have specific information by county and city on it? Or just by state?

MR. SEDILLO: Just by states. Just by states. Now, what the congressional delegation has done is to do the State of New Mexico, but it doesn't happen. We've been asked by the Association of Counties, the Municipal League, to see if they could say how much are we going to be getting, and we really don't know at this point. But I think it's going to depend on how good your grants are and how pro-active the County is in these grants. I've already pledged my support to the County Manager and I pledge my support to you as Commissioners that we will do everything we can to write letters on behalf of the senator and say this is a good project and let's see if we can get it funded.

COMMISSIONER STEFANICS: Madam Chair, I really appreciate your efforts, Mr. Sedillo, and perhaps what we could do is, Roman, the staff person – I think it's Duncan Sill, is maybe as we know we can make sure they get posted to the website so that members of the public could also have access to this information once decisions are made. Thank you very much, Madam Chair.

COMMISSIONER VIGIL: You're welcome. Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. Thank you, Mr. Sedillo, for being here. It's really nice to have good economic news for a change in our lives. I have a question about will some of the funding be coming directly to the County or the City as block grants? Or will it all be going through the State government?

MR. SEDILLO: Some funding will be directly to the counties and to municipalities, but the bulk of it will be going to the state and to federal agencies. I know that county schools will be getting direct funding but Santa Fe County, block grants – I haven't seen it yet. That's something for us to dig underneath the surface and to find out just exactly what is it that Santa Fe County could be eligible for. I presume that you're eligible for a lot of things.

Of course Medicaid is going to be helpful I think to you with this whole Indigent Fund that you have to fund. I think, if I remember correctly, it's close to \$10 million a year that the Board funds, CHRISTUS St. Vincent Hospital. Hopefully that will alleviate somewhat. But it's going to help. It's going to help.

COMMISSIONER HOLIAN: Thank you.

COMMISSIONER VIGIL: Thank you so much, Mr. Sedillo, for being here.

MR. SEDILLO: Thank you.

COMMISSIONER VIGIL: I guess the only follow-up question I have, Roman, based on all the information we're getting on the stimulus package. I wonder if we could do sort of a quick analysis to find out if we have sufficient staff report for the grant writing component of this. I know that as I've gotten information I've sent it to Steve Shepherd for

help, Duncan on energy efficiency. I think it's really going to require for us to focus on how quickly, accurately we can prioritize and be responsive to these grants or application requests through the state. So if you could do a quick analysis on that and bring that forth I'd love to be able to provide a support system for getting the appropriate staff in place to make that happen.

COMMISSIONER STEFANICS: Madam Chair, on this point, we haven't taken a vote this year to support this particular item but it has come up in discussions at the MPO and the RPA. And I think that some of the projects in the past dealing with I-25 should be identified again, and I'm speaking of examples like the Richards Avenue exchange. I would hate for us to lose opportunities and just keep some of those things on the radar, and I know that you all in past years have discussed many different projects. So I hope that they'll stay on the agenda. Thank you, Madam Chair.

COMMISSIONER VIGIL: Thank you.

X. MATTERS FROM THE COMMISSION

A. A Proclamation to Recognize March 1 - April 13, 2009 "Battle of Glorieta Pass Days" Throughout Santa Fe County (Commissioner Holian) [Exhibit 1]

COMMISSIONER HOLIAN: Thank you, Madam Chair. I would like to read the proclamation and then I would like to ask Mr. Alfonso Sanchez, if he is here to come forward afterwards and say a few words, I hope. And I'd also like to note that March 10th, today is of special significance in this history of the Civil War in our area. Santa Fe County Proclamation:

Whereas, the Battle of Glorieta Pass was the decisive battle of the New Mexico campaign during the American Civil War, fought March 26 through 28, 1862, in the northern New Mexico Territory of Santa Fe County and San Miguel County; and

Whereas, during the Civil War New Mexico became a key area for the West as the Confederate Army advanced through the state, gaining ground in battles from Las Cruces to Santa Fe and on March 10, 1862, forced the seat of state government to retreat to Las Vegas; and

Whereas, on March 26, 1862, the courageous Colorado Volunteers and New Mexico soldiers stood together against the Confederate Army in the battle at Apache Canyon, just 13 miles from Santa Fe, losing only five Union soldiers in a conflict in which they took prisoner 72 Confederates, and killed an additional 32 to 70 who remained buried there today; and

Whereas, the Battle of Glorieta Pass resumed on March 28, 1862 west of the village of Glorieta, and where the Confederates were defeated as a result of the rearguard wagon train destruction at Apache Canyon; and

Whereas, the Union victories of the Battle of Glorieta Pass won one year, seven months and thirteen days before Gettysburg, became a turning point in the Civil War by

preventing the Confederates from taking control of gold mines from Colorado to California to finance their armies, as well as seaports on the west coast; and

Whereas, for over 145 years, the significance of the Battle of Glorieta Pass has gone unrecognized, and the battlefield known as the Gettysburg of the West remains among the top ten most endangered Civil War battlefields; and

Whereas, it is our sacred duty never to forget the highest sacrifices made by those soldiers buried here from Colorado, Texas and New Mexico in the Battle of Glorieta Pass and their crucial role in insuring the future of our great country and preserving the freedoms we all enjoy as citizens;

Now, therefore, we proclaim, we the Board of Santa Fe County Commissioners hereby proclaim March 1st through April 13, 2009 Battle of Glorieta Pass Days throughout Santa Fe County. Thank you.

COMMISSIONER VIGIL: Thank you, Commissioner Holian. Please step forward. And as I'm allocating time for this, would five minutes be enough for your presentation?

ALFONSO SANCHEZ: I don't know. Let's play it by ear. It shouldn't take that long.

COMMISSIONER VIGIL: Okay. Good. I'll let you know when five minutes is up then.

MR. SANCHEZ: Here is something the Commission should have so you can better see what's involved. I made five copies for the other Commissioners. I can leave them with you.

Today becomes so very, very significant. Our governor Bill Richardson ran for president. And since the Battle of Glorieta Pass the reason for that war was what? To free the black people, to free the slaves. Martin Luther King had a dream. He died. Governor Bill Richardson ran for president, and now a black president is president. We've progressed so far, so much, in civil rights. But to bring into perspective why this battle site is so important. A while ago you mentioned that we won that battle one year, seven months, probably 23 days before Gettysburg. No one leaves Gettysburg unless you visit Gettysburg, the battlefield. This is the Gettysburg of the West. And let me indicate.

Me and my wife were very fortunate; somehow we acquired this property. Well, I'm 81, ochenta y un año. Thank you, God. It's for sale. It's about 20 acres, maybe from 12 to 20. I'd like to – me and the wife would like Santa Fe County to have it because a while ago you talked about jobs. Tourism is perhaps the most lucrative type of industry you can have. It doesn't cost much. I've done a lot of work over there. I went to law school making adobes and here I am. I've been lawyering for 51 ½ years, and I like to go down there and mix cement and do – I don't know how many of you have seen my flags and my art and my 32 little crosses to signify the dead soldiers that are still buried there.

At that time there was no railroad. Twenty years later the railroad came. So you have underneath the roadbeds they're probably buried. The Santa Fe Trail continued so that the Highway Department continued the Old Santa Fe Trail and it's now I-25. This property is

sandwiched between I-25 and the railroad. And the Galisteo Creek runs right down along the railroad so that it's beautiful for people to go and walk and get your feet wet, take your Kentucky fried chicken.

Talk about jobs, we could have guided tours. It could create a lot of work for people. It's a big, big industry. The Civil War hasn't ended in the South. Here, we're blessed with we all leave peacefully. I don't charge anything and I do what I can with my resources, but it's for sale. My wife says I need to go golfing and hopefully, somebody else takes over. The Civil War Preservation Trust made me a \$73,000 offer, but I've done so much that I'd sure like for Santa Fe County or the State of New Mexico because all the old roadbeds are there. Beautiful in many, many, many respects. You need to go look at it, walk it, take your Kentucky fried, your huaraches and tennis shoes and walk up, and you'll see there a picture of the oldest bridge. Listen, 1835 that bridge was built. Ten years ago I took that picture. You should go look at it now and you will – that's not in my property, but we need to preserve that because it's such a good thing.

Other than that, I just wanted to let you let you know my wife sort of said, let them know that Santa Fe County or the City – and I went to the Mayor this morning too trying to get it through, that at this day the site of government was moved to Las Vegas. On the 28th as I have done almost every year, I walked and if I have to walk alone I carry Old Glory to the Governor's office and last year I presented the flag to our Lt. Governor and she was gracious enough to be there. It's important. And I talk to 99 percent of the people and they don't know – they know that a battle was fought there, but where on the grounds. You know, liberty isn't free. When there buried there, it's that reminder that people died for what we have. And I'm very proud to be a resident of Santa Fe and it's been good to me and I'd like to favor Santa Fe County and Santa Fe and see that it gets in good hands. Everything that I have I'd like to turn it over and continue to help, to make Santa Fe beautiful, make the people proud that this is the place where we helped elect a black president. And it only took 147 years, but we are here and we can't forget those that are buried there.

COMMISSIONER VIGIL: Thank you very, very much, Mr. Sanchez. We appreciate your passion. Actually, we will be giving you a signed copy. Is that the same proclamation we just read?

MR. SANCHEZ: Well, it's the proclamation that the Governor signed.

COMMISSIONER VIGIL: Oh, please. We'll make that part of the record. Thank you very much.

MR. SANCHEZ: When I asked for some kind of a proclamation from the County I think at that time I may have already had it, but it's the same facts. 147 years, so everything is going to change except that we're in this new era where it shouldn't be in me and my wife's name. This should be a very, very historic place, and it happened right there, spark in the middle where me and my wife honor, on or about a mile frontage along I-25.

COMMISSIONER VIGIL: Two things: Number one, the proclamation that we've actually provided for you will be given to you after we have signatures from all the Commissioners, and we will make that available to you in a nice packaging. And the other

thing that I would recommend is that you connect with our County Manager with regard to your proposal on the property. I think that's a good starting place. I don't know if you've met with him yet, Roman, but certainly, because you're in with the County jurisdiction it just would be a good starting place. Thank you very much, Mr. Sanchez. We look forward to working with you on this and appreciate all that you do for the Glorieta area. And I have a question from Commissioner Stefanics.

COMMISSIONER STEFANICS: More of a statement, Madam Chair. This is something that's not only important for the city and county but it's very important for the nation. [inaudible] So I think there are lots of options and I do think it's important [inaudible] Thank you very much for bringing it forward.

X. OTHER MATTERS FROM THE COMMISSION

COMMISSIONER VIGIL: Commissioner Stefanics, any particular matters from you?

COMMISSIONER STEFANICS: Madam Chair, two brief things. I just returned from Washington, DC. I had three days at the National Association of Counties, and I wanted to make sure that I brought back materials to share, so Commissioner Holian has a bag of materials and Commissioner Vigil does, and I also presented a bag of materials to our County Manager, Roman Abeyta. I tried not to bring you all the advertisements but more or less the materials that I think are on material energy and on some other initiatives from other counties that we might be able to implement. I would indicate that there were 2400 counties represented from around the country, and it was a very worthwhile conference. It's not over with yet. There's a couple more days. But I did travel back so that I could participate in this.

The second item is I did attend the Regional Transportation District meeting for Commissioner Montoya and I did indicate that I would become involved with transportation at the national level for the National Association of Counties. So Commissioner Montoya would like for us to discuss in the future some shifting of Commission responsibilities, and I told him we could discuss that if I could remove something from my commitments. The Regional Transportation District, it came to my attention at the meeting just last Friday morning that they rely heavily upon the recommendations from the RPA. And they are using that either as their planning agenda or they're using that as their excuse to do things or not to do things. So I will take that forward to the next RPA meeting, but I think that our RPA group should understand the importance of our decisions there and our discussions. Thank you.

COMMISSIONER VIGIL: So I imagine that we'll need an agenda item that reappoints to the RPA, perhaps reappoints to another committee that Liz Stefanics will be relinquishing as a result of that. Okay. Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. I think this is directed to our County staff. I was actually interested in whether there was a resolution on a

particular topic in the past, something that I wanted to possibly sponsor myself, but I wanted to see whether there was something that had already been done on it. So I asked Julia to research what had been done in the past and I found out to my horror that all of our resolutions sort of only exist as .pdf files somewhere and you sort of have to open them one at a time and read them. So it seems to me that possibly – well, maybe there's an answer to this – that it would be good to have them in some kind of format on the computer where they're searchable in an easy way and maybe have keywords attached to them so that we could sort of see what's been done in the past.

COMMISSIONER VIGIL: Do you have a response to that, Mr. Ross?

MR. ROSS: Madam Chair, Commissioner Holian, we have a subject matter index in my office. That might help. We can provide it more broadly if there's interest.

COMMISSIONER VIGIL: I believe the Clerk's office, Marcella has always been terrific about locating resolutions on subject matter too. Do you have a subject matter index also in the Clerk's office? Okay.

COMMISSIONER HOLIAN: Okay. I just embarrassed myself, but I'm really glad to find this out.

COMMISSIONER STEFANICS: That is the kind of information that should also be on our website. So if our staff is having a problem finding resolutions for the past on particular subject matters the public certainly has a problem. So these are items that we would probably like to get put out there. And maybe we need to look at the manner in which we do it. Maybe it's already ready, but maybe we need to review it. Thank you.

COMMISSIONER VIGIL: Thank you. Are you done, Commissioner Holian? The only item that I have, is there was – and I've said this briefly perhaps to both of you in passing and of course to Roman Abeyta. There was an item of action that was taken when I was at a funeral and that was the temporary suspension of the development review committees. Part of the problem the communities are having with regard to that is they felt disempowered by that decision because they weren't a part of it. I have been speaking with many of them letting them know that wasn't the intent of course and we want to engage them from this point forward in the sustainable growth management plan and look for alternatives. And the alternatives have not been decided. In fact I believe staff is at a point right now where they are actually doing a summary of the charettes and will be bringing that forward.

There are a variety of ways that we can address this. I think it's really important that the communities know that this was only a temporary suspension and in fact it's probably not a bad time to have it because we aren't getting that many development review cases. However, I do not want our communities to have the message that this takes away any authority from them. In fact our mission is to restore and increase and expand authority, not only for land development review cases but for other issues that affect growth and sustainable management.

So I'm actually meeting personally with a lot of my constituents. I'd like to have a study group with them and I've told them specifically this is evolutionary. Whatever input they can have will of course benefit us in the future. And that's how I would like to move forward

with it. I just think it's really important that the community know, and I don't know I'm making a statement contrary to anything that was said when that action was taken. I don't think I am. If I am, I'm open to that. But I think it's really important that the community know that our intent here is to move forward in a broader based and more empowering identification of governance for our communities and for the four planning districts that we are planning to have. Did you want to comment on that?

COMMISSIONER STEFANICS: Yes. Madam Chair, at that meeting – I am sorry that you were not there because I did ask the staff if they had in fact consulted with the local development review committees and they said that there had not been quorums for meetings, but I felt uncomfortable that we did not have anybody in the audience at that time and so they probably did not know what was happening. I would be happy to support some other mechanism. If perhaps LDRCs was not the right mechanism maybe there can be another new mechanism in our new ordinance as it gets developed. And I know that the staff is working very hard on that through our meetings.

COMMISSIONER VIGIL: I don't know how we can address this in terms of public information. If it's possible maybe to do a press release with regard to at least where we are right now and what direction. I know later on on the agenda we have an item that will give us some information, but perhaps we can do a press release with regard to where we're at with the sustainable growth management plan, and to my knowledge, it's nothing beyond just informational gathering at this point, and let people know that certainly we're looking forward to more community input, more public input, and intend for that to be a continuation of this process. Does that work? Okay.

COMMISSIONER STEFANICS: Madam Chair, when you're finished, I remembered –

COMMISSIONER VIGIL: I am done. It's all yours.

COMMISSIONER STEFANICS: I'm a little scattered because of the early morning this morning. But when I was talking about transportation I wanted to make sure that it was in the record that the City and the County are sponsoring the transportation meetings, along with DOT around our community. And there is one, I believe, coming up on Thursday evening at the Community College at 6:00 p.m. And the RPA is very involved in hearing reports back from this, and they have been advertised in the newspaper but I just wanted to let the public know that the City, County and Department of Transportation are working on this together. Thank you.

COMMISSIONER VIGIL: Thanks. Anything else? I just have one other item and then we'll move on to the next. There are going to be cleanup days coming up. I'm wondering, Roman, if we can connect with Colleen Baker. Quite a few of them are going to involve the San Ysidro river area, our river restoration trail areas, and I think it would be good to provide a link or information or a bleep on the webpage with regard to that. Many people do want to participate and just don't know about them. So I think this is one way we can help.

XI. STAFF AND ELECTED OFFICIALS' ITEMS

A. Treasurer's Office

1. Resolution 2009-57. A Resolution Implementing an Option to Santa Fe County Taxpayers to Make Prepayment of Property Taxes in (Ten) Monthly Installments (Treasurer's Office)

COMMISSIONER VIGIL: Good morning – actually it's afternoon, Victor. Thank you for bringing this forth. You're really trying to assist the taxpayer in this in particular. So I appreciate that. Please proceed.

VICTOR MONTOYA (County Treasurer): Madam Chair, Commissioners, the County has an affordable housing program. The City has several affordable housing programs, but in all of this, people on fixed incomes who only have Social Security and that type of thing have never been really addressed, in my opinion. And so when I found out that this was an option that was available, I just thought that it would be something really good for our constituents, I guess, whether they qualify for affordable housing or not. But primarily to address people that have been in their houses for more than 30 years, some have been 40 years, some have been in 50 years. They live on very modest incomes, sometimes and they have a very strong sense of paying their taxes no time but often they're strapped for cash. So I just thought that when I found out about this, this would be something that would certainly benefit the taxpayers, and it would benefit the County, the schools, the Community College.

I don't know if you have the caption for this item but I outlined about six items on here, Madam Chair. I guess just to give you or the audience a little bit more understanding about what I'm requesting for and the reason for it is, first of all, taxpayers would be able to spread out their tax payments over a ten-month period instead of twice a year. The two times that it comes up currently is right before Christmas and then on income tax filing date. So it makes it very difficult for people to really enjoy, maybe Christmas, and that's another reason. The County would enjoy a steady stream of income over the same ten-month period. Currently the County realizes its income from property taxes twice a year. And several months go by before my office is able to determine whether or not tax collections will meet budget projections.

So item four, it says the County would not have to rely on much on cash balances to fund operations until the first tax collections start coming in between November 10th and December 10th. We currently make distributions to the school districts, Community College, state bonded debt, Rancho Viejo and the Eldorado Water and Sanitation District. These beneficiaries would also receive a benefit because they would get a steady stream of income over that ten-month period. And finally, I have been working with IT to test the software that we currently have, and it appears that we're able to set up installment contracts on the system. And the reason I asked for it to come before the first meeting of the County Commission on a monthly basis is that timing is kind of critical and I hadn't read the actual statute and the statute says we have to start this program on June 1st. So that was one of the reasons why I

considered the need to bring it up as quickly as possible because we need some time to react to June 1st. And with that, Commissioners, I'll stand for questions.

COMMISSIONER VIGIL: Questions? Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. So I'm curious, how will it actually work? Will you send out ten coupons for people to send in monthly checks, or will you remind them in some way? How will it actually work?

MR. MONTOYA: Well, that I propose to do is advertise it first of all, maybe take out half a page add in the New Mexican and the Journal North, and also advertise it on the radio, and if I have sufficient budget, possibly maybe a couple of television spots if possible. I don't know if that's possible or not, the television portion. But the rest is do-able. And then what we plan to do is after that, we're going to have a contract that I've developed for the taxpayers that want to enter into this program. It has to be kind of limited at first because I don't know how many people will be applying. And of course if they're delinquent in their property taxes already I won't be able to enter into a contract with them. They have to be up to date and we would give them all the information and a copy of the contract that I've developed to give them and let them know. And just to let you know, I have about three major items that deal with the contract. First is the term. It says it's ten monthly installments and it says except the last installment shall be the balance owing on the contract, plus the difference of the projected tax amount and the actual tax due for the year. So in other words, it will be based on, for example, I'll use this year's taxes. The first nine payments will be based on what the taxes were for 2008. On November 1st when I send out the new notice of taxes due for 2009, at that time we will know how much – or what the difference is between 2009 and 2008, and the tenth and final payment will be that amount.

COMMISSIONER HOLIAN: So you will send out monthly bills.

MR. MONTOYA: I'm not sure if we'll send out monthly bills, because first of all, my budget doesn't have postage and printing for monthly bills, but we will – I'm sure we can print a statement off of the system and send it out, but again, it just depends on how many people we have applying for this. If we only have a few hundred to start with I can probably do it and accommodate it in my budget. If we wind up having a few thousand that will be a different story and then I might have to come before the Commission and ask for an increase in my postage and printing budget. But right now, I think until we really see what kind of interest is out there, and I think there will be quite a bit of interest from the few people that I've talked to already. They're looking for some sort of assistance and being able to pay their taxes on an installment basis.

And then I put down here that the installment payment is due on the first day of each month with a 15-day grace period. If payment is not received by the end of the month in which payment is due the contract would be terminated and default to the original due dates of November 10th and April 10th. And I have to be pretty stringent on that because otherwise I'll spend all my time trying to monitor the contracts and see who hasn't paid and who has paid and everything else. So that was an important item for me.

And then regarding fees, I just put down that we will not impose any contract fees

associated with this agreement. However, in the event of a default of this agreement penalty and interest may apply to the unpaid balances. Okay? So that's essentially the three major portions of my contract.

COMMISSIONER HOLIAN: So you don't have an estimate of how much extra it might cost your department to implement a program like this?

MR. MONTOYA: Right now, with the exception of postage and printing I don't anticipate a lot of extra costs other than we may have to come in on a Saturday or a couple of Saturdays to deal with establishing the contracts, depending on the demand. But other than that I think I'm pretty well covered.

COMMISSIONER HOLIAN: Okay. Thank you.

COMMISSIONER VIGIL: Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Madam Chair. Victor, this is very timely due to the economy and individuals' worries about their income and their savings, I think that this is very timely. There are several other counties in the country that have already implemented this, and I want to commend you, first of all, for doing the pay by credit card on line, because that really assists a lot of individuals too. It might get some people into debt more, but having a ten-month payment plan I think can work pretty easily. If you look at a lot of commercial lenders they send out a pack of coupons for the entire year. And it just goes into the bill pile of what has to be paid on the first of every month, and it's the reminder. It's the first of the year and it's that tenth month that is going to require work, if you think about it.

The other thing, I would encourage us, Madam Chair, to adopt this, realizing that we don't have all of the procedures worked out yet, but in terms of thinking about people who are questioning their incomes, people who are on fixed incomes, that this is going to be a great help. And I thank Mr. Montoya for bringing it forward.

MR. MONTOYA: Thank you, Commissioner.

COMMISSIONER VIGIL: Mr. Montoya, I just have a couple of questions. Was the resolution reviewed by the Legal Department? I couldn't tell by the one I had in our packet.

MR. MONTOYA: I submitted it to both the County Manager's office and to the County Attorney.

COMMISSIONER VIGIL: It was? Okay, with a thumbs up. Thank you very much.

MR. MONTOYA: And I quoted the statute, where you say the caption, that's word for word from the state.

COMMISSIONER VIGIL: Very good. And the other question I guess I had is this could be something that could run away. There could be some many people, particularly in these times that are interested, far more than what we anticipate. I'm wondering if in planning – and I'm going to make this suggestion, that we put a query on our website and ask people how many of you would participate in a ten-month payment plan for your taxes so you can have some initial response from those people who stay in touch with County business on

our County website. We can get sort of a sense of that, and I'm not sure if between now and June whether that would be sufficient time, but I have this sort of innate feeling that this could be something that could run away from us and you may need to come back to us saying, Oh, my God. I didn't expect that many people. I myself am thinking that might work for me.

So it is a service that would make people's lives easier. It could be that we have a lot of people out there that would. We never did a survey of any kind, so at least we can do a query of some kind and we can get a better sense of that because you will have to do a lot of planning.

MR. MONTOYA: Well, that is one of my concerns of course that the demand may outweigh my resources. I really don't know, but I do appreciate your suggestion and I think we should put it on the County's website and I think that with the advertising and everything. But there's been quite a few people that are receptive of it and I think even Chairman Anaya said, I think that's a really good idea. And now you said even you might be able to use it. The only people that will not be eligible to use that of course is the people that have their taxes paid by escrow. And we have approximately 86,000 accounts, and about 22,000 of those accounts are paid by escrow. So that leaves somewhere around 60,000, but in addition to that there's personal property taxes and mobile homes, and those two will not be allowed to participate in this. This is going to be strictly for real property.

I do anticipate somewhere close to 5,000 to 10,000 people might avail themselves.

COMMISSIONER VIGIL: That would be a lot.

MR. MONTOYA: That would be a lot is right.

COMMISSIONER VIGIL: The other suggestion I have is, I don't know how many taxpayers come in making payments between now and June, but you may have a handout query that says, Would you pay your taxes within a ten-month period if that option was made available? Or something of that nature, just to get feedback from those people. Many don't have access to Internet, so that may be another way of getting some more information. I'm not sure how you would compromise those people who have responded in a query on the Internet. Perhaps there is a way we could make a distinction from those.

MR. MONTOYA: One of things I do right now, Commissioners, I'm not sure if you guys are aware of this. I started this when I became Treasurer. Normally, we're only required to send out a notice once a year, and that's November 1st each year. In the interim, since that time that I've been here I've been trying to get out at least two semi-annual delinquent notices to the taxpayers. And I try to get one out in February and one in either late July or August. And the reason for that is if people are delinquent in their accounts, penalty and interest continue to accrue on those delinquencies, and it can be for as long as 11 months. And so by sending out a delinquent tax notice I try to mitigate how much penalty and interest they have to pay. Some people appreciate it and some people hate it. You can only please some of the people some of the time. So I'm very aware of that. But that is one thing that I currently do, and since I have – if I find that there's a majority of the people that want to pay on a ten-month installment process then I'll probably change me – well, I may not, because

delinquent tax notice for the people that don't participate in the program will still be needed.

COMMISSIONER VIGIL: Thank you very much, Mr. Montoya. Any other questions? Commissioner Stefanics.

COMMISSIONER STEFANICS: Why did you indicate that there would be no fees? And let me preface this comment. You're talking about extra printing, perhaps extra postage, and you're talking about tracking, what people are doing several times versus twice a year. And we are a period of time when the County has to look at enterprise activities as well. So why would you say no fees? That statute doesn't prohibit it, does it?

MR. MONTOYA: Well, that's a question that I cannot answer, and I guess that's why I thought initially we could see what the response was. But I don't know if the statute for the payment of property taxes or any of the statutes regarding property taxes allow for an extra collection of fees. And the reason that I say that is because we're already charging them penalty and interest when they're late, so how much extra taxation can they afford?

COMMISSIONER STEFANICS: Well, Madam Chair, I was late one year by a week, so I did end up getting an interest and penalty for probably not worth the staff time to send it to me. But it was appreciated. We tracked down to make sure you had the payment. But we do need to probably look at this, because I'm not talking about exorbitant fees. But if you're talking about printing ten coupons for 10,000 people it might warrant an extra two dollars for the fee of having the privilege of paying over ten months, versus – and I would like to check this out, because what we're trying to do is we're trying to make it more – and I don't want to say affordable because hopefully people are saving for their property taxes. But with things so tight we're offering a service and it's going to cost us money to do that as well. So I just – from an economic standpoint I want to help people but I want to make sure we're not going to burn our end either.

MR. MONTOYA: Well, the question that I would have, Madam Chair, Commissioner Stefanics, is I already collect penalty and interest and I guess one of the issues that I would have is that does the statute allow me to use the penalty and interest as something to offset the costs of running the program. If it does, that's great. If it doesn't then I have to remit the penalty and interest to the beneficiaries that I distribute every month to. I don't really know off the top of my head – it would be nice if could keep all the penalty and interest that I collect. That's one thing that I really – that's another portion of the plan that probably you're unaware of, but one of the responsibilities of the Treasurer is to collect delinquent taxes on mobile homes and to file liens on mobile homes that are delinquent. And since I've been Treasurer, I started that program, we came before the Commission about a year, a year and a half ago, with a resolution to allow me to charge for the movement of mobile homes, requiring a permit and we've been very aggressive in filing liens, which was never done previously to my administration. So I'm constantly looking for ways to generate money.

COMMISSIONER STEFANICS: Okay, so Madam Chair, after we move this resolution along, it sounds like Mr. Montoya is going to need the assistance of the County

Attorney to determine if that is a possibility, if it's even worthwhile to do, and if it would pay for any costs. It might not, but we should look at it. But I do think the resolution is great and I'm ready to move the resolution.

COMMISSIONER VIGIL: Is that a motion?

COMMISSIONER STEFANICS: That is a motion.

MR. MONTOYA: Thank you.

COMMISSIONER VIGIL: Is there a second?

COMMISSIONER HOLIAN: Second.

COMMISSIONER VIGIL: Okay. Did you want to say something? I'm thinking that just based on the discussion that the motion will be inclusive of you were happy to move forward with this but you need to connect with Legal with regard to whether or not your penalty and interest can be used to subsidize this in any way, and I also heard that looking into the possibility of a fee on this would be beneficial. I totally agree with that. Is that what your motion included, or would you consider that a friendly amendment?

COMMISSIONER STEFANICS: Madam Chair, my motion is just to move the resolution along because I think that a lot of the procedures have to be worked out to be brought back to us.

COMMISSIONER VIGIL: Okay. Then I will agree with that and I think the questions that have been brought up should be responded to. And I'm worried, Victor, that despite our willingness to be very helpful we may be creating more of a problem for those that we're being helpful towards. So with that, is there any other comment?

The motion passed by unanimous [3-0] voice vote.

COMMISSIONER VIGIL: Let's get this on the agenda for next meeting and see how much progress we've made on it.

MR. MONTOYA: Okay. So you'd like an update at the end of the month or at the next –

COMMISSIONER VIGIL: June is the deadline. Roman, what would work? How much time would be needed for this, Steve? Your input would probably be needed also.

MR. ABEYTA: We will either provide an update at the end of the month, which is the 31st, or the first meeting in April. I'll work with Victor.

COMMISSIONER VIGIL: Okay. You've got a little bit of leeway there. Thanks, Mr. Montoya. Appreciate all your hard work.

XII. B. Community Services Department

1. Resolution No. 2009-58, Awarding the Santa Fe County, New Mexico General Obligation Bonds, Series 2009 in an Aggregate Principal Amount of \$17,000,000 to Piper Jaffray as the Best Bidder On the Bonds (Community Services Department)

[Exhibits 2 & 3]

JOSEPH GUTIERREZ (Community Services Director): Madam Chair, members of the Commission, we brought this to the Commission I believe a month ago. Today you will approve the actual bond sale, which actually took place at 10:30 this morning between 10:30 and 11:00. With me I have Mr. Peter Franklin who is the County's bond counsel, and Mr. Kevin Powers who is the County's financial advisor. Peter Franklin will start the process and cover the issues with you.

COMMISSIONER VIGIL: Thank you. Welcome, Peter. Who doesn't have questions about the bond market these days?

PETER FRANKLIN (Bond Counsel): Thank you, Madam Chair and Commissioners. I thought what we would do is I would very briefly reset the context for this action. This is the third step which began with the voters' approval of \$33.5 million in general obligation bonds last November 4th. As Joseph mentioned this Commission adopted a notice of bond sale resolution at its meeting in February, I believe February 24th. We did have a bond sale this morning and Kevin Powers, the County's financial advisor, will describe the process by which the bids were taken and evaluated and the best bid was identified. And after he's done doing that and answering your questions about the bond market now and in the future, I would like to take just a couple minutes to walk you through the award resolution so that you are familiar with the action that you're taking.

KEVIN POWERS (Financial Advisor): Good afternoon. It's a pleasure to be here. Kevin Powers with RBC Capital Markets, financial advisor to the County. We have a handout for you that looks like this. Under the cover we have an overview of the transaction. We are actually selling \$17 million of the bonds that were approved. There will be \$16.5 million to be sold in approximately 2011. These bonds mature between the years 2009 and 2024. That creates an average life of 8.299 years. The bonds are rated by Moody's and Standard & Poors and I am very pleased to say that the County enjoys the second highest ratings available by both agencies, AA1 and AA+. The only higher ratings would be AAA and there are very, very few of those. In fact there are very, very few AA1 and AA+. So that is high ratings actually translate into a lower interest cost to the County and therefore translates to lower cost to the taxpayers. So that's a very positive characteristic in this transaction.

Because of those high ratings the County does not need to rely on credit enhancement of any type. The interest cost on these bonds, \$5,399,525, the bidder actually bid a premium. The actual interest cost, the true interest cost on the loan over the life is 3.58 percent, which is really a very attractive interest rate. And the tax increase associated with this transaction is

nothing. There is no tax increase. This is part of the ongoing capital program that the County has undertaken and this sale of bonds and the sale of bonds in 2011 will not result in any increase in the tax rate to county taxpayers.

Peter talked a little bit about the timing earlier. If you go to the following page, overview of online report, we used an Internet bidding platform to accomplish the sale. This is an overview of what potential bidders would see if they went onto the website and they were directed to that website to obtain all the information that they needed to submit a bid on the bonds. This has all the information, the ratings, data dates, call dates, you name it. If you needed something to submit a bid, this contains all of that information. The site also allows for potential bidders to submit their bids electronically. It's a secure site. So we have a truly competitive process that really, I think the first bid was submitted about 17 minutes after 10:00 this morning at 11:00 the bids were all cut off. These are sealed. We don't know the contents of those bids. Other bidders don't know the contents of the bids. At 11:00 we were able to open all those bids electronically and determine who in fact provided the lowest interest cost to the County.

If you turn to the next page – there were people here. We actually had it projected up on the screen. This is the screen that came up and it was the bid results, and it lists the bidders. There were nine bids. The best bid was out of Piper Jaffray at 3.58. Morgan Keegan was second at 3.63, then 3.65 and on down the list until we hit Morgan Stanley at a 3.96.

So in today's market nine bids for a \$17 million bond issue is extremely good. We had a sale the other day of \$8.5 million in bonds and we only had two bids. So this is really an indication of how attractive your debt is in the capital markets today.

The following page is a recap of these bids side by side showing the interest rates that were actually bid, the interest costs and the comparison of interest rates and this gives you kind of a really nice way of looking at each one of these side by side and how each one of these bidders arrived at their interest cost.

The following page is a verification of those bids. The program, the bidding platform that we use actually ranks the bids in order of best to worst. We then go in and verify with a separate program those bids, do an independent verification calculation and these are the two best bids. The verification of the two best bids, and they in fact checked out exactly the way the website had calculated the bids. We use a present value calculation. It's state of the art, and that does in fact give you a time value calculation of what the true interest cost is to the County of the various bids.

The next page in the handout goes to the re-offering yields and how this best bid was actually constructed, the premium that was generated from sale of the bonds. The premium that was remitted back to the County, what was left over for the underwriter to pay cost of issuance and cost of sales, and what that amounted to per bond. It really – if you look at what it costs to sell a \$17 million bond today, that underwriter had a profit in there of \$38,000 that they had to pay all their costs and all their sales commissions. So they were actually working for \$7.45 a bond, which is very aggressive.

The next few pages talk about your finance plan, and this shows how the actual rests

of this sale, the 2009 sale fit into the longer term finance plan. We have existing debt. We have the 09 bonds, which we now know exactly what that looks like. We still have proposed 2011 bonds. We're using a very conservative interest rate of five percent for that, and then it shows what the total debt service would look like for all of these bonds. One thing to mention here is there is another part of this and that is future bond sales and we have additional sales and elections that could be scheduled in 2013, 2015 and thereon that would not result in raising that tax rate. So you can do additional bond sales and elections in the future without having an impact on that tax rate.

The next page we have in the handout is a historical sale result. You may wonder how does this sale compare to recent sales that the County's had for your general obligation bonds. We've looked back as far as the 2007 sale. In 2007 you sold \$25 million at a TIC of 4.39. Those bonds were a little longer bonds than the bond issue today. 2007B were sold a little shorter than the 2007A's and the rate was a little lower so the market was fairly consistent there. In 2008 you sold some GRT bonds, some gross receipt tax bonds. Those were a little different animal. They carry a little bit higher interest cost but they were also a little longer.

2008, last year, \$32 million were sold. That was the final series from the 2004 election. Those bonds were fairly close to the bonds you sold today, a little longer average life of 9.8 years, but the interest rate on that was 3.96. The market's improved a little bit since you sold those last bonds and this 3.58 is a reflection of that.

The next page is some historical graphs and we wouldn't put a presentation together without some graphs. But basically what this is showing is we're really – I'd like to say it was really brilliant planning but it's probably a little bit of luck combined with some decent planning, but we actually are selling some shorter life bonds right now in a market that's actually more attractive for shorter term bonds. If you see these yield curve charts, the current environment is the green line. The older environment, the two and three-year old curves are the black and the red. Back in 06 and 07 the yield curve was relatively flat. You could sell longer term debt and not be penalized back then but you didn't get a lot of benefit selling shorter term debt, so those longer term bonds we sold back in 2007 really paid off because we got lower long-term rates. And we come back today and sell shorter term bonds in a market that's more attractive for shorter term debt and we get a better rate. So we happen to be in the right place at the right time. That doesn't always happen but in this case it did and it was a benefit to the County and to the county taxpayers ultimately.

Another thing, and I mentioned this earlier, about those very attractive ratings that you carry, the AA+ and the AA1, the next page shows the credit spread in the markets today and this basically is the relative increase in interest costs as you go down the credit rating scale. The darkest line, the dark blue line here is the AAA scale, the red line is the AA scale, the A scale, which is a lower credit rating is the green line, and the blue line, the light blue line at the top is the BAA or the BBB if you're in S&P talk. As you can see, the lower your credit rating the higher interest rate you're going to pay. And it's actually been magnified in recent years with the credit crunch and the financial crisis. It's really caused most fixed rate

investors that buy bonds to look to higher rated bonds and they're rewarding issuers with higher rated debt with lower interest costs. So you are the recipient of that benefit here in that you have a very high rating that translates to a much lower borrowing cost. If you had an A rating your interest cost would be at least 200 basis points higher, possibly that would translate to a two percentage point higher interest cost. So instead of 3 ½ percent you could be looking at 5 ½ percent. So having those high ratings are very, very attractive today and very important, and Moody's and S&P both did reviews of the County's credit and reviews of the County's 2008 financial results, with interviews with the County financial staff and confirmed those high ratings. And we have included those rating reports for your information in the back of the package. We have a Moody's rating report and a Standard & Poors rating report that you can take a look at in your leisure and if you have any questions on that I'm sure that County staff or myself would be happy to address those. And we also included the very detailed number runs and the very – the last few pages, they kind of got a little bit garbled in the printing process, but for the most part they're all there.

And with that I would stand for any questions that you might have on the process.

COMMISSIONER VIGIL: Questions?

COMMISSIONER HOLIAN: Thank you very much. This was really a great report and demystified a lot of it for me. I just have one question. How do you decide the mix of maturities that you're putting out there?

MR. POWERS: Madam Chair, it's a combination of things. Primarily what we've done, what we did back in 2004 was we put together this comprehensive plan which was really a long-term approach that had the County going into a series of bond issues and series of bond elections. At the time, we had some parameters of future issues set but we had flexibility to structure as we went. Some of the factors that enter into the adjustment to the plan as you go is growth in the assessed valuation of the county, the actual interest rates that you can sell the debt at. Those are the two major factors. We've had very favorable conditions in both areas. We've had relatively strong growth in the assessed valuation and we've had relatively low interest rate environment. So we've been able to actually manipulate the repayment schedules in such a way that we were able to push some debt up at this time. So one of the reasons we were able to kind of shorten this average life of this sale was the fact that we had low rates. We had lower costs on the interest side and we had higher growth in the assessed valuation. So we were able to push those up.

What we're really looking or is to try to preserve as much flexibility for that 2011 sale and elections and sales thereafter, but yet still try to take advantage of the market. So we were able to kind of push this one up a little bit because we saw that it was beneficial on the interest rate curves. When it comes down to selling bonds in 2011 we would look at rates then and see how the curve is. If there was no real benefit for pushing debt up we may look at maybe spacing some more debt out to give us some flexibility in the future. We also right now are careful to take into account that we probably won't see assessed valuation growths like we've seen going forward for the next five years that we saw historically for the last five years. So we want to also provide some room to maneuver in there and to be able to deal with

any fluctuations in that assessed valuation coming in the next few years. So that's kind of how we do it.

We also look at the market and we watch previous sales, last week's month's and see what investors are really attracted to and if there's a certain segment in there, in let's say the 1-5 or the 5-10 or the 10-15, then we'll try to put some size in there and try to move to where the buyers are to try to minimize costs. But those are all fine tuning mechanisms. The overall driving force behind this is really how much debt you have to sell and when you need it, and quite frankly that's how we came to this sale date, really. The County staff said we need some money to get some projects going and when can we sell bonds. The market does look good. They need the money now, so that's how we arrived at the sale date.

COMMISSIONER HOLIAN: So do you have certain computer models that you run different scenarios in?

MR. POWERS: The finance plan that you saw here, the County finance plan that's down to one page. There's one that we have at the office that's more like about seven pages of this, and it has going back and going forward in it and we can go in and tweak that and adjust and do what-if scenarios. We can also go in and adjust the assessed valuation growth assumptions and the interest rate assumptions and do some planning, some sensitivity analysis in that and come up with what we think is the optimal plan.

COMMISSIONER HOLIAN: Okay. Thank you.

COMMISSIONER VIGIL: Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Madam Chair. I have several questions. Do the bidding comings – are they rated? And do those ratings, are they considered in the selection?

MR. POWERS: That's a very good question, Madam Chair and Member Stefanics. The companies that bid in this are not rated necessarily, and we don't – this is a lot like a public works bid. The winner is based solely on the interest cost that they deliver to the County. They are, however, required to provide a two percent good faith deposit. And that has to be in the form of cash or a surety bond. In this case, the best bidder, Piper Jaffray, complied with all that. The money actually was wired in and is sitting in the County's account as we speak.

COMMISSIONER STEFANICS: And with the financial times, Madam Chair, besides the two percent, if something happened to the company we selected, what next?

MR. POWERS: If something happened to the company, if the company went – let's say the company went bankrupt. The two percent money, the good faith deposit would be yours, because it is in cash; you have it. We would then have to look at options to try to complete the sale. It's possible the sale could be still completed because they had people out there that actually purchased the bonds from them and it would depend on what happened to that company, if it was taken over, if it was sold off to somebody else. It's hard to say what would happen.

We had a situation, similar, I wouldn't say – it didn't get to that point but when we sold the \$32.5 last year, that was in the height of one of the financial crises. I guess it was one

of the worst times that we had for some of the major brokerage firms, and there was some concern as to whether the firm that bought the bonds would actually be able to carry through. We were in constant contact with them. They indicated all along that they were fine, and the deal closed just fine.

The list of these purchasers are mainly what we call regional firms. They're not the big Citibanks, the money center banks that you hear about that are in trouble. The bid insurance companies, AIG, these are regional brokerage firms that in general are in better health than some of the major money center institutions that you see in the headlines. Probably the only exception to that would be Morgan Stanley, which is a large international – well, now they're a bank. They were an investment bank until about six months ago. And it's kind of interesting; they were the – they showed up at the bottom of the bidding list. If you notice, the real strength in this bidding came from the regional firms and that's really the strength in the municipal bond business right now are the more regional investment banks and banking firms. They're really where we see the stability in the municipal market and for the most part the municipal market has been much more stable than the financial markets in general.

COMMISSIONER STEFANICS: Well, Madam Chair, I guess, because I just came back from sessions on this, and it was all doom and gloom. The question I have, and I was looking at – I assume this is the contract? The second document? Or it's the resolution. I was looking for default measures on both sides. If the company defaulted or if we defaulted, where the language is. Because we're talking about – and we're great right now. And we're talking about what every other public entity is going through, and just having heard about the financial industry, there is no trust anywhere. And I just want to know if somebody on this list defaults what's happening to our County.

MR. FRANKLIN: Madam Chair, Commissioner Stefanics, the County's remedy is to take the two percent good faith deposit and to then rebid and start the process over again. That is basically the industry standard. If we had an underwritten transaction with a negotiated sale with an underwriter, which we can do with gross receipts tax bonds but not with general obligation bonds by law, there would be a default under the bond purchase agreement. The problem is the only time – the context in which a default takes place is bankruptcy and once a firm declares bankruptcy obligations like this are essentially unsecured obligations, other than the good faith deposit, and the remedy is to get the good faith deposit and start again.

The scare we had last fall was Morgan Stanley was the best bidder and in the process, between the time that the bonds were sold and closing there was a lot of bad press about Morgan Stanley and we had some difficulty contacting them. They did end up closing. The big problem there was that we were – that was the last of the 2004 authorization and once that authorization – you have four years to use that constitutionally, and once that authorization expires, that's it. You have lost your voter authorization that's it.

So I guess what I'm trying to say is it is a concern. We have the most protection that's basically available to us in this arena which is that Piper Jaffray does not close we get

\$340,000 essentially for free. It's not debt. It's their earnest money in effect and we have the ability to go out and rebid.

COMMISSIONER STEFANICS: So if a company, Madam Chair, is bought out by another company, do they necessarily assume all their obligations?

MR. FRANKLIN: Well, not necessarily. Typically, in a takeover situation – this is actually a fairly complex question. If the company is acquired, if its stock is acquired, then both its assets and liabilities, including its obligations to close on the transaction are acquired. In an asset-only transaction that may not be the case. But except in a bankruptcy situation the best bidder is going to be obligated to close and we have – if there's no bankruptcy, if the investment bank just decides, we don't want to do this or we just decided not to do this, we would have legal remedies. We could sue them for breach of contract. The damages for the breach would be the difference between the total interest cost that they bid and what we would be able to get when the bonds are rebid.

COMMISSIONER STEFANICS: And Madam Chair, I understand that we have bond counsel and bond contract to buy and Mr. Gutierrez is sitting there, but is the County Manager, Treasurer or County Attorney involved in this selection at all?

MR. ABEYTA: Madam Chair, Commissioner Stefanics, yes. We all work together on this as one group. Myself, the Finance Director, the Administrative Services Director, Joseph Gutierrez and our bond counsel and Legal and the financial advisor.

COMMISSIONER STEFANICS: Okay, and Madam Chair, if we were a AAA, how much lower would our interest go?

MR. POWERS: If you were a AAA rating there might be another 10 to 20 basis points knocked off the actual interest cost. So instead of being a 3.58 percent it might be 3.48 or something in the 3.4. Somewhere in there. It really depends. The AA1, the AA+ is just right on the doorstep of that AAA. Just to give you an idea, your rating is the same GO rating as the state.

COMMISSIONER STEFANICS: That's not good right now.

MR. POWERS: So it's highly unlikely that a county within a state would be rated higher than the state itself. So –

COMMISSIONER STEFANICS: So are you saying there's no AAA counties in our state?

MR. POWERS: Right. That's correct. There are a couple of small AAA – what I would call boutique AAA ratings, AMAFCA, the flood control authority in Albuquerque is a AAA rated entity. It's a small, special purpose entity with a \$13 billion assessed valuation, so there's some special factors involved there. But from the standpoint of the state having AAA ratings from all of the rating agencies, there are no other entities that have AAA ratings. You are the highest where you have two AA ratings, one from S&P and one from Moody's.

COMMISSIONER STEFANICS: Thank you, Madam Chair. Thank you.

COMMISSIONER VIGIL: Are there any other questions? Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. Just out of curiosity, how long between the time a bid is accepted until closing, and then how much longer until we actually get the money in our account?

MR. FRANKLIN: Madam Chair, Commissioner Holian, we are scheduled to close on April 15th, which is right after the statutory limitations period for challenging this action expires, and you would have the money that day.

COMMISSIONER VIGIL: Do you want to go through the resolution real quick?

MR. FRANKLIN: Madam Chair, I appreciate to opportunity to do that very briefly. Commissioners, the award resolution, which you have, you should have a completed draft handed out to you. Basically what this resolution does is it accepts Piper Jaffray's bid as the best bid, it established the interest rate for each bond maturity. You'll see that on pages 2 and 5. The resolution pledges the full faith and credit of the County to repay the bond indebtedness, which means that the County is obligated to levy property taxes in an amount sufficient to pay debt service on the bonds. I can give you page references if you'd like.

COMMISSIONER VIGIL: Please.

MR. FRANKLIN: Okay. The award of the bonds appears in Section 1 on page 4. The pledge of the County's full faith and credit is in Section 3 on page 8. The resolution appoints the County Treasurer as the registrar and paying agent, which basically means the Treasurer is charged with the obligation of collecting the property taxes and remitting them to the Depository Trust Company, which credits the accounts of the various bond investors with the debt service payments. That appears on pages 6 and 9. It's actually spread out a little bit in terms of the way it's stated.

The resolution specifies that the bonds will be subject to optional prior redemption beginning on July 1, 2019 for bonds maturing on and after July 1, 2020, and it ratifies that provision as it appears in the notice of sale. The resolution provides for the form of the bonds, which begins at page 13. The resolution authorizes the chair of the Commission and various County officials to execute closing certificates and to take the actions necessary to close the transaction. That appears in Section 11 on page 20, and finally provides that the County will use the bond proceeds in such a way that interest on the bonds remains tax-exempt under federal law. And what that means in a nutshell is that the proceeds of the bonds will be used for the governmental purposes for which they were issued, and the proceeds will be invested in such a way as to comply – as to not make excess earnings on the bonds except during what's called the three-year temporary period, which means essentially that the County will spend the money promptly within the next three years and any money that's left over after three years has to be yield-restricted, meaning we can't earn a return on those invested proceeds in excess of the yield on the bonds. And that's essentially it.

COMMISSIONER VIGIL: Thank you. Any further questions. I have a sort of comment or perhaps inquiry, and you may know more about this. Through the stimulus package there are dollars available to schools that provide for zero interest and up to a 40 percent tax deduction. Do you know if that has a possibility of being in the stimulus package

for local government bonds?

MR. FRANKLIN: I don't know if those details have actually been worked all the way through yet. To the extent that – there's discussion about tax credit bonds and some other sort of exotic features that may be available if the legislature actually decides to allocate those kinds of tools to the County and to other local governments. Those may be available, and we would take a look and see whether those things make sense.

COMMISSIONER VIGIL: So this is only \$17 of the \$33 million. Will you be coming forth for the remainder?

MR. FRANKLIN: That's correct.

COMMISSIONER VIGIL: Okay. And it seems to me that what's happening out in the bond market, that may be one of the reasons why we got so much of a response because what's being created through stimulus packaging is a tax break rather than an interest. I don't know. I'm really forecasting and projecting here. And it looks like you want to say, no, you're wrong, Commissioner Vigil.

MR. POWERS: Actually, I'd like to point out that you did obtain some benefit from the stimulus package in this sale. Under the old tax code, prior to stimulus, any issuer that issued more than \$10 million of bonds in a given calendar year got a benefit. You could sell your bonds as what we call bank-qualified, so it gave banking institutions an extra benefit to buying the bonds. They could deduct the interest cost of their – the carrying cost of the money that they borrowed to buy the bonds. So that was in addition to the tax exemption. So that was only good for the small issuers that issued less than \$10 million a year.

The stimulus package increased that to \$30 million in a year. So you actually sold these bonds under that scenario. And that scenario actually gives you a benefit, not on the very early – not on the very short end, but on the longer end of the maturities that you sold and those rates would have been higher had we not gotten the bank-qualified status. So you did in fact benefit from the stimulus package on this sale. And if the tax credit bonds are enabled, if we get regulations generated from the federal level and we get a situation that allows those to be passed in to the state and issued here in the state, you certainly will be able to take advantage of that in the future sales of the remaining authorization of these GOs.

COMMISSIONER VIGIL: That's good to know. I know that we would qualify because we've gotten the provision to go for these bonds by referendum, and so do Santa Fe Public Schools for what's available out there. So I'd like us to stay on top of that to get the greatest benefit for that. Thank you. Are there any other questions? What's the pleasure of the Commission?

COMMISSIONER STEFANICS: Madam Chair, I will move adoption of the resolution, Resolution 2009-58, awarding the Santa Fe County, New Mexico general obligation bonds, Series 2009 in an aggregate principal amount of \$17 million to Piper Jaffray as the best bidder on the bonds.

COMMISSIONER HOLIAN: Second.

COMMISSIONER VIGIL: Any further discussion?

The motion passed by unanimous [3-0] voice vote.

XII. C. Matters From the County Manager

1. Update On Funding Processes of the American Recovery and Reinvestment Act of 2009-Economic Stimulus Package

MR. ABEYTA: Madam Chair, Duncan Sill, as you indicated earlier, is our primary key staff member who has been appointed to gather all of our information regarding the Recovery and Reinvestment Act. He's passing out a presentation that covers the overall funding for the stimulus package, what the focus is at the federal level, some federal timelines that we have been given so far is included in his presentation or his slides, the funding process as we know it so far regarding grants or federal agencies we need to work with, and also the state. We've included in there what our focus is as a County. And under separate cover we started gathering all of the projects that we are going to apply for funding for.

As directed earlier we will put this information on our webpage. We will continue to update it as we get more information and provide you with updates. And we will look into whether or not we need to get additional staff help to monitor the progress. And Duncan is available if you have any questions at this time for him.

COMMISSIONER STEFANICS: Madam Chair.

COMMISSIONER VIGIL: Yes.

COMMISSIONER STEFANICS: Just for a point of information, the National Association of Counties has requested that the relationship be taken back to direct county-federal relationships, and one of the sessions, the assistant to the president, and her name is escaping me now, came to do a presentation and she indicated that the president is looking favorably on that. That probably will not affect this stimulus package but if there are other stimulus packages still to be done in education or others it might affect us in a direct manner. But one effort that they've already done is President Obama did invite a National County representative to be part of the health dialogue last week. So she indicated to us that we should expect further direct involvement with the president's office. So, while it might not help us with this exact package, maybe the next package that comes out we'll be dealing in a different manner. Thank you.

COMMISSIONER VIGIL: Thank you. Duncan, did you want to just briefly make any statements on this and give us an update?

DUNCAN SILL (Planner): Madam Chair, thank you. Just a point on having local involvement and participation. There is some potential that through some of the second round of the funding process. This first round is really looking at project-ready, shovel-ready initiatives. A lot of it will be in the public works sector. There will be an opportunity for us to go after and pursue granting opportunities through the different federal agencies as well as the appropriations that are allocated through the state agencies.

I'm working closely with the state right now to look at what that looks like. We have

approximately 60 projects that we're trying to align resources to. So that information and detail will be forthcoming, probably within the next couple of weeks.

COMMISSIONER VIGIL: Okay. Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Madam Chair. What exactly is meant by "shovel-ready"?

MR. SILL: Things that would be ready for construction within 120 days. So basically they want pre-engineering reports, design planning, some element of readiness that would allow that project to break ground and get it completed in a timely manner. If the appropriation has a timeline of the obligation period, so specifically, depending on the types of projects, they delineate and differentiate between roads projects and water and wastewater. There is some energy block grants that we could apply for funding, that might be appropriate. Broadband is another category under the foundation for economic growth, we would have project readiness for that. So depending on the particular project and the alignment of the appropriation on the federal and the state level that would determine that.

COMMISSIONER HOLIAN: Well, what if you had an idea for a project where you would do, say, weatherization in homes. That's not the kind of thing that you can have shovel-ready. It's sort of awarding grants to people – not grants, but giving people loans for weatherization. Is that kind of a project just ready from the get-go?

MR. SILL: Madam Chair, Commissioner Holian, that would be the case. If there is a demonstration there is a readiness to do the weatherization. That would depend on the type of units and facilities, what the impact would be on the public, the residents, a whole gamut, list of things that we need to review on the state level. And I believe weatherization is going to come after – I think under the oversight of DFA. I think that's Robert Apodaca's shop in this state along with the other energy grants. And I believe there's a total of, right now, \$30 million for the state.

COMMISSIONER HOLIAN: In our state? So we would just have to apply for a grant for that.

MR. SILL: I believe there's some formula that's being determined right now and they will be granting opportunities, and we need to figure out whether Santa Fe could qualify for formula or we could be competing for the grant. So that's something that we'll have the details within the next two weeks.

COMMISSIONER STEFANICS: Madam Chair, on that point, the New Mexico Finance Authority actually is the state agency that handles the weatherization program. So they're going to become the state agency that receives the weatherization funds. The non-profit that provides weatherization assistance in Santa Fe and in other northern counties was told a week or two ago that he's going to have about \$4 million for Santa Fe to improve people's homes. There is an income qualifying condition. There are very specific items that can be done in people's homes. Energy Star appliances, windows, heating, cooling, etc. But it's pretty prescriptive from the federal government about what they will allow in that area. The only reason I happen to know that is because I ran the program several years ago and the person who's running it now just let me know that they have been notified of the

potential award for Santa Fe County's homes. So that people have to be income eligible, etc.

COMMISSIONER HOLIAN: But it won't go through the County. It will go through HomeWise or something.

COMMISSIONER STEFANICS: I think it's worthwhile exploring with the New Mexico Mortgage Finance Authority, whether or not the County can apply directly. But it then means then that we have to have people that can go out and do the work, and if not, that's what these non-profits are for. But if we have staff that can be kept at work doing this it might be an employment situation for us.

COMMISSIONER VIGIL: Anything further? Thank you, Duncan, very much. We look forward to further updates.

COMMISSIONER STEFANICS: I do have another point though, Duncan and Madam Chair. As you're looking at this, I noticed in the list that we had been provided that there was a lot that dealt with New Mexico Studios. But we have other entities around some of the education and training like the libraries and the senior center and some other things and I'm hoping that we might support some of those services as well, as we look at this. And I didn't see those in your preliminary list that we received in our materials.

MR. SILL: Madam Chair, Commissioner Stefanics, actually those particular projects have been added since that time. That was the very preliminary list of shovel-ready projects and I will provide the Commissioners with an updated list following this meeting. And those projects are actually on that list.

COMMISSIONER STEFANICS: Okay. Thank you.

COMMISSIONER VIGIL: Thank you very much.

XII. C. 2. Update on Various Issues

MR. ABEYTA: Madam Chair, in regards to our budget, at the mid-year review we identified three potential revenue generating proposals: solid waste fees, road-cut permits/penalty fees, and duplicating services fees. We are going to bring fees and the road-cut permit fees together now at the end of March. We'll start the process with title and general summary. The duplicating services fees is going to be a lot more complicated because there are so many offices and they have different ordinances and resolutions, so that will take some time before we can bring something like that forward but we do want to bring forward the solid waste fees and the road-cut permit/penalty fees.

Regarding the 2010 budget, I have directed staff to bring us a reduced budget, to cut their budgets between five and ten percent and we'll formalize that number as we get more information. The reason why I'm doing that is because we want to leave the community projects whole – the senior services, the recreation program – the things that we put at the top of the pyramid. We want to instead take a look at our operating budget first, and we think with a \$2 million deficit that we had projected during our mid-year discussion that a four percent decrease in our operational budget would make up that \$2 million. So we're going to

try to do even better than that, because again, the \$2 million was just a projection. It could be more severe than that.

Some of the steps we have taken immediately is we're going to do another round of cell phone cuts. We've started that and we think we're going to be able to generate hopefully \$100,000 a year with that action, and that will be done immediately. I met with the Assessor and talked about the need for eight additional staff. We're talking about that. I'm asking him a lot of questions. He's providing a lot of information so hopefully we can come to some kind of agreement between him and me before we – as we prepare our budget our budget for next year.

The Fire Department and their need to hire FTEs, we're meeting and we're trying to figure out how we can continue to fund those 48 full-time positions that we had asked the tax for. So hopefully we'll be able to bring you a plan where we address that. The goal is to do as much work and as much cuts as we can internally first, before having to come to the Commission and ask you to make cuts. I may have to. We may reach a point where I've done everything I could and I do need to have you guys start deciding how and which projects to cut but the goal, again, is to minimize that and cut as much as we can before we do that.

Ideally we could bring you a balanced budget where we don't have to cut many of those things or put you in a position where you have to.

As far as gross receipts tax and property taxes, we are still within our budget. With the gross receipts tax we've seen a three percent decline to date in gross receipts tax, but that leaves us still above budget one percent, because again, we are very conservative every year when we budget gross receipts taxes and because we've been so conservative we're still operating at a one percent – we're in the black one percent in regards to gross receipts taxes.

Property tax, we're doing a little better. We're at five percent above budget with property tax, but that's still below what we normally are this time of year for property tax. So, so far at this point we seem to be doing okay in regards to getting us to the end of this year. And I'll continue to provide you updates and I'll give you even more information in detail as I meet with you individually in our standing meetings.

Finally, the last thing I have is that we've gotten a lot of questions regarding the property tax rebate that the Commission gave us authorization to bring forward. The direction was to have it at a public hearing where we have an evening agenda, so we took a look at the calendar and the noticing requirements. So we'll be able to bring forward that ordinance on April 14th to the Commission. Because our meeting on the 31st is a during the day meeting, an administrative meeting. So we're going to advertise – we have advertised for the 14th and we'll be sure to put that on the webpage and get the word out as best we can regarding that initiative. That's all I have, Madam Chair.

COMMISSIONER VIGIL: Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Madam Chair. And Roman, when you're talking about working with staff on preparing budgets with the five to ten percent cut, has that request been extended to the other elected officials offices?

MR. ABEYTA: I've been speaking to them individually. I've started with the

Assessor and he'd going to try to cut in some areas. The Clerk has already indicated that she will look at that, and I need to talk to the Treasurer. And we've talked with the Sheriff and he's indicated – he's got ideas of how he can cut his budget also.

COMMISSIONER STEFANICS: Okay. And the reason I'm asking that question, Madam Chair, is that we want services provided throughout the entire county, but it is possible that the employees and the departments under the purview of our County Manager are going to feel like they are carrying the total burden for the budget cuts. And it does take all of the elected officials, departments to run the County. So I'm hoping that while it may not be prescribed percentage that each elected official's office is looking at what they can do as well so that it can be presented to us as a participating role in some budget drawbacks. I hate to use the word cuts. But in some budget drawbacks. It just takes everybody to participate in this, and that's my point on this. Thank you.

MR. ABEYTA: Madam Chair, if our mid-year reviews are any indication of what we could expect when we prepare the budget for next year, they were all very cooperative and they cut their budgets with the exception of one elected official. So like I said, if that's any indication I think we'll be able to – they'll be participating in these drawbacks also.

COMMISSIONER VIGIL: Thank you. I just have a couple of comments. First of all, on the obligation bonds that we just past the resolution, those are all bricks and mortar, correct? They're strictly infrastructure.

MR. ABEYTA: Yes.

COMMISSIONER VIGIL: The other thing I'd like, Roman, for you to give a sense of direction to to our Finance Department, we have lost – I think it's up to \$2 million in operational dollars for our Fire Department with regard to the medical and food tax being deducted from the GRT. That's a huge amount. Now, I remember at the legislature when this legislation went through, there was a component to that bill that provided that local government would be made whole as a result of that. I'm not sure whether those communications have been had. I would like to find out if in fact the legislation does provide for that and if it does, how the state plans to make local governments whole. So I think it's a real critical components of all these tax deductions. We need to stay on top of the legislation. Of course I'm told that the state doesn't have it – what can they do? Well, if the legislation requires it I think we need to have these discussions with the state. Okay? Thank you. Any other items?

XII. D. Matters from the County Attorney

1. Executive session

- a. Discussion of pending or threatened litigation**
- b. Limited personnel issues**
- c. Discussion of possible purchase, acquisition or disposal of real property or water rights**
- d. Discussion of bargaining strategy preliminary to collective bargaining negotiations**
- e. Discuss tentative mediated settlement with HB Construction of Albuquerque, Inc. of Santa Fe**

COMMISSIONER VIGIL: How long do you think that will take, Steve?

MR. ROSS: Madam Chair, I think it can be accomplished in an hour.

COMMISSIONER VIGIL: Okay. And for those people who are here for public hearings, that means we're going into executive session to discuss matters allowed that have been noticed and we will be back in an hour. It is now 5:10. This will give you an opportunity to go have maybe something to eat and come back about 6:10. We have five items on the agenda and hopefully we'll get to them right at 6:10. So I will entertain a motion to go into executive session.

Commissioner Holian moved to go into executive session pursuant to NMSA Section 10-15-1-H (7, 2, 8 and 5) to discuss the matters delineated above. Commissioner Stefanics seconded the motion, which passed upon unanimous roll call vote with Commissioners Holian, Stefanics and Vigil all voting in the affirmative.

[The Commission met in executive session from 5:10 to 6:30.]

COMMISSIONER VIGIL: Let's call this meeting back to order.

COMMISSIONER STEFANICS: Madam Chair.

COMMISSIONER VIGIL: Yes.

COMMISSIONER STEFANICS: I move that we move out of executive session where we discussed pending or threatened litigation, limited personnel issues, discussion of purchase, acquisition or disposal of real property or water rights, collective bargaining and a tentative mediated settlement, and we made no decisions.

COMMISSIONER VIGIL: There's a motion. Is there a second?

COMMISSIONER HOLIAN: Second.

The motion passed by unanimous [3-0] voice vote.

XII. D. 2. Approval of Agreement/Change Order with HB Construction of Albuquerque, Inc. of Santa Fe

COMMISSIONER VIGIL: Any further motions?

COMMISSIONER HOLIAN: I move for agreement on the change-order with HB Construction of Albuquerque, Inc. of Santa Fe.

COMMISSIONER STEFANICS: I'll second.

COMMISSIONER VIGIL: Is there any discussion?

The motion passed by unanimous [3-0] voice vote.

VIII. PUBLIC HEARINGS

B. Growth Management Department

1. Ordinance No. 2009-1. An Ordinance Amending Ordinance No. 2006-02 (the Affordable Housing Ordinance) to Provide an Affordability Mortgage or Lien in the Amount of Santa Fe County's Contribution Pursuant to the New Mexico Affordable Housing Act for Infrastructure, Down Payment Assistance, or Property (Community Services Department/Housing)

DARLENE VIGIL (Affordable Housing Administrator): We're coming forward for an addition to a definition, along with providing development and construction assistance to local developers. What we'd like to propose, this is an amendment to the ordinance, which would allow for assistance. We all know that the developers have carried the burden for an awfully long time and at this point in time if we can tap into federal, state, or federal home loan bank funding sources it would help leverage the risk and layer the assistance available to the developers to construct affordable units.

COMMISSIONER VIGIL: Are there any questions?

COMMISSIONER STEFANICS: No, Madam Chair. I did spend quite a bit of time with the Affordable Housing Division and I do understand that this would assist our local entities in building more houses that would qualify for affordable housing. So I would be very interested in hearing comments from the public.

COMMISSIONER VIGIL: Thank you, Darlene. Maybe further questions later. Anyone from the public wish to address the Commission on this subject? Raise your hand. Hi Emily. The two of you would like to? Please come forward and state your name for the record.

EMILY FORD: Thank you. I'm Emily Ford. I'm with HomeWise. Just very briefly, we are in support of the ordinance and the change to allow room in the County's lien for third-party assistance that we pull down from federal, state and federal home loan bank sources. What that does is basically allows us to bring those sources into Santa Fe and it's

just a pretty technical change but it will be very helpful. Particularly to groups like Habitat for Humanity that actually go kind of above and beyond the affordability that the County has by doing things like having zero interest mortgages. It brings them a source of funding that helps them make the home even more affordable than what the County has already set. So we appreciate the staff's work on this and the Commissioners' attention to it and we're in support of the change.

COMMISSIONER VIGIL: Thanks, Emily. Let me just ask if any of the Commissioners have questions. You do this for the City, right?

MS. FORD: Well, I work for HomeWise. Do you mean do I –

COMMISSIONER VIGIL: Yes. I'm wondering through the City, just how much this has helped that particular program. How many houses does it impact? Is it strictly only the Habitat for Humanity homes?

MS. FORD: No, it's not specific to Habitat for Humanity. In fact it's not even specific to non-profit organizations. So generally these sources of funding are available to any home that is going to be sold to a buyer under 80 percent of area median income. So for example, just to use one example, in the City where they also have a 30 percent requirement we're breaking ground soon on a project where we'll do 50 percent affordable instead of 30 percent affordable. And one of the ways that we do that is by bringing in these outside sources of money to help us reach those benchmarks.

So I don't think I could give you a number of how many units we've pulled down. HomeWise alone has pulled down hundreds of thousands of dollars in recent years that goes straight to bringing down the home price or bringing down the mortgage for a buyer. But it's actually not specific to any kind of a group as long as the home is going to be affordable and as long as the subsidy is secured properly with a deferred mortgage, similar to what the County uses to secure its subsidies.

COMMISSIONER VIGIL: Okay. Thank you, Emily. Next.

MAGGIE MONROE CASTLE: Good evening, Commissioners. I'm Maggie Monroe Castle. I'm from Santa Fe Habitat for Humanity and I've decided I'm always going to have Emily speak before I do. She's so great. She said it all. I will only reiterate – and I know you all have shown support and I appreciate that and certainly hope for that tonight. Because we hold these non-interest-bearing mortgages our cash is held in those mortgages. And with this change, this amendment it will allow us to draw the cash that we need from these grants and loans that come to us. So it's very important for our cash flow to be able to continue to serve that population under 50 percent of the area median income. So, thanks.

COMMISSIONER VIGIL: Thank you, Maggie. Any questions? What's the pleasure of the Commission?

COMMISSIONER HOLIAN: Madam Chair, I am pleased to move for approval of Ordinance 2009-1.

COMMISSIONER VIGIL: I think nobody else from the public – was anybody else from the public? Steve?

MR. ROSS: Madam Chair, I think we've now concluded the public hearing,

so if there's a motion and a second I would like to suggest some minor technical amendments to the definitional section.

COMMISSIONER VIGIL: I did hear a motion on the ordinance. I will second it and then ask you for your technical.

MR. ROSS: As Darlene mentioned, we added this definition which is on the second page of the ordinance. You'll see it in your packet. Of third party assistance. We're recommending that that get tweaked a little bit, and here's how. You'll see the phrase in the – I think it's the third line – the phrase is for closing costs or down payment assistance. That's a limiting phrase on the preceding text that we're suggesting you eliminate, because I understand from talking to the folks at HomeWise and from talking to the folks at our affordable housing office that that may not be an inclusive list of types of assistance that can come to us from the federal and state government. So we're suggesting that you eliminate that phrase so it's not limited. It would only be limited to the extent that you can convince the affordable housing office that it's an appropriate third-party assistance.

COMMISSIONER VIGIL: Okay.

MR. ROSS: And then technically, I believe the words "home loan" should be inserted in between federal and banks or at least federal home loan banks. And then on the previous page, you'll see a parenthetical. I'm suggesting that we just move that back several clauses so it's not such a difficult sentence to read. So the parenthetical that starts including any amounts, probably should be inserted after the word "sale".

COMMISSIONER STEFANICS: I'm sorry. You lost me on that one.

MR. ROSS: I'm sorry. On the first page of the document you'll see in that big long sentence there, it's all one long sentence, there's a parenthetical about seven lines down that starts with the word including.

COMMISSIONER VIGIL: Including any amounts contributed by the County as a housing assistance grant.

MR. ROSS: That's right. I'm just suggesting that we move that forward in the sentence to after the word "sale".

COMMISSIONER VIGIL: Okay. Any other technical?

MR. ROSS: That's it.

COMMISSIONER VIGIL: Does the maker of the motion agree to those changes?

COMMISSIONER HOLIAN: Yes. I'm in agreement.

COMMISSIONER VIGIL: So does the seconder. Commissioner Stefanics.

COMMISSIONER STEFANICS: I have a clarification though. That federal home loan bank needs to all be small letters because there is a federal home loan bank in Dallas, and then several of our local banks are federal home loan banks.

MR. ROSS: Right.

COMMISSIONER STEFANICS: So they all need to be small letters. Okay.

Thank you.

COMMISSIONER VIGIL: That will be a friendly amendment also, correct?

COMMISSIONER HOLIAN: Yes.

COMMISSIONER VIGIL: Same here. Okay. Any other discussion? We do have a motion and a second.

The motion passed by unanimous [3-0] roll call vote with Commissioners Holian, Stefanics and Vigil all voting in the affirmative.

XIII. A. 2. Ordinance No. 2009-__ . An Ordinance Amending Ordinance No. 2008-5 to Revise the Pojoaque Valley Traditional Community (PVTC) District Boundary Map and to Identify Additional Properties within the Mixed Use Sub-District of the PVTC District (Growth Management Department) First Public Hearing

COMMISSIONER VIGIL: Renee, welcome. This is the first presentation, first public hearing. No action is going to be required, correct?

RENEE VILLAREAL (Planner): Madam Chair, Commissioners, this is the first of two required public hearings and final action is not required.

COMMISSIONER VIGIL: Okay. Please proceed.

MS. VILLAREAL: Okay. As most of you know, in May 2008 the Pojoaque Valley District Ordinance and boundary map was adopted. The Ordinance, 2008-5, a legal description was also included in the ordinance to define the area and the boundary of the PVTC district. As we have moved forward we have examined more closely the map, and we've noticed there were some errors, basically because we've been improving the data for the mapping. As we noticed, the few errors were just boundary issues, but they were already parcels that were included in the legal description, so it's just basically a map amendment.

In addition, there are several properties or parcels that have been identified as properties that are currently – they have commercial designation or usage or are parcels that are located in non-residential areas that are contiguous or will likely be contiguous to future commercial development. However, at this time these parcels are not shown as designated or part of the mixed-use subdistrict. In addition, some of the property owners of these parcels have indicated they would like to be designated as mixed use. These parcels, staff feels that they're appropriate for inclusion into the mixed-use zoning subdistrict because there's currently an integration of uses in that area, including commercial, and some of these parcels located in non-residential areas are likely to – are or likely will be contiguous to existing and future commercial uses, currently initiated by the Pojoaque Pueblo.

So we received authorization to publish title and general summary in January and the County Development Review Committee unanimously recommended the ordinance amendment for your approval. So I stand for questions.

COMMISSIONER VIGIL: Are there any questions of Renee? Seeing none, this is a public hearing. Is there anyone out there that would like to address the Commission

on this item? Seeing none, thank you, Renee for bringing that forward. Really appreciate that and we'll be taking action on this at our next land use meeting. Is that correct? Okay. Thanks for your work on that. I've heard some really nice things from the Pojoaque people about you.

COMMISSIONER STEFANICS: Madam Chair.

COMMISSIONER VIGIL: Yes.

COMMISSIONER STEFANICS: When you said the next land use meeting, are you talking about ELUA?

COMMISSIONER VIGIL: No, land use meeting of the Board of County Commission. We have an administrative meeting, which is at the beginning of the month, the second Tuesday, and the land use meeting which is the last Tuesday. We call it the land use meeting because that's when the land use cases come before us for public hearing.

COMMISSIONER STEFANICS: Okay. Thank you.

XIII. A. 3. EZ CASE # LDDL 08-4330 Tapia Land Division. Fred Tapia, Applicant, Requests Plat Approval to Divide 4.84 Acres into Two (2) Lots by Way of Family Transfer. The Lots Will Be Known as Lot 5-A (2.34 Acres, More Or Less), Lot 5-B (2.50 Acres, More or Less). The Property is Located at 74 Calle Francisca in the Pinon Hills Subdivision, within Section 25, Township 17 North, Range 8 East, (5 Mile EZ, District 2) John Lovato, Case Manager

JOSE LARRAÑAGA (Review Specialist): Thank you, Madam Chair. Fred Tapia, applicant, requests plat approval to divide 4.84 acres into two lots by way of a family transfer. The lots will be known as Lot 5-A and Lot 5-B. The property is located at 74 Calle Francisca in the Pinon Hills Subdivision, within Section 25, Township 17 North, Range 8 East.

On February 12, 2009, the Extraterritorial Land Use Commission met and acted on this case. The decision of the ELUC was to recommend approval of the requested family transfer land division.

The property is located within the Basin Hydrologic Zone. The minimum lot size within the Basin Zone is 2.5 acres. Under the EZO Section 5.2.C.4, family transfers of one-half the minimum lot size are allowed. Therefore, creation of these lots can be approved with .25 acre-feet per year water restrictions. Currently, proposed Lot 5-A has a well, septic, and a residence on the property. The following lot sizes are proposed: Lot 5-A, 2.34 acres, and Lot 5-B, 2.50 acres.

This application was reviewed for the following: access, water supply, solid waste, fire protection, terrain management, archeological review, and environmental review.

Recommendation: This application conforms to applicable provisions of the Extraterritorial Subdivision Regulations, Section 3.3.6. Therefore, staff recommends approval of this request with the following conditions.

[The conditions are as follows:]

1. The onsite access road must have a minimum 38' easement with a 20' driving surface and must be developed meeting Section 3.5 of the Extraterritorial Subdivision Regulations (Road Requirements and Standards). Prior to recording the plat the applicant must construct the road or provide Santa Fe County with a certified engineer's cost estimate for roadway improvements. A financial guarantee acceptable to the County in the amount of the approved cost estimate must be included.
2. The applicant must record Water Restrictive Covenants simultaneously with the Plat imposing 0.25 acre-feet per year water restrictions per Article III, 10.1.1 and 10.1.2 of The Land development Code. Water meters must be installed on Lots 5-A and 5-B. Meter readings must be submitted to the Land Use Administrator annually by January 31st of each year.
3. Final plat shall be recorded within eighteen (18) months of the date of final approval, Per Section 3.3.5.C.9 (Final Plat Procedures) of the Extraterritorial Subdivision Regulations.
4. Buildable site must be depicted per Section 12.1.C.1 of the Extraterritorial Zoning Ordinance.
5. The accessory structures on Lot 5-B shall not be converted into dwelling units.
6. The applicant must address all minor corrections as shown on the proposed Plat. The redlines have been delivered to the applicant by John Lovato, Development Review Specialist. These redlines must be resubmitted with the Mylar prior to recordation.

COMMISSIONER VIGIL: Okay, were there any questions of staff on this? Seeing none, this is a public hearing. Would anyone like to come forth on this item? Mr. Tapia, do you have anything you'd like to add to that? And are you in agreement with all the conditions as provided? Is there anything you'd like to say?

FRED TAPIA: No. Basically, I follow all the requirements from the County. I'm in agreement with the restrictions.

COMMISSIONER VIGIL: Okay. Thank you very much. What's the pleasure of the Commission?

COMMISSIONER HOLIAN: Madam Chair.

COMMISSIONER VIGIL: Yes.

COMMISSIONER HOLIAN: I would like to move for approval of EZ Case #LDDL 08-4330, Tapia Land Division.

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

COMMISSIONER STEFANICS: Madam Chair, I'll second it after we move out of public hearing.

COMMISSIONER VIGIL: And I think you're the only public hearing person, right? Okay, there's no more public. This closes the public hearing.

COMMISSIONER STEFANICS: Second.

COMMISSIONER VIGIL: So we have a motion and a second.

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

XIII. A. 4. CDRC CASE # VAR 08-5280 Sandoval Variance David Sandoval, Applicant, Requests a Variance of Article III, Section 10 (Lot Size Requirements) of the Land Development Code in Order to Place a Second Dwelling Unit on 1.25 Acres. The Property is Located at 36A Emily Road Via I-25 East Frontage Road, within Section 34, Township 16 North, Range 8 East, (Commission District 5) John Lovato, Case Manager

MR. LARRAÑAGA: Madam Chair, on December 18, 2008, the County Development Review Committee met and acted on this case. The decision of the CDRC was to recommend approval for the temporary placement of a second mobile home for a four-year period.

The applicant requests a variance of Article III, Section 10 of the Land Development Code to allow the placement of a second dwelling on 1.25 acres. The property is served by an onsite well and a conventional septic system. On June 17, 2008, the Land Use Administrator granted temporary placement of the second mobile home for a fifteen-day period. Within those 15 days the applicant was required to submit an application for a variance to allow two dwellings on the property. The property does not qualify for a family transfer lot split as the density for this area is 2.50 acres per dwelling. Article II, Section 4.3.5a states, "No lot shall be smaller than one half the standard minimum lot size allowed in the particular location or hydrologic zone."

The Land Use Administrator allowed the mobile home to be placed on the property while the applicant proceeds with the public hearing process. The mobile home is not allowed to be hooked up to utilities until a decision regarding this request for a variance is made by the Board of County Commissioners. Prior to connection to the existing septic and updated liquid waste permit issued by the New Mexico Environment Department is required. The applicant has not produced this permit.

The applicant states that his brother and sister-in-law are unemployed due to medical reasons. The applicant further states that his brother is diabetic and is unable to retain a job and his sister-in-law is bipolar and has a severe ankle injury due to an automobile accident. No documentation has been provided to support these statements.

If the decision of the Board of County Commissioners is to deny the request for a variance, the mobile home will have to be removed within 10 days of the Board's decision. Currently, a Notice of Violation was issued to the property owner for unpermitted development due to the applicant failing to meet the Land Use Administrators requirements of filing a variance application within the 15-day period.

Article II, Section 3 of the County Code states that "Where in the case of proposed development it can be shown that strict compliance with requirements of the Code would result in extraordinary hardship to the applicant because of unusual topography or other such non-self-inflicted condition, or that these conditions would result in inhibiting the

achievement of the purposes of the Code the applicant may submit a written request for a variance.” This section goes on to state, “In no event shall a variance, modification or waiver be recommended by a development review committee, nor granted by the Board, if by doing so the purpose of the Code would be nullified.”

Recommendation: Staff recommends that the request for a variance be denied. Staff does not support this variance request as it would result in increased density not allowed by the Code. Article III, Section 10 of the Land Development Code states the minimum adjusted lot size in this area is 2.5 acres per dwelling unit. Therefore the proposed request is not in conformance with the Code nor has evidence been provided to demonstrate that the applicant has a hardship relating to topography as required by Article II, Section 3.

If the decision of the BCC is to recommend approval of the applicant’s request staff recommends the following conditions are imposed. Madam Chair, may I enter those conditions into the record?

[The conditions are as follows:]

1. The applicant must obtain an approved liquid waste permit for the second home. If a permit cannot be obtained, the variance shall become nullified.
2. No additional dwellings shall be permitted on the property.
3. The applicant must comply with the Santa Fe County Land Development Code for all development.
4. All debris must be removed from the property within 30 days.
5. The well on the property shall be metered. Annual water meter readings shall be submitted to the Land Use Administrator by January 31st of each year.

COMMISSIONER VIGIL: Are there any questions of Mr. Larrañaga? I have a question. How did this case come to our attention?

MR. LARRAÑAGA: Madam Chair, I believe it came in as a complaint and they had already moved the trailer, the mobile home on there, and that’s where those 15 days were given to the applicant to come in for a variance request.

COMMISSIONER VIGIL: Do you know how long the mobile home had been on there before it came to our attention?

MR. LARRAÑAGA: Madam Chair, I do not have that documentation. I do have a copy of the Notice of Violation, and that was handed out to the applicant on 10/20/08.

COMMISSIONER VIGIL: Okay. Thank you very much, Mr. Larrañaga. If there are no further questions for staff, is the applicant here? Would you please come forward.

[Duly sworn, David Sandoval testified as follows:]

DAVID SANDOVAL: David Sandoval, 522 Barela Lane.

COMMISSIONER VIGIL: David, please proceed.

MR. SANDOVAL: Yes. The mobile home has been moved over there. We got a temporary permit. I’m asking from the County – when I bought the property I was told that it’s commercial property, because there’s several businesses on there, on the frontage

road, so in this land dwelling links up to the frontage road which gives us access through maybe your guys' permission, by opening up a front access, so maybe that would be something for the Fire Department to access a little bit as a second route as in to getting into Emily Road through the back road. So it would have two accesses, and that would make it a commercial place for future construction.

COMMISSIONER VIGIL: Okay. But we're really not sure about that because we're actually going through lots of changes with regard to a sustainable growth management plan. What else would you like to testify to?

MR. SANDOVAL: Just letting the – well, I was with the person today about it. He really didn't want to get into it because I'm still paying on escrow with his mother that owns the property so we're actually – we took over and we started making the – well, one dwelling that's on there, that's the first trailer, that is on a permanent foundation. We cut off the stem and we're going to make it more like a house. So that's happening there. My brother and his wife brought the second trailer over. They were going to get evicted out. I was in a mental hospital and they got permission from me through the hospital with care of the state protecting me on this whole move. So they're aware of it and they were just letting me be cautious on what's really going on because I was under the state's wing there at the Las Vegas hospital. So right now I'm trying to get everything all together. My mom has been the support, the backbone of this whole project.

COMMISSIONER VIGIL: Okay. Is this your mother?

MR. SANDOVAL: Yes.

COMMISSIONER VIGIL: Please step forward. You're going to need to raise your right hand and be sworn in.

[Duly sworn, Mary Alice Sandoval testified as follows:]

MARY ALICE SANDOVAL: Mary Alice Sandoval, 522 Barela Lane.

COMMISSIONER VIGIL: Welcome, Ms. Sandoval.

MS. SANDOVAL: Thank you.

COMMISSIONER VIGIL: Any testimony you would like to provide?

MS. SANDOVAL: Well, how this all came about is because of my son and my daughter-in-law having medical problems and then the eviction came about because they couldn't pay their rent. And so we have moved the trailer, the mobile home there to the property. And are waiting on an approval.

COMMISSIONER VIGIL: When did you move it to the property?

MS. SANDOVAL: It was the latter part of August.

COMMISSIONER VIGIL: Okay. How many people live –

MS. SANDOVAL: You know how it takes time to do all this.

COMMISSIONER VIGIL: You have two mobile units. How many people live in the mobile unit that is there on a permanent foundation?

MS. SANDOVAL: It's a mother and her three daughters.

COMMISSIONER VIGIL: And on the one that was moved in? The second trailer?

MS. SANDOVAL: The second one is just my daughter-in-law and my son.

COMMISSIONER VIGIL: And what kind of medical problems are there?

MS. SANDOVAL: My son came down with diabetes.

MR. SANDOVAL Type II.

MS. SANDOVAL: And he also has a back injury but the diabetes is what got him down now recently. My daughter-in-law is bipolar and then she had an accident where she fell down from an elevator and broke her ankle, a real severe breakage.

COMMISSIONER VIGIL: What is the relationship between the people who live in the home that has the foundation and your daughter-in-law and son? You don't know?

MS. SANDOVAL: There's no relationship. The first mobile home and the second? Is that what you're saying?

COMMISSIONER VIGIL: They're the landlords? Is that it?

MS. SANDOVAL: No. We're the landlords.

COMMISSIONER VIGIL: Okay.

MS. SANDOVAL: Actually, yes. I'm the one that has leased out the first mobile home.

COMMISSIONER VIGIL: Okay. I see what you're saying.

MS. SANDOVAL: My husband and I kind of took over that.

COMMISSIONER VIGIL: You wanted to say something?

MR. SANDOVAL: Can I approach the bench?

COMMISSIONER VIGIL: Yes.

MR. SANDOVAL: This is the card that was given to me at the Las Vegas hospital, so maybe if there can be a little bit of coherence with me and miscommunication and the things that are going on. On my part as being the landlord.

COMMISSIONER VIGIL: Is there anything else you'd like to add?

Ms. SANDOVAL: No.

COMMISSIONER VIGIL: Not at this point. Maybe we'll have some questions later. So if you would just sit up front. This is a public hearing. Would anyone like to address the Commission on this item? Seeing none, the public hearing is closed.

COMMISSIONER HOLIAN: Madam Chair, I have a question.

COMMISSIONER VIGIL: Question.

COMMISSIONER HOLIAN: Is it even possible to do a temporary permit in this situation?

MS. COBAU: Madam Chair, Commissioner Holian, we've been discouraged against issuing temporary permits and the whole temporary permit issuance process has presented some problems in the past for us, where people spend a lot of money placing infrastructure and then two years or four years later they're told they have to move their unit because they were only allowed to have it there for a short period of time. So that temporary permit process, there's nothing in our Code that allows for the issuance of a temporary permit and that has presented problems in the past.

COMMISSIONER HOLIAN: Thank you, Shelley.

COMMISSIONER VIGIL: Any other questions?

COMMISSIONER STEFANICS: Madam Chair, I guess I'd like to know why the family couldn't live in the permanent mobile home.

MR. SANDOVAL: The permanent house is actually rented out and that's –

COMMISSIONER STEFANICS: I understand that. The question is why couldn't those people move out and the family that you need to the house move into the permanent mobile home?

MR. SANDOVAL: It was already rented out. And another thing I would like to add is on the septic part, it's an oversized septic partial on the land so there would be no problem with adding on the second infrastructure. The main infrastructure on the house is electrical and gas and all that's already out there. Getting back to your question. I hate to say it. It's a sorry shame. Both of them couldn't afford to be in there in the first place because of their actions of drug use. So one's attending classes now on it. The other one can be promiscuous and not understand ways of living at this point and I'm still – that's to answer your question.

COMMISSIONER STEFANICS: Okay. So Madam Chair and the two of you, I'm kind of confused. So you're both owners of the permanent – are you leasing the permanent mobile home, and you own the land? Is that right, ma'am?

MR. SANDOVAL: Yes.

MS. SANDOVAL: Right now he's purchasing it.

COMMISSIONER STEFANICS: Okay. You're purchasing the land, and who has –

MS. SANDOVAL: He's already purchased it, should I say. He has an escrow that's been going on already, I'd say over five years or so. And I'm the one that leases the property for him.

MR. SANDOVAL: So basically, she's my manager.

COMMISSIONER STEFANICS: Okay, so I understand, Madam Chair, the problems with the individuals but leases do come to an end, and I'm wondering, if you have this property why you could not move family into the permanent mobile home when the renters' lease is finished, or when you give them notice.

MS. SANDOVAL: We already have that other mobile home there. It's already in the property. We had to move it [inaudible] So we had to move the mobile home. It's already in the property.

COMMISSIONER STEFANICS: Okay, so let's clarify with staff. So there's one mobile home that has a permanent foundation, hooked up to utilities, correct?

MR. SANDOVAL: Yes.

COMMISSIONER STEFANICS: Well, let's have staff clarify for us.

MR. LARRAÑAGA: Madam Chair, Commissioner Stefanics, yes. Correct.

COMMISSIONER STEFANICS: Then there's a second mobile home without a permanent foundation, not hooked up to utilities.

MR. LARRAÑAGA: Madam Chair, Commissioner Stefanics, that's correct.

Yes.

COMMISSIONER STEFANICS: And it should not be hooked up to utilities.

MR. LARRAÑAGA: Madam Chair, Commissioner Stefanics, when I was going through the paperwork I did find a letter from Jack Kolkmeier, our Land Use Administrator, that was dated in June giving them permission to keep that – apparently they moved the mobile home out there without a permit, which Land Use staff would not have given them a permit because they would be exceeding density. That letter states that they have 15 days to come in and apply for a variance of density which was an option for them, and they didn't come in in time so then they got the Notice of Violation, and that's when they came in to ask for the variance of density.

As far as we know, I believe our Code enforcement officers have been out there. The second dwelling is not hooked up to any utility, septic, and it's not in use.

COMMISSIONER VIGIL: And it doesn't qualify for a family transfer.

MR. LARRAÑAGA: Madam Chair, that's correct. This lot is – the plat of the Carlson was recorded in 1963, so it's a legal non-conforming lot of 1.25 acres. Out there 2.5 would be the minimum lot size and half of that for a family transfer would be –

COMMISSIONER VIGIL: The applicants claim that it could be commercial property. Was that in communications with staff?

MR. LARRAÑAGA: Madam Chair, not that I am aware of. This is a residential property. It has not gone through any kind of zoning. I'm sure there's some legal non-conforming uses out there of commercial, but this property is residential.

COMMISSIONER VIGIL: Okay. Thank you.

COMMISSIONER STEFANICS: Madam Chair, that area is pretty mixed. You'll have a nice home and right next to it you'll have an auto body shop. And then next to it you'll have a church, and then next to it you'll have a house, and it's very mixed use. I don't think the mixed use is the issue here; I think it's the size of the lot. And I think the size of the lot is too small to support two dwellings. It is – there are several areas of my district down there that are very confusing and that area right there on the frontage road is mixed use.

COMMISSIONER VIGIL: Okay. Any other comments?

COMMISSIONER HOLIAN: Madam Chair, I have a question for Jose. Who owns the permanent mobile home itself? I know that the lot is now being sold, I guess, but the mobile home itself that's on the permanent foundation, to whom does that belong?

MR. LARRAÑAGA: Madam Chair, Commissioner Holian, the property itself, Mr. Sandoval has a real estate contract on the property.

COMMISSIONER HOLIAN: Including the mobile home.

MR. LARRAÑAGA: Including the mobile home.

COMMISSIONER VIGIL: What's the pleasure of the Commission, if there are no further questions and no further public input? If nobody's willing to make a motion I will. I think we need to uphold staff's recommendation of denial on this.

COMMISSIONER STEFANICS: I second.

COMMISSIONER VIGIL: Okay. I have a motion and a second. Any further

questions?

The motion to deny passed by unanimous [3-0] voice vote.

COMMISSIONER VIGIL: Your motion for a variance has been denied on this. Hopefully, you can work with staff with regard to any alternatives that you will have and what needs to be done in order to comply with this action. Thank you very much for coming before us and good luck. I hope you are able to create a remedy.

XIII. A. 5. Commonweal Conservancy Inc., Applicant, Ted Harrison, Agent Request Preliminary, Non-Binding Approval of a Proposed Public Improvement District (the "PID") Encompassing Approximately 300 Acres in the Unincorporated Galisteo Area Known As "The Village at Galisteo Basin Preserve." (Peter Franklin) [Exhibit 4]

COMMISSIONER VIGIL: My understanding, staff, is that basically, at the core of tonight's question before the Commission is whether or not the Board of County Commission would give direction to staff and to the applicants to move forward for the request for the PID. Does that make sense? Vicki, it's all yours.

VICKI LUCERO (Residential Development Case Manager): Madam Chair, before we get into the presentation on the PID request I would just like to give a brief summary of the project.

COMMISSIONER VIGIL: Please.

MS. LUCERO: In 2006, Commonweal Conservancy, Inc. submitted an application for master plan zoning approval for a mixed-use development consisting of 965 residential units, up to 150,000 square feet of commercial, institutional, educational and recreational space, as well as open space, parks and trails on approximately 10,316 acres located south of Eldorado, west off of US 285. And attached as Exhibit A there's a vicinity map that shows the location of the site. The proposal was to transfer the density and cluster the development on approximately 300 acres within the overall property. The remainder of the property would be open space consisting of parks, and a trail system to include publicly accessible biking, hiking and equestrian paths. Attached in Exhibit B is a site plan showing the area to be developed, followed by a sheet that shows the overall property.

The development was proposed to be developed in five phases over a 15-year build-out period. On June 12, 2007 the BCC granted master plan zoning approval for the Village at Galisteo Basin Preserve. The applicant has requested partial funding of the development through the establishment of a public improvement district. The application for establishing the PID has been submitted to Santa Fe County and reviewed by the PID review committee. With that, Madam Chair, if there are no further questions, I'd like to turn it over to our bond counsel, Peter Franklin, who will present the PID request application.

COMMISSIONER VIGIL: Are there questions for Vicki? Who is our PID committee?

MS. LUCERO: It consists of Peter Franklin, our bond counsel, and several members of the County staff, including the Finance Department, the Assessor's office, Land Use staff.

COMMISSIONER VIGIL: And really, that's just an administrative decision. It isn't the committee or the board that would be required to be created as a result of a PID. This is just kind of an administrative support? Okay. Great. Thanks. Yes, Mr. Franklin. Please step forward. How are you?

MR. FRANKLIN: I'm fine, thank you, Madam Chair, Commissioners. Let me just clarify something that Vicki mentioned. This is an application for preliminary PID approval, not final approval, and essentially the applicant is looking for sort of general non-binding support for this form of financing for certain infrastructure projects, which are needed to move this development forward.

The PID review committee was established pursuant to resolution of the BCC. It was Resolution 2006-14. Under that resolution of the review committee is the County Manager, the Finance Director, the Director of Public Works and the County Attorney or their designees. When we received this application I believe staff and I met with the applicant at least twice and then with each other I believe two or three more times. Went through the application, discussed various questions that the staff identified and came up with the report that I believe is before you with some recommendations.

The recommendations, or rather the conclusions of the report are that the application meets the requirements of the County's PID application policy for preliminary application approval. And staff had identified from the pretty long list of eligible improvements that the applicant would like to pursue basically four sets of improvements that staff felt would be suitable for PID support. What I – let me read the staff recommendation and then I guess one thing I'm hesitating over is whether any of you are actually familiar with what a PID is and that sort of thing. I should certainly go over that if that's something that you have questions about.

But in any case, the recommendation is the preliminary PID approval be provided and limited to water system improvements, including all or portions of the extension from the proposed development to the County's water storage tank in the Community College District. Secondly, improvements to intersections of US 285 and Astral Valley Road, and it was unclear from the application whether there is one or more intersections involved there, so that's a question. Community facilities including a post office, library, plaza and environmental center and performance amphitheater and lastly, recreational trails and bike paths.

That is the basic recommendation. What the report does is give you some details about the compliance of the application with the County's policy and it also addresses in the second section, starting on page 5, some observations by County staff and continuing concerns or questions which would have to be addressed certainly in a formal PID application.

COMMISSIONER STEFANICS: Madam Chair, I have a question.

COMMISSIONER VIGIL: Please.

COMMISSIONER STEFANICS: Okay, so back to the whole concept of a PID, the payment of the bonds relies upon the selling of the lots.

MR. FRANKLIN: Well, Madam Chair, Commissioner Stefanics, that is certainly true as a practical matter. As a legal matter when the PID is created and the levy is imposed, the levy is owed by whoever owns the property at that point. Developers who establish these districts are relying on the absorption of the lots so that they don't have to pay the full freight or as little it as possible.

COMMISSIONER STEFANICS: So, we could say, Madam Chair, it's the developer's financing that will become responsible for the bond. How they choose to acquire the financing, either through loans or sales is their issue.

MR. FRANKLIN: Madam Chair, Commissioner, that is true. It is a concern – or let me put it this way. It's within the County's legitimate area of inquiry to ask the question, Will this project succeed. If a PID is formed and if a special levy is imposed, and certainly, if bonds are issued, which are not obligations of the County but through a district which has been created by the County, it's certainly a legitimate question to ask will this development be successful and will the bonds be repaid. That's a fundamental analysis.

COMMISSIONER STEFANICS: And Madam Chair, it leads to the next question, not wishing this on any entity, but if the project defaulted, what would be the County's liability?

MR. FRANKLIN: Madam Chair, Commissioner, the County would have no legal liability. The remedy for bond holders, and I want to add we are jumping ahead a little bit. We want to give some description to how – the remedy that bond holders have is foreclosure of the lien of the special levy on each of the parcels within the district. And the PID statute provides for an accelerated foreclosure process. The governing board of the PID, whether that would be the County Commission sitting as the Board an appointed board for the initial period, would be obligated to proceed with foreclosure after notice to the property owner, and under current conditions, land-secured bonds like these are not – these transactions aren't going on right now. They were going on quite a bit two and three years ago. I should add that the applicant's financial advisor is here and has worked on a number of PIDs in New Mexico and could answer questions about the marketability of these kinds of bonds right now.

But the answer to your question is the foreclosure remedy is really the only remedy bondholders have. The County is not obligated in any way to exercise that remedy but the PID board and probably the trustee for the bonds is obligated to exercise that remedy.

COMMISSIONER STEFANICS: So Madam Chair, with a preliminary approval and –

COMMISSIONER VIGIL: Non-binding.

COMMISSIONER STEFANICS: Non-binding. Is there a date in here that's expected to actually set up the PID?

MR. FRANKLIN: Madam Chair, Commissioner, there is no date, and in order to proceed with this, a formal application would have to be submitted and reviewed at some length by the review committee and a number of additional information pieces would be

necessary. Specifically we would need an appraisal of the land to be included. The land would have to appraise at at least three times the amount of the bonded indebtedness. There are a lot of steps. And really, the purpose of this preliminary approval is to let the applicant know whether the considerable expense and effort that it would take to put together a formal application is really something worth pursuing.

COMMISSIONER STEFANICS: Thank you, Madam Chair.

COMMISSIONER VIGIL: Thanks. Questions? Peter, I have a question. If the applicant comes forth and asks for the PID for specific purposes, say, the trails, the water system, the scope of what they're actually looking at, can that application be amended to broaden the scope or does the PID, the public improvement district need to be an assessment specifically for the original purposes of an application?

MR. FRANKLIN: Madam Chair, under the statute, the district, once it's created has quite broad powers by statute. However, the way these districts have been created in New Mexico so far, and I think there are four or five of them total, they've all had very limited powers given to them through the formation resolution that the governing body of the local government adopts. And in addition to the formation resolution there is a development agreement between the governing body, the district, and the developer which really tries to say very specifically, here's what the district can do, here is the maximum it can levy, here is what the infrastructure has to be, here is when it will be provided, here's the inspection process for prior to dedication and so on.

COMMISSIONER VIGIL: Okay. So agreements can be entered into, or the board can be created with limiting authority. Those kinds of things, is what I'm hearing you say.

MR. FRANKLIN: Yes. And my recommendation, and I think that of the people who tend to work on these things, would be to be very specific about what can and can't be done.

COMMISSIONER VIGIL: Okay. And my understanding of the request tonight is that a preliminary, non-binding approval of a proposed public improvement district is what we're taking action on. Now is this step statutorily identified? Or is this just a step that has been brought forth because the last PID we looked at did not get voted in favor of. I think I know the differences between the two requests, and I'm sure you do, Peter, but is this required? Do we need to have it?

MR. FRANKLIN: Madam Chair, this is not a procedure that is identified in the statute, per se. This is something that the County in its PID application policy resolution identified as something that the County would consider on a non-binding basis in order to give applicants some sense of whether there was informal support for going forward.

COMMISSIONER VIGIL: Or not.

MR. FRANKLIN: Or not.

COMMISSIONER VIGIL: Okay.

MR. FRANKLIN: And again, frankly the reason is that to put a formal application together really costs many thousands of dollars and is a serious undertaking.

COMMISSIONER VIGIL: Thank you, Mr. Franklin. Any further questions?

This is a public hearing. Is there anyone out there that would like to address the Commission on this? Are you a party to this and would you like to address this also? Okay, then we have one public person. Please state your name and address for the record, and I do believe you need to get sworn in.

[Duly sworn, Ted Harrison testified as follows:]

TED HARRISON: My name is Ted Harrison and my address is 2112 Paseo del Monte in Santa Fe.

COMMISSIONER VIGIL: Welcome, Mr. Harrison.

MR. HARRISON: Thank you. I appreciate the opportunity to be with you this evening. Madam Chair, members of the Commission, I do have a brief presentation that I can provide you or spare you, if you feel like Peter's description of our request is straightforward enough. But I thought it might be helpful to have a little bit of context as to what the larger project involves if that would be beneficial in your deliberations.

COMMISSIONER VIGIL: Let me look at my colleagues and sort of take an informal consensus.

COMMISSIONER HOLIAN: I'm fairly familiar with the project. I've heard about it in my role on the CDRC. But I'm –

COMMISSIONER VIGIL: Elizabeth.

COMMISSIONER STEFANICS: Madam Chair, I could go either way. I've been down to the property and I've talked with Mr. Harrison once or twice and I've heard about the project from several people.

COMMISSIONER VIGIL: I think we're going to move forward with this and save your stellar presentation for the application. I think we have enough familiarity with it, and we know specifically what you're creating the PID for. So I think we have sufficient information at least for tonight, to take action.

MR. HARRISON: Great. And if you have any other questions I'd be happy to answer them.

COMMISSIONER VIGIL: Are there any questions?

COMMISSIONER STEFANICS: Well, Madam Chair, the question that was posed here is, where – is there one entrance only?

MR. HARRISON: Actually, there are two entrances that would be improved with PID funds.

COMMISSIONER STEFANICS: Because one just says an access road, and the other says the main entrance. So you might want to clarify that. It says emergency access.

MR. HARRISON: That's true. There's actually a developed roadway, Madam Chair and members of the Commission. There's a developed roadway that was the old ranch road into the Thornton Ranch that serves as the main entry into the property and the proposed village site, about a quarter mile north of that main entry. It was a road that serves an existing neighborhood that is proposed as the emergency access. It's located about a quarter mile north of the main entry.

COMMISSIONER STEFANICS: Well, I would just suggest that you think

about – maybe it has nothing to do with the PID – well, it does have to do with the PID. You may want to think about ingress and egress because that's the main – that's a big issue coming up out of Eldorado right now. So when there are emergencies and problems there needs to be some planning for how the community is going to be dealt with. So you might just want to put that into the plans.

MR. HARRISON: Madam Chair, yes.

COMMISSIONER VIGIL: Okay. No further questions? This is a public hearing. Would anyone else like to address the Commission? Seeing none, the public hearing is now closed. What is the pleasure of the Commission?

COMMISSIONER HOLIAN: Madam Chair.

COMMISSIONER VIGIL: Yes.

COMMISSIONER HOLIAN: I move for approval of the preliminary, non-binding approval of the proposed public improvement district, encompassing 300 acres in the unincorporated Galisteo area known as the Village at Galisteo Basin. I just want to say that I think that, first of all, this is preliminary and non-binding. We definitely should go forward on this. Also, I can sort of see a lot of potential applications for public improvement districts in other places and Santa Fe County going forward, so I would really encourage this mechanism to be explored fully and to see whether we could make it work.

COMMISSIONER STEFANICS: Second.

COMMISSIONER VIGIL: Motion and second. Any further discussion?

The motion passed by unanimous [3-0] voice vote.

XIV. ADJOURNMENT

Chair Vigil declared this meeting adjourned at 7:30 p.m.


Approved by:

Board of County Commissioners
Virginia Vigil, Acting Chair

ATTEST TO:

VALERIE ESPINOZA
SANTA FE COUNTY CLERK

Respectfully submitted:


Karen Farrell, Wordswork
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