

MINUTES OF THE
SANTA FE COUNTY
WATER POLICY ADVISORY COMMITTEE

July 9, 2015 (Approved September 9, 2015)

Santa Fe, New Mexico

I. This meeting of the Santa Fe County Water Policy Advisory Committee (WPAC) was convened at 5:00 p.m. by Chair Charles Nylander on the above-cited date at the Santa Fe County Public Works Building Conference Room, 424 NM 599, Santa Fe, New Mexico.

II. The following members were present and a quorum was established:

Members Present:

Charles Nylander, District 2
Consuelo Bokum, BDD Board
Bill King, Soil & Water Conservation
Anna Hamilton, District 4
Mary Helen Follingstad, Northern Planning Area
Sigmund Silber, Central
Rik Thompson, Estancia Valley Water Planning Committee

Member(s) Absent:

Mukhtiar S. Khalsa, District 1
Steve Rudnick, District 5
Rita Loy Simmons, District 3
Martha Trujillo, Acequia Association
[One vacancy]

Staff Present:

Claudia Borchert, Public Utilities Division Director
Sandra Ely, Aamodt Manager
Jerry Schoeppner, Hydrogeologist

III. **Approval of Agenda**

Mr. King moved approval as published. Mr. Thompson seconded and the motion passed without opposition.

IV. **Approval of Minutes: May 7, 2015**

Action was postponed until the next meeting.

V. **Matters from the Public**

None were presented

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05/24/2016

VII. Discussion Items

A. Update from WPAC Allocation Working Group: Consuelo Bokum, Steve Rudnick, Andrew Erdman (Charlie Nylander); staff, Jerry Schoeppner

Mr. Schoeppner said the group has met and lacks direction which he hoped will be resolved with additional meetings. Ms. Bokum said the subject is large and the group discussions have been substantive with many tangents.

Ms. Borchert said the contract for the water service agreement analysis has been signed and the results of that analysis will help direct the working group.

B. Update from WPAC Sustainable Land Development Code Working Group: Martha Trujillo, Anna Hamilton, Rik Thompson, Bill King (Charlie Nylander); staff, Claudia Borchert

Ms. Hamilton said the group has met several times and developed a redline version of the pertinent code sections. Staff is reviewing and collating the issues. It was mentioned that a meeting with Growth Management staff would be useful; however, the definitions should be tackled before that meeting.

The following observations were offered:

- The .25 acre-foot allotment was deemed too restrictive and enforcement was questioned
- Paperwork requirements for development permits for a single family residence versus subdivision developments were inequitable
- Minimum lot size in the south county is 160 acres, which is illogical since the south has more water than the rest of the County
- Someone with 160 acres should not have to go through the same hoops as someone with a smaller lot and, in fact, an OSE permit should suffice
- The code sectioning was not optimal and determining where to access information was complicated. Ideally, it should be reorganized with new subheadings
- Non-residential development, above 10,000 square feet, had a different set of restrictions that should be tied to a water budget
- The requirement for connecting to a County water or wastewater, mutual domestic or private system, fails to seek verification whether that system can accommodate more customers
- Working with the code requires a great deal of flipping back and forth
- There was support to suggest that the utilities information be better organized and rearranged
- A useful table of contents would benefit the code
- It was preferred that the requirements be located in one place
- Changes should be presented to Growth Management staff as reorganization
- Considering farming/sustainable growth, the .25 acre-foot restriction should be revisited
- Fire restrictions appear too severe for the south county and the issues of fire protection require additional definition

- An SDA4 is necessary to distinguish between the SDA 3 Pojoaque and White Lakes area

Growth Management is currently working on the zoning maps and community plans.

The working group looked at the code from the perspective of a developer, of county staff as administrators of it and of an individual homeowner.

C. Update from WPAC Development Working Group: Sig Silber, Mary Helen Follingstad (Charlie Nylander) Staff, Sandra Ely/Paul Casaus

Mr. Silber said they will be meeting next week to work on a flow chart and while it has been slow, progress is occurring. He preferred "Request for Water Service" over development. A decision tree was also under consideration and what the "ready, willing and able" part of the process meant. How long does the option for delivery of water run? The group is also trying to define the steps that the developer has to go through, and the response time that the County has to reply. Internally, the County needs a mechanism to keep track of how a project is moving through the process.

Including a fee or renewal fee to maintain a position on the list would incentivize the project to move along or come off the list if financing is not obtained. The regulations should not encourage premature frivolous filings.

Ms. Borchert said scope of work for the water service agreement analysis includes developing a list of the projects/individuals who have received "ready, willing and able" agreements with the County, amounts paid, etc. She said that as long as they are paying their service charges, there is no sunset. Some of the contracts are \$400,000 in arrears. The agreements have evolved, and all are different. Initially they were paying for infrastructure, then they were buying water rights at \$20,000 an acre-foot. Next, it was getting service and paying a stand-by fee.

Currently, the only commitment the County gives to a developer is within a year of their water requirement. The developer may be required to bring water rights, or pay a fee in lieu and any other charges as the utility may see fit.

Chair Nylander referred to a draft memo for the BCC on WPAC progress for the first six months of 2015. The memo to the BCC requests an extension on the three working group topics, with a completion set for year-end. The additional time will facilitate receiving the studies in order to analyze and complete the working group products.

The Aamodt settlement, the County's associated responsibilities with the agreement, and the review of the County's master planning documents for water and wastewater would be tackled in 2016.

In the meantime, it was noted that WPAC can take credit for doing extra work in terms of the rate structure and the resolution for governing the acquisition of small water systems. That was conducted by email and was helpful for staff. WPAC will also review and comment on the

Jemez y Sangre Regional Water Plan Update. A project list will be tendered by the County to the Jemez y Sangre Planning Group.

Mr. Silber recommended providing more information to the BCC by better defining details of the WPAC 2016 plan.

Ms. Ely said she would be prepared to work with the WPAC during the first quarter of 2016 on Aamodt issues. There are certain Aamodt policies that will affect a resident's decision whether they want to hook up to the new regional water system. She felt it was appropriate to start work in January. The JPA currently under negotiation might also be ready early 2016.

Ms. Borchert said the master planning requires input as well as the deliverables. She surmised there would be decision points throughout the process for the WPAC to provide feedback on, and WPAC would be involved in the utility master plan throughout.

Ms. Borchert said the 2016 work plan should include backup wells.

Mr. Silber recommended the proposal have a positive slant.

Other potential topics for 2016 could be review of the City's proposed enhanced groundwater model for the Santa Fe Basin, and additional input on the Buckman diversion structure regarding excessive sedimentation. Aamodt would occur during the first part of the year and the master planning work is ongoing.

D. Resolution Establishing Policies and Principles to Govern the Development of Santa Fe County Water Utility Rate Schedules

Chair Nylander noted that the WPAC has reviewed and commented on these policies and principles. The following list contains principles and considerations for developing rate schedules:

- Tier rate structure
- Seasonality
- Customer class equity
- Geographic equity
- Backup supplies
- Automatic inflation-based changes
- Regional parity
- Financial sustainability

Ms. Borchert expected staff would propose a customer class rate change by the fall. The current rates lack consideration of BDD financing and automatic inflation-based changes are not included. Utilities should recover their costs, including debt service, she stated.

E. Resolution Establishing Procedures Governing the Acquisition, Integration, and Provision of Technical Assistance to Community Water and Wastewater Systems

The WPAC reviewed this proposed resolution via email and Chair Nylander noted that, if the BCC adopts the resolution, it gives this committee the responsibility to review and comment on any proposed acquisitions. Cañoncito, Hyde Park Estates and Chupadero systems were mentioned as possible reviews.

Ms. Borchert said that if a system comes up for acquisition, staff would identify the assets and liabilities. This committee would weigh the issues as a policy decision, asking if it is for the good of the County, etc. She noted the resolution is modeled after the County's road adoption policy, which requires review by the County's Road Advisory Committee as an advisory group.

Chair Nylander said extra eyes on a project is a good idea, and cited the easement problem in Chupadero as an example. Mr. King said the BCC may not take the WPAC's recommendation, but it's good to have additional eyes reviewing the situation.

- F. Jemez y Sangre Regional Water Plan Update**
 - 1. List of regional projects**
 - 2. Steering Committee Proposed Method to Prioritize Programs, Policies and Projects for Implementation**

Chair Nylander said the Interstate Stream Commission has asked each region to provide a comprehensive list of policies, programs and projects to narrow the gap between water demand and available water supply. County Commissioner Holian chairs the Jemez y Sangre steering group, and she has asked the WPAC to develop a method to prioritize and rank different projects, with criteria and weightings.

A spreadsheet prepared by staff which described projects with strategies (increase existing supplies, improve system efficiency, mitigate drought, protect existing supplies), reasons for the project, potential partners, region, etc. was reviewed by the Committee.

Ms. Borchert said the projects included on the spreadsheet have a regional benefit, pooling abilities and resources versus tackling them individually. In regard to water system regionalization, Santa Fe County, City of Santa Fe and Pojoaque could form one utility, or it could be regionalizing small mutual domestics as is occurring in the Mora area, similar to that which Glorieta has done.

Ms. Hamilton questioned whether regionalization raises efficiency. The theory of increased efficiencies with billing is accurate, but none of the state regulatory groups are prepared to look at the consolidated system as one unit. The theory is good, but at this point it is not a reality, she stated.

Determining how to rank the projects is the challenge.

Chair Nylander agreed with Mr. Silber's observation that everyone wants their project in the Regional Plan update when applying to the Water Trust Board.

Ms. Bokum said the first regional plan contained a great list of things with technical, legal, and financial feasibility analyses, but it lacked the step of prioritizing.

Mr. King commented on the political pressure and urgency/emergency issues the Water Trust Board deals with. Ms. Bokum concurred with that comment and said that with a good prioritization system, it could be successful. Ms. Borchert mentioned there may be other sources of money available.

Ms. Bokum emphasized the need to understand vulnerabilities in closing the gap between supply and demand. Ms. Borchert said that would be one of top criteria.

Ms. Borchert defined the Sangre y Jemez area between the two mountain regions -- Jemez and Sangre de Cristo.

The idea is to develop criteria for all 16 regions, and to make it uniform statewide. Each region is creating its own methodology, and any list of criteria could have numeric values to create a scale.

The question of how to prioritize the projects and get the City Council and County Commission behind them before going before the Water Trust Board remains. Chair Nylander commented that it is up to the individual sponsors of the projects to decide when and where they will apply for Water Trust Fund money, and Jemez y Sangre Council will not be involved in that.

Ms. Borchert said it was appropriate for this group to provide its expertise.

Ms. Borchert was complimented for having provided an excellent spreadsheet.

Mr. Silber recommended developing a list of criteria for ranking projects and discussing it at the next meeting.

The criteria will be emailed to the WPAC for feedback within the next month, and then it will be modified and sent to Commissioner Holian as a product of the WPAC.

VII. Matter from the Committee

None were presented.

VIII. Matters from County Staff

Ms. Borchert said Mukhtiar Khalsa recognizes that he is unable to serve on the committee, and staff hopes to obtain and forward his resignation to the Commission. There will be two vacancies.

Ms. Ely provided a Regional Water System update and said, at this point, the design work is locating two new tanks in Tesuque; twelve wells are proposed. The Top of the World water transfer continues through the system. The County purchased the farm by the Colorado border which came with 1,700 acre-feet, 1,100 of which BIA has in trust for the pueblos, leaving the County 600 acre-feet. An application was submitted in January to transfer the water and divert it

at Otowi. Notice went out and objectors have until Monday, July 13th to file objections. Despite the County's best efforts to explain that the County is not taking anyone's water rights and more water will be in Rio Grande, Taos County will be objecting.

Work on the JPA with the pueblos which will help establish the regional water authority that will oversee the regional water system is underway. The most contentious point is representation on the board: how many members should each of the parties have on the board? A draft of the JPA is online and comments are being accepted.

A white board sketch video is in development to educate the public on well election or connection to Aamodt.

Mr. King suggested it may be appropriate for the WPAC to advise the BCC on the composition and voting membership of the Aamodt Authority.

Ms. Ely said it is not only who has voting power but how much power their vote carries. The JPA includes super majority and veto provisions which give the County a certain amount of leverage regarding the budget.

Ms. Borchert said she would contact the committee following her conversation with Ms. Ellis-Green.

IX. Adjournment

Having completed the agenda and with no further business to come before this Committee, Chair Nylander declared this meeting adjourned at approximately 7:40 p.m.

Approved by:

Charles Nylander
Charles Nylander, Chair

K. Farrell
Respectfully submitted by:
Karen Farrell, Wordswork



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss WATER POLICY ADVISORY
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I Hereby Certify That This Instrument Was Filed for
Record On The 24TH Day Of May, 2016 at 11:13:26 AM
And Was Duly Recorded as Instrument # 1794335
Of The Records Of Santa Fe County

Deputy *Estrella Martinez* Witness My Hand And Seal Of Office
Geraldine Salazar
County Clerk, Santa Fe, NM

REC'D
BFC CLERK RECORDED 05/24/2016