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SANTA FE
BOARD OF COUNTY COMMISSIONERS
MEETING

January 30, 2007

Virginia Vigil, Chairman
Jack Sullivan, Vice Chair
Michael Anaya
Paul Campos
Harry Montoya



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BCC MINUTES
PAGES: 244

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SANTA FE COUNTY
REGULAR MEETING
BOARD OF COUNTY COMMISSIONERS

January 30, 2007

This regular meeting of the Santa Fe Board of County Commissioners was called to order at approximately 10:10.m. by Chair 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, Chair
Commissioner Jack Sullivan, Vice Chair
Commissioner Paul Campos
Commissioner Harry Montoya
Commissioner Mike Anaya

Members Absent:

[None]

V. INVOCATION

An invocation was given by Chaplain Jose Villegas.

VI. APPROVAL OF THE AGENDA

- A. Amendments**
- B. Tabled or withdrawn items**
- C. Consent Calendar: Withdrawals**

CHAIR VIGIL: Are there any changes to the agenda.

ROMAN ABEYTA (County Manager): Yes, Madam Chair. The first is under IX. B. We added a resolution requesting approval for Santa Fe County to be a co-applicant for an Economic Development Administration grant with United Way of Santa Fe County for a commercial kitchen. Staff is requesting that item XII. Consent Calendar D. 16, on page 5 of the agenda be removed from the Consent Calendar for discussion.

Under XIII. Staff and Elected Officials' Items, we've added A. 1 and A. 2 under the Project and Facilities Management Department, which are related to the Public Works Facility building. Under XIII. B. 2 we noted on the agenda that item B. 2 is for discussion only; the actual vote will be taken at the end of February, due to noticing requirements.

Continuing with D. Water Resources Department, we added items 2 and 3, which are related to the Pueblo of Pojoaque and Santa Fe County regional wastewater project. And finally, Madam Chair, staff is requesting that item E. 1 Approval of sole community provider funding be moved to after the presentation of the fiscal year mid-year budget by the Finance Department. So we're asking that item E and F be switched around. We'll hear the Finance Department items and then go to the Health and Human Service Department. There are no further changes, Madam Chair, from staff.

CHAIR VIGIL: Okay. Are there any consent items that any of the Commissioners wish to discuss? Commissioner Sullivan.

COMMISSIONER SULLIVAN: Item D. 7, on page 4, D. 10, and 18 - there's nothing in the packet so was there some plan to hand something out or something?

CHAIR VIGIL: Actually, I did hear from the Fire Chief and he does have a handout.

COMMISSIONER SULLIVAN: So then we better pull that out. Otherwise we'd be approving something with nothing in the packet.

CHAIR VIGIL: Very well.

COMMISSIONER SULLIVAN: That's not one of my withdrawals. I'm not taking that.

CHAIR VIGIL: We will remove it.

COMMISSIONER SULLIVAN: And the last one is 22.

CHAIR VIGIL: Okay. Are there any other removals?

COMMISSIONER MONTOYA: Madam Chair.

CHAIR VIGIL: Commissioner Montoya.

COMMISSIONER MONTOYA: I'd like D. 19 removed.

CHAIR VIGIL: That's D. 19 on page 5?

COMMISSIONER MONTOYA: Yes.

CHAIR VIGIL: Okay. Any others? Seeing none, the only addition I would I make is, Roman, under D. 12, there was an additional figure added in the amended agenda of \$868,702.

MR. ABEYTA: We made it clear on the Consent Calendar what that amount was.

CHAIR VIGIL: Okay. Very well, if there are no further removals is there a motion?

COMMISSIONER ANAYA: Move for approval as amended.

COMMISSIONER MONTOYA: Second.

CHAIR VIGIL: Motion and second. Any further discussion? Seeing, hearing none.

The motion to approve the agenda as amended passed by unanimous [5-0] voice vote.

VII. APPROVAL OF THE MINUTES

A. December 12, 2006

CHAIR VIGIL: Are there any changes?

COMMISSIONER SULLIVAN: Madam Chair.

CHAIR VIGIL: Commissioner Sullivan.

COMMISSIONER SULLIVAN: One change on the December 12th minutes.

CHAIR VIGIL: One change. Any others?

COMMISSIONER CAMPOS: Should the change be identified?

CHAIR VIGIL: What is your change, Commissioner Sullivan?

COMMISSIONER SULLIVAN: It's typographical.

CHAIR VIGIL: Typographical. Okay. That could be given to the Clerk. Is there a motion to approve the December 12, 2006 minutes?

COMMISSIONER SULLIVAN: So moved.

CHAIR VIGIL: Hearing that, is there a second.

COMMISSIONER CAMPOS: Is that with the typo?

CHAIR VIGIL: With the change.

COMMISSIONER CAMPOS: Second.

CHAIR VIGIL: Motion and seconded. Any discussion? Seeing, hearing none.

The motion to approve the December 12, 2006 minutes as corrected passed by unanimous [5-0] voice vote.

C. December 13, 2006 - Study Session

CHAIR VIGIL: Are there any changes, corrections to those minutes?
Commissioner Sullivan.

COMMISSIONER SULLIVAN: Yes, I have three typographical.

CHAIR VIGIL: Any other changes? Commissioner Campos.

COMMISSIONER CAMPOS: It looks like we have only two members showing up; there was no quorum for that meeting, for that study session. So I'm not sure how to handle that.

MR. ABEYTA: Madam Chair, when we've had this in the past, we don't need the minutes to be approved.

CHAIR VIGIL: Okay. Then they will just remain before us and be placed on the record at the Clerk's office for anyone who's interested.

MR. ABEYTA: Yes.

CHAIR VIGIL: No action need be taken on that then.

VIII. MATTERS OF PUBLIC CONCERN – NON-ACTION ITEMS

CHAIR VIGIL: Now, these are matters that you will come before the Commission on, are matters that are not items of the agenda that are going to be heard today. So if you're here for a specific item on the agenda, please wait until that item gets heard. Other than that, if you're here to address the Commission on any other matter besides what's on the agenda please come forth. Mr. Gold, would you state your name and address for the record.

DAVID GOLD: Yes. My name is David Gold and my address is 70 Sloman Lane, Santa Fe, 87507.

CHAIR VIGIL: Please address the Commission.

MR. GOLD: Commissioners, I'm here today to express my concern with an article that appeared in the *New Mexican* last week, which described an application for water rights transfer at the Office of the State Engineer. There are three areas of concern that I want to address. The first one involves the public process surrounding such an application as far as the County is concerned. The second involves impairment to existing users, and the third one involves sustainable water policy.

So as all of you know, about four years ago I was forced to learn a lot about hydrology and the laws surrounding hydrology in this state. As a result I did learn a lot and I found that basically there's a lot of complexity around how things are shaped under the ground and internal structures, that type of modeling. But there's a very fundamental aspect of it. And basically, that is the basin underneath us can be viewed as a tank of water, and if you stop for a minute and think, okay, there's water coming in and water going out. As an example, if you say there's a pipe coming in that allows two acre-feet a year of water to go in, and you have another pipe going out that has one acre-foot of water coming out, then you can sustain that and hence have a sustainable system. And if you even allocate up to two acre-feet a year of water going out you can sustain it. But if you allocate three acre-feet a year going out and you have two acre-feet a year, what happens? Your tank runs dry.

So regardless of the fact there are different layers in the aquifer, there's all kinds of stuff, the bottom line is basically it is that simple. There's water coming in. You can draw a certain amount and either you draw it down or you keep it sustainable. Now this applies – I'll go back to this analogy several times as I'm going to speak. One aspect of what I wanted to talk about is the public process around this application. When the County – about a year and a half ago I was very excited because there was a public hearing where the County Utilities Department presented a water model that they were doing and they were showing that they were going to carefully model the impact on the aquifer of any wells. They were going to create a sustainable water system, and they were going to be very careful about this. They had a very large public review process and I was intrigued. I thought they were doing a great job.

I was also assured at that time that when they came up with a comprehensive water plan that there would be a similar public review process, and that before actions were taken by the Commission that there was going to be a plan that was going to be publicly viewed and that there would be public input and that the Commission would even be involved. So I was rather surprised when I learned from the newspaper, not from any public advertisement or anything, but from the newspaper, that in fact no such plan existed at this time or if it did it had not received any specific public review, and that the County in fact had taken an action that would have an impact on the City water system, potentially, existing well owners, and acequias in this entire basin.

Needless to say I'm quite disappointed that something like this occurred and I think that it occurred not as a result of maliciousness but more as a result of oversight. But nonetheless, it should be corrected. I want to talk about sustainable water and the Office of the State Engineer, because somebody could say, oh well. All of the decisions will be taken, all of the analysis will be done by the State Engineer. The State Engineer does not deal in a sustainable water model. The State Engineer is bound by law. I can give you some examples because you're all aware of some of them.

One, domestic wells. Right now domestic wells are allocated by law by the State Engineer. They tried to cut it back but they can't. So the water in New Mexico, a lot of it is doubly allocated, basically. Needless to say, that's not sustainable. In the analogy I gave you before, that's drawing from the tank and drawing it down. But it's not hopeless at this point. The other thing the State Engineer does is when somebody goes in for a water rights transfer to a well, they don't analyze to see whether it's a sustainable transfer. They analyze to see whether it can last for - in the case of a municipality - forty years.

Now, all of you on this Commission know that 40 years is less than a person's lifetime. It's not that far. So their concern, by law, is not that any municipality will have a sustainable usage of anything. Their concern is quite simple. Will this last for 40 years? Now, in certain cases, for example in Tularosa, what happened was they allocated water and an acequia dried up because it was a 40-year time frame. They are not dealing in sustainable water. They count on counties, and they pray - because I've talked to the individuals in the State Engineer's Office. The people that are doing the actual analysis, it drives them nuts because they know exactly what's going on and they've said it to me quite simply: Right now we've over-allocated water. We're mining water in New Mexico in many places.

This needs to change, and they're trying to change it, but there's a lot of pressure and you can imagine, all of you have an idea of the type of pressure that is preventing these types of changes from taking place. Nonetheless, in Santa Fe County, like I say, I was very excited because the County water plan, the 40-year water plan spoke of being sustainable. The County general plan speaks of being sustainable. This is in fact the right thing to do because the only way that you can assure long-term supply of water to your residents is to have a sustainable water system. To understand what it means very specifically, to do the analysis, to do the modeling and to create a good system.

So the reason I'm bringing this up is because there is a specific action that I'd like to see

the Commission take. There are two. One is I think that this application should be withdrawn. The application as it sits right now is very vague and general. It's impossible to analyze what specific effect it will have on anyone or anything. It also does not deal with whether or not this is sustainable, and to my knowledge, no analysis or thought has gone into creating a sustainable system.

The second thing I would ask the Commission is that before any other such applications are made that the Commission ask the utilities department to come up with a comprehensive system plan and define how this will work, how areas that if they should openly be impacted or impaired, will receive water. How the acequias would be impacted. How the aquifer would be impacted, because in different areas it would be impacted different ways. Before any transfer - this is ultimately, an application like this costs taxpayers money. There's a lot of legal fees that will ultimately result in it should it go - should the State Engineer accept it. It's a very unusual application and my hope is frankly they'll reject it. And that will save everyone a lot of time and hassle. But if not, the County is going to incur a lot of legal fees for what? We don't know right now. And you should.

I feel that you owe it to your constituents to find out, to come up with a plan and then execute upon it and understand what the plan means. And also if it turns out that your plan is to not have a sustainable water system, that needs to be clearly understood and addressed. This application is not a sustainable application, but the public policy is to have a sustainable water system. So anyway, like I say, those are the two things - comprehensive plan and withdraw applications until a comprehensive plan is in place.

CHAIR VIGIL: Thank you, Mr. Gold. Are there any questions or comments?

MR. GOLD: I thank you for your attention, Commissioners.

CHAIR VIGIL: Thank you. Is there anyone else that cares to address the Commission? Please state your name and address for the record.

JIM VICTOR: Good morning. My name is Jim Victor. I'm at 64 Old Galisteo Way here in Santa Fe. I'm representing the Old Galisteo Way Road Association on behalf of our association, Dr. Renny Levy. He sends his apologies for not being here today, but has prepared a statement for me to give to the Commissioners in hopes that we can get something done. If I can read that statement?

CHAIR VIGIL: Please.

MR. VICTOR: I am president of the Old Galisteo Road Association. The association consists of 16 homeowners whose residences are served by Old Galisteo Way. I wish to bring to your attention the status of Old Galisteo Way and to request that Santa Fe County take action to assume responsibility for maintaining the road. Old Galisteo Way lies south of Santa Fe near Rabbit Road. It's a dead-end road with a little bit more than mile long running parallel to Old Galisteo Road. Though Old Galisteo Way was maintained by the County for many years and probably was designated as a County road, more recently the road was neglected and fell into disrepair until our association organized and made substantial repairs including grading and .2 mile of basecourse run.

While the road is now in much better condition, there are two compelling reasons why

the County should assume responsibility for maintaining the road. First, the association's efforts to maintain the road have been repeatedly and persistently disrupted by a neighboring homeowner and there are no signs that conflicts with that neighbor will be resolved short of involvement with the County. More than 20 years ago litigation was commenced against this homeowner to prevent interference with public use of the road and a district court injunction was issued. Nonetheless, this homeowner has continually interfered with every effort to perform any kind of work to keep the road passable and safe for use.

In 2004 the association applied for a County permit to perform the work on the road and County staff requested that the association participate in mediation with the homeowner before issuing a permit. In order to avoid further delay and expense the association participated in mediation and agreed to certain conditions to issue the permit. The work was done and conditions of the permit were complied with. Nonetheless, the complaining homeowner has insisted that certain conditions have not been met. He has asked the County to rescind the permit and he has continued to interfere with efforts to maintain the road. At this point the permit has been suspended pending further action by the County staff.

In most recent discussions regarding the permit both sides have agreed that the County should again take responsibility for Old Galisteo Way. The Board also should take note of continuing subdivision of lots and construction of homes serviced by this road. At present there are approximately 25 homes on Old Galisteo Way but only 13 contributed financially to maintenance of the road. A planned subdivision will be adding 14 more homes and further lot splits and home constructions can be anticipated, this the condition of the road presents a critical public safety and welfare issue separate and apart from the discord that continues to be created by a single resident who refuses and continues to refuse to recognize the association's right to maintain the road.

The residents who primarily use this road pay property taxes at the same rate as homeowner in surrounding areas who live on County roads. It's not right that we should bear the burden of maintaining the road in an adequate condition for the current traffic volume, let alone the anticipated future volume, but we have been willing to bear that burden until now. Further, if the County assumes responsibility for the road, the seemingly endless interference with our efforts to maintain a passable and safe road for use of passenger and occasional commercial and emergency vehicles will no longer itself present a public safety issue.

Therefore I'm requesting that the Board intercede in this matter and direct the County staff to determine how best to bring the road under the County's jurisdiction.

CHAIR VIGIL: Thank you, Mr. Victor. Any questions or comments?
Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, maybe, Jim, you could meet with our Public Works Director back there, James Lujan, and he can guide you on how to go about getting that road a County road. Madam Chair, this all goes back to the Code of the West that I tried to bring forward to this Commission. And this Code of the West book would be sent out to realtors and tell – the person that is purchasing property would find out on hand right there if that's a County road or not. We have private roads throughout the County. Jim, you're not

the only one in this boat. We have thousands of miles of road, private road that people want us to adopt. We have a hard time maintaining the County roads that we have right now.

Now, going back to the Code of the West, when people purchase property the realtor should be telling the person that's buying that is this a County road or not. And usually, they say, yeah, yeah, it's a County road. Don't worry about it. And then when we have storms like we've had in the past month, things start coming up. How come you haven't graded our road? Well, it's not a County road; it's a private road. So just for your information, we can try to adopt that road but we've got thousands of miles of public roads out there that have the same problem that you're having. But we'll try to help you out. Thank you, Madam Chair.

MR. VICTOR: Commissioner Anaya, if I could respond to that. We have managed to maintain the road quite well in the past, until the permit has been rescinded. And the permit was rescinded by complaints of this particular homeowner. Now, it would stand to reason that we should - I bought my piece of property over two years ago and I was unaware of the fact that it was a private road. However, we have injunctions that say that we should be able to maintain it. We have permissions and easements that say that this is a public road, maybe not maintained by the County or anyone else, but we should have at least the road to be able to maintain it without interference, and that's where our problem is.

I would like to request for the Commission to find a way to reinstate the permit at least until we can find other alternatives.

CHAIR VIGIL: Commissioner Campos.

COMMISSIONER CAMPOS: Mr. Victor, who is the gentleman who is causing some issues about the right-of-way?

MR. VICTOR: That's M.J. Tapia.

COMMISSIONER CAMPOS: This has been going on a long time.

MR. VICTOR: Twenty years.

COMMISSIONER CAMPOS: I think the County has been aware and tried to help resolve that issue many times.

MR. VICTOR: Many times, and that's why I'm here to address the elected officials of the Commission.

COMMISSIONER CAMPOS: Have you as an association thought about legal action to clarify the question as to -

MR. VICTOR: We've considered that.

COMMISSIONER CAMPOS: I think you need to do that. I think that was the resolution last time that that has to be cleared up.

MR. VICTOR: We went through mediation and we -

COMMISSIONER CAMPOS: Mediation is not legal resolution though. It's an attempt. Then you have to actually litigate and have a judge just make a decision.

MR. VICTOR: That was what happened 20 years ago when we tried to make sure we had access to the road and the judge did declare that there should be no interference from Tapia to do it.

COMMISSIONER CAMPOS: Then the action is to enforce it, and I think that's

what we discussed last time because this issue came up big time and it's taken up a lot of staff time the last three or four years. Thank you, Madam Chair.

CHAIR VIGIL: Anything further? Mr. Victor, it seems to me, the question I would have for you is are you governed by covenants? Do you have an association there? Is that where the litigation began?

MR. VICTOR: Our covenants, our association helps to maintain the road through contributions of each other. We can hire others to grade the road or do whatever needs to be necessary. But every time we bring a grader over there Mr. Tapia stops it from doing anything to his portion of the road. His portion of the road is the first part of the road, which is a dead end.

CHAIR VIGIL: I'm going to have to agree with Commissioner Campos. It sounds like you have a cause of action with a court order that you would have to go back to court to enforce with regard to that. And I'm not sure that the County can intervene at this particular point in time but our staff certainly is always available to assist you in any way they can. But not having the history of the road and just being at this hearing, that's the only direction I think we can give you at this point in time, and of course access to our staff.

MR. VICTOR: I know that Commissioner Campos and Commissioner Sullivan are aware of this issue. It has been going on for a long time. I do believe they both know much of the history. Our request is that you could expedite at least a review to make it a County road.

CHAIR VIGIL: Would Public Works like to be able to respond to that? Actually, James, it sounds to me like there's some communications that need to occur between you and Mr. Victor and perhaps rather than having those communications occur right now you all can schedule some time, and if you could come back to us with an update of an assessment of the current status of this particular problem we'd be happy to look at it in terms to see of what authority and what alternatives we as a Commission would have.

JAMES LUJAN (Public Works Director): Madam Chair and Commission, right now, that road would not meet any criteria to become a County road. It's only got about 12 to 14 feet of width so that's a big problem in itself. To our knowledge we've never maintained it. So I'll be glad to meet with him and give him the criteria to make it become a County road but it's going to take a lot of work and a lot of right-of-way because there's just not enough right-of-way as we presently speak.

CHAIR VIGIL: Mr. Victor, we also have a Road Advisory Committee that has representatives from throughout the county who have experience in reviewing those and making recommendations. You may also speak with Robert Martinez who is the staff person on that and maybe perhaps be a part of that agenda and gain some more insight into what your alternatives might be. Okay?

MR. VICTOR: Thank you for your time.

CHAIR VIGIL: Thank you very much, Mr. Victor.

CARL DICKENS: Carl Dickens, president of La Cienega Valley Association. Address is 27347-B West Frontage Road. It's really a point of clarification. The La Cienega Valley Association is prepared today to ask the Commission to table the request from the Santa

Fe Canyon Ranch for an extension of the Santa Fe County water service boundary based on inadequate notice. We only found out about this a week ago yesterday. So I don't know if now is the appropriate time to ask that or should we ask that when the matter is brought before the Commission?

CHAIR VIGIL: Thank you for the question, Mr. Dickens. We actually, when we went through the agenda that would have been one particular point in time when you could have requested a tabling, but I think at this point in time your concerns can be brought up before the hearing.

MR. DICKENS: Okay, then I would ask that we be allowed to have community representatives be able to make presentations during that time.

CHAIR VIGIL: That would be fine. We would have to limit presentations and no repetitions of the same issues.

MR. DICKENS: And then I'd like to ask that there be some recognition of the number of people that are here on such short notice in opposition to the water extension request.

CHAIR VIGIL: You may do so. Those who are here in opposition to the water extension may stand at this particular point in time. [Approximately 15 people stood.] Thank you very much.

IX. MATTERS FROM THE COMMISSION

- A. Resolution No. 2007-8. A Resolution Requesting that Nambe Pueblo and the County Cooperate to Foster Economic Development Projects, Requesting that Nambe Pueblo Fully Analyze the Effects of its Proposed Economic Development Projects on the Residents and Quality of Life in the Surrounding Areas (Commissioner Montoya)**

COMMISSIONER MONTOYA: Thank you, Madam Chair. This is coming to us as a result of discussions that I've had with people living in this area as well as the Fire Department. I think the telling whereas is the last one where the proposed casino can increase emergency calls to the Santa Fe County Fire Department at least six percent in the percentage of emergency calls attributable to any Nambe Pueblo economic development would increase from 38 to 45 percent. So what we're simply asking here is that Nambe Pueblo – and I see the representatives here – simply cooperate and work with Santa Fe County in any sorts of economic development ventures.

This was something that came to us I think without any staff involvement on the Santa Fe County side until we were able to finally get some discussions going. Again, this is coming not only from the volunteers of the Santa Fe County Fire Department, the Pojoaque fire station, but also from the residents that are going to be impacted there by increased traffic, increased congestion, and those are some of the concerns that they had. So that's what we're simply asking for here is that there be that communication in terms of planning for that particular area, and Madam Chair, I would move for approval.

CHAIR VIGIL: There's a motion for approval of this resolution at this point?

COMMISSIONER SULLIVAN: Second.

CHAIR VIGIL: There's a motion and a second. Is there any discussion from the members of the Commission? Seeing none, are the representatives of Nambe Pueblo here? Is there any statement you'd like to make to address this resolution? I would just basically ask if you're in agreement with it and ask you to respond to that.

GEORGENE LEWIS: Commissioners, my name is Georgene Lewis and I'm one of the attorneys for Nambe Pueblo. Commissioner Montoya, the rest of the Commissioners, as far as I'm aware of the Pueblo is not aware of any resolution and we don't have the ability to act on this. So as far as an agreement, we couldn't say right now. I'm not even sure if Governor Vigil is aware of any resolution, but as far as communication, I think that the Pueblo has always been willing to have those communication discussions with the County. But as far as the resolution, we haven't seen it and we only saw it on the agenda this morning.

CHAIR VIGIL: Okay. Thank you. Is there any further discussion? Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, Commissioner Montoya, I'm sure he's aware of this but I'm sure the Pueblo is aware?

COMMISSIONER MONTOYA: Apparently not.

COMMISSIONER ANAYA: Thank you, Madam Chair.

CHAIR VIGIL: Seeing no further discussion or questions on this, there is a motion and a second about the Resolution 2007-8.

The motion to approve Resolution 2007-8 passed by majority 4-1 voice vote with Commissioner Campos voting against.

COMMISSIONER CAMPOS: Madam Chair.

CHAIR VIGIL: Commissioner Campos.

COMMISSIONER CAMPOS: Just a question for Commissioner Montoya. Have you had discussions with the officers, officials of the Nambe Pueblo or has staff about this concern?

COMMISSIONER MONTOYA: With our staff, yes.

COMMISSIONER CAMPOS: Staff to staff discussions have occurred?

COMMISSIONER MONTOYA: Just internally in Santa Fe County.

COMMISSIONER CAMPOS: This concern has not been communicated in any way to the Pueblo at this point in time?

COMMISSIONER MONTOYA: Other than through this resolution.

COMMISSIONER CAMPOS: Well, I think before we have a resolution we should have some staff to staff communication.

COMMISSIONER MONTOYA: Well, that's what this resolution is hoping

to engage now. It's not too late to have that happen. So that's what I'm hoping is that what this does is engage our staff's working with each other.

COMMISSIONER CAMPOS: My feeling is that it should be done informally before doing a public resolution so I'm going to vote no on that.

CHAIR VIGIL: The motion vote was actually taken. It passed four in favor and one against, and I just want to sort of underscore my vote on this. When I reviewed this resolution what it actually just told me was this formalizes the way the communication is going. Let's work at how this would impact and it seemed like a positive thing for me to keep that communication open and I hope from this action that this resolution does go. You have separate sovereign authority. You can take action on it or your government authority can respond to it in any matter they see, but my sense is it provides sort of a benchmark for us to start recognizing that communications and impacts of decisions that we both make need to be worked with.

IX. B. Resolution No. 2007-9. A Resolution in Support of a "Declaration of Seed Sovereignty: A Living Document for New Mexico" (Commissioner Montoya)

COMMISSIONER MONTOYA: Madam Chair, this particular resolution is asking for our support, Santa Fe County's support for having the local, both the native American, native Hispano and the Mexican people who have been cultivating our land for generations to be recognized in terms of the contributions that they have for the indigenous seeds that have resulted and continue to be produced to this day. I would say that this is something that we're looking at in terms of opposing some of the genetically engineered crops and seeds that are being promoted so that large corporate interests – we do not become beholden to them and lose the indigenous seeds that we continue to use to this day.

So that's what this resolution is about in trying to keep the traditions and the culture and the heritage of the farmers who have been working these lands in northern New Mexico and New Mexico for generations. And with that, I would move for approval, Madam Chair.

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

COMMISSIONER CAMPOS: I'll second for discussion.

CHAIR VIGIL: Second for discussion. Any discussion? Commissioner Campos.

COMMISSIONER CAMPOS: Are you an expert on seeds, first of all?

COMMISSIONER MONTOYA: No.

COMMISSIONER CAMPOS: I think this seems to be an issue that has to be raised with the state legislature.

COMMISSIONER MONTOYA: It is being.

COMMISSIONER CAMPOS: It is raised.

COMMISSIONER MONTOYA: So this will be forwarded on to the group. I was approached by Council member Louie Henna from Tesuque Pueblo when we had our legislative reception who provided me the information in terms of their efforts and what they're doing, and they are having a bill introduced. So we are supporting a larger effort. Don't ask me anything about seeds, though.

COMMISSIONER CAMPOS: I understand the issue is pretty significant.

CHAIR VIGIL: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Madam Chair, I guess my concern is - and I'm not a seed expert either - and I have a real problem on just piggy-backing on resolutions that are sweepingly negative without having any information. What little I've read is that there are a lot of different opinions about genetically engineered foods and that emerging countries, in some areas increase production and are a benefit. In more urbanized areas people have health concerns about them and certainly labeling is a good idea, which it mentions in here, but also the resolution says we object to the cultivation of genetically engineered seeds in general. I don't have enough information to know whether that's a good idea or not.

And then we go on to say but especially within the range of our traditional agricultural systems. No one wants to harm our traditional agricultural system. So I think this is a big condemnation of an issue that unfortunately I don't have the information on, nor do I know that Santa Fe County should be taking the time to develop that information on it unless we have some specific health concerns that we're aware of. I just feel that some of these broad resolutions that better belong in state and national health jurisdictions are not something that I'm comfortable enough with and familiar enough with to make a good judgment in just a few minutes of discussing a resolution.

CHAIR VIGIL: Thank you, Commissioner Sullivan. Any further discussion?

COMMISSIONER MONTOYA: Madam Chair.

CHAIR VIGIL: Commissioner Montoya.

COMMISSIONER MONTOYA: I think again, seeking to avoid - there are huge companies out there, Monsanto being one, that have a huge control over the seeds that are allowed in certain areas of this country. What the traditional farmers in northern New Mexico are wanting to avoid are having those companies from back east or wherever they're coming from to tell us you're going to plant this seed and this is the type of chile you're going to grow and this is the type of cantaloupe, this is the type of food you're going to grow, and they do not want that. And I think, quite frankly, this ties in perfectly with the agricultural revitalization initiative that Santa Fe County is working on, so it is related to projects within Santa Fe County and things that we are doing already. So I think it is supporting a much larger effort and I think Santa Fe County does have a vested interest in this.

CHAIR VIGIL: Commissioner Campos.

COMMISSIONER CAMPOS: I think the big issue is seed contamination

between one type of plant and another. That's a huge issue nationally right now so I'm supportive of this resolution.

CHAIR VIGIL: Any further discussion? Hearing none, I have a question, Commissioner Montoya. These seeds, the genetically engineered seeds, are they patented separate from the -

COMMISSIONER CAMPOS: They're patented.

COMMISSIONER MONTOYA: Yes.

CHAIR VIGIL: Okay. No further questions. We have a motion and a second to accept Resolution 2007-9.

The motion to approve passed by 4-0 voice vote with Commissioner Sullivan abstaining.

CHAIR VIGIL: Before we go on, I don't see Commissioner Linda Grill here but I do want to recognize Commissioner Jose Varela Lopez. Thank you for being here today, Commissioner and when Commissioner Linda Grill comes back in we can recognize her. Appreciate your coming.

IX. C. Resolution No. 2007-10. A Resolution Declaring a State of Emergency Due to Record Snowfall (Commissioner Montoya)

COMMISSIONER MONTOYA: Thank you, Madam Chair. This is a declaration that we're - I hope we're going to approve and submit to the New Mexico Department of Public Safety, and this is for allowing Santa Fe County the ability to request reimbursement for some of the services that were provided as a result of the large snowfall that we experienced in late December. Roman, did you want to add anything to that? This is simply a ratification of something that we need to do in order to be eligible for reimbursement.

MR. ABEYTA: Madam Chair, Commissioner Montoya, no. I would just echo what Commissioner Montoya said. This is a result of the snowfall that we had at the end of this past year and we did activate our emergency operations center and we did declare an emergency at that time so that we could get into private property to help them access medical expenses or medical needs that they had so this is ratifying that action that we took at the end of 2006.

CHAIR VIGIL: Thank you.

COMMISSIONER MONTOYA: Move for approval.

CHAIR VIGIL: We have a motion for approval. Is there a second?

COMMISSIONER CAMPOS: Second.

CHAIR VIGIL: Hearing a second, Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, Roman, when the Governor declares it a disaster, who has the authority to undeclare it?

MR. ABEYTA: Madam Chair, Commissioner Anaya, I'm not sure. Perhaps

Stan Holden could answer that question for us.

STAN HOLDEN (Fire Chief): Madam Chair, Commissioner Anaya, the emergency is declared over once we receive word from the State Emergency Operations Center that once our initial operations have been completed then the emergency is declared over. We're in contact - in this particular case we were in contact with the State Emergency Operations Center giving them reports. So they're tracking our progress. They know what our status board looks like and once the incident has been mitigated then that is reported back to the Emergency Operations Center and the time period is closed. It doesn't continue on and on indefinitely.

COMMISSIONER ANAYA: Okay, because - thanks, Stan. I appreciate and I want to thank you all for doing a wonderful job at the Emergency Communications Center. The issue that I have is that I was very involved in that and people were calling me along with the other Commissioners. We weren't informed that it was closed, so I was continually accepting telephone calls and telling them we were going to get to you and just be patient. It was a holiday and the guys had worked two weeks straight and we finally let them off. But the occurrences kept coming. And I had messages on my phone, and come to find out that the emergency had stopped. So in the future I would hope that maybe you could keep in close communication with the Commission so that we're not saying we'll try to get there on Monday and then come find out Monday we can't help them. So that's just my concern. Thank you.

CHIEF HOLDEN: Madam Chair, Commissioner Anaya, we certainly appreciate that and understand that. We will do a better job of communicating with the Commissioners at the end of the event.

COMMISSIONER ANAYA: Thank you, Stan.

CHAIR VIGIL: Any further questions, comments? With regard to that, Stan, we have an upcoming presentation meeting, and I spoke to our emergency preparedness, Mr. Vigil, who wanted an opportunity to just do a brief summary of the experience and where we learned lessons from that. If you might just alert him to do that I would like to get a summary of that. I think it will help us prepare for the future.

CHIEF HOLDEN: We'll make sure we get on the agenda for February.

CHAIR VIGIL: Thank you very much. Seeing no further questions or comments, there is a motion and a second.

The motion to approve Resolution 2007-10 passed by unanimous [5-0] voice vote.

IX. D. Approval to Change Intent and Scope of Services of Discretionary Funding in the Amount of \$5,000 for Ayudantes, Inc. From a Mobile Drug Testing Program to a Chemical Dependency Treatment Services for Women in Santa Fe County (Commissioner Vigil)

CHAIR VIGIL: That is mine, and we actually have taken action on that particular project, the mobile drug-testing program. However, that is, according to Ayudantes further down the road and will require much more additional funding. Most of their immediate needs is for treatment services is for women in Santa Fe County. With that I saw it necessary to bring the item before the Commission to take action on the specificity of where those funds were going. So with that, I'll move for approval.

COMMISSIONER MONTOYA: Second.

CHAIR VIGIL: Motion and seconded. Are there any questions? Seeing, hearing none.

The motion to approve the change in the discretionary funding for Ayudantes passed by unanimous [4-0] voice vote with Commissioner Campos abstaining.

IX. E. Resolution No. 2007-11. A Resolution Requesting Approval for Santa Fe County to be a Co-Applicant for an Economic Development Administration (EDA) Grant with United Way of Santa Fe County for a Commercial Kitchen (Commissioner Vigil) [Exhibit 1: Community Kitchen Presentation]

CHAIR VIGIL: Mr. Frank DiLuzio is before us. He is with United Way. I believe this request for our participating as a co-applicant is part of the Agua Fria Children's Zone. And with that, Mr. DiLuzio, I will turn it over to you, if you would state your name and address for the record.

FRANK DILUZIO: Madam Chair, Commissioners, my name is Frank DiLuzio. I work with United Way of Santa Fe County. Just briefly, as a way of introduction, how we got to the Santa Fe Community Kitchen as an economic development initiative, as Commissioner Vigil mentioned, we've been doing work in the Agua Fria area with the Children Zone. The focus of that has been to foster lifelong success for children and one of the problems we identified early on was lack of stable incomes in that community. And out of that we did some research, the underlying causes and some opportunities for economic development. We identified food production as a potential area where we could foster development of small businesses.

I want to emphasize that the kitchen is designed as a project that's focused on the entire county, even though it's in Agua Fria. So it's not an Agua Fria-specific project. Any suspicions about the need for a production facility like this in Santa Fe have been borne out in discussions we've had with Santa Fe Economic Development, Inc. and the Small Business Development

Center at the Community College, both of which report a number of instances where they've been approached by potential small business operators seeking to create or grow a business that need access to a licensed commercial kitchen to produce a product that they could market effectively. Right now there's really no local resource they can refer those clients to.

So we think this is really a good opportunity. Community commercial kitchens are in place in the Albuquerque area. There's one up in Taos, there's one in Española. They're all very active kitchens and again, they allow small food producers an opportunity to produce products in a commercial environment where the product production is licensed and inspected and they can market to a much broader audience.

Specific to this Economic Development Administration grant application, I'm going to turn it over to Gigi Carlson who also works with the United Way of Santa Fe County and is the author of the business plan I believe is in your packet.

CHAIR VIGIL: Thank you. Gigi, can you please state your name for the record, and your position.

GIGI CARLSON: I'm Gigi Carlson and I'm the director for community partnerships in the United Way of Santa Fe. Specifically, I develop business plans that will enable economic development in the community of Santa Fe. United Way has engaged in consultations with government and not-for-profit organizations in the past year. If you look at the last page of the contract, these are the organizations that we talked with. And the culinary arts department of the Santa Fe Community College, the food production program of NMSU's extension program and the other organizations tell us that their graduates move away from Santa Fe because there's no commercial kitchen here that they can use to support their new businesses.

Then we also have partnerships with restaurants and hotel owners and they said they are really looking for a way to increase workforce development in that area so that their employees will have professional training that's affordable. And because it's a United Way initiative we're not intending to make any money from this except to provide people with more employment opportunities. It also addresses workforce development.

And finally, we did develop a business plan for the Economic Development Authority and they have verbally told us they're interested in funding the project. However, if you look here at the EDA application, which is the second to the last page, we highlighted a private-public non-profit organization or association, including a faith-based non-profit organization, in cooperation with officials of a political subdivision of a state, etc. It's a requirement for the approval of the funding for this grant.

The kitchen too, we've been around and I've been asking for bilinguals, for non-English speaking entrepreneurs and I've been having a hard time looking for Spanish materials. So one of the goals of the kitchen is to publish bilingual manuals in cooperation with SBDC and with the Economic Development, Inc. Also with the culinary arts and training manuals.

CHAIR VIGIL: Does this commit Santa Fe County to any funding for this particular project?

MR. DILUZIO: Madam Chair, Commissioners, it does not. It just establishes

that we have a relationship and are going to proceed forward in developing together the application to EDA for their piece of the funding, so there's no binding of the County to provide any funding at this point.

CHAIR VIGIL: Thank you. Any questions? Commissioner Anaya, then Commissioner Montoya.

COMMISSIONER ANAYA: Madam Chair, last – or at the beginning of January, our first meeting, I think we had a resolution in support of public-private cooperation. And I believe this Commission did not want to do that. I believe Commissioner Montoya and myself were the only ones that voted for it. And I think this is an opportunity where we need to relook at that, because here we are again, public-private. Because we can't do it ourselves and they can't do it themselves, so there's going to be times, many instances where this is going to happen, so I'd like to relook at that resolution in the future. Thank you, Madam Chair.

CHAIR VIGIL: Thank you, Commissioner Anaya. Commissioner Montoya.

COMMISSIONER MONTOYA: Madam Chair, Frank, where will this be built or where is it being proposed? Does it have to have a site? I didn't read the whole application.

MR. DILUZIO: Madam Chair, Commissioner Montoya, the application is not going to necessarily require us at this point in time to identify a site although as we go forward developing that we're going to need to identify a location, because the focus is to serve Santa Fe County. It can geographically be anywhere in the county. So there's nothing that says it has to be anywhere in or around the Agua Fria area. We're looking at a number of different options in terms of having land donated, looking at state lands, looking at County lands, looking at purchased lands but at this point we don't have the site identified.

COMMISSIONER MONTOYA: And regarding the other people you contacted, the other partners, we are the only co-applicant?

MR. DILUZIO: Madam Chair, Commissioner, that's correct. The EDA requires or really likes to see a local government entity as a co-applicant for their bricks and mortar grants. The other partners are really potential and probably users of the facility.

COMMISSIONER MONTOYA: And then, last question, are you familiar with this possible same type of facility being built in possibly northern Santa Fe County, where there's some funding that's available right now? I guess my question is are you familiar with it and if so, how will this compete with that projected facility as well?

MR. DILUZIO: Madam Chair, Commissioner, we believe – and we are aware of the other facility. Not the details but in general. We've heard about its potential development. We believe that the demand will be more than adequate to support both facilities, particularly if we're able to locate this facility in Santa Fe, south of Santa Fe, to make it more accessible to those areas in the county, as opposed to production of food up in the northern edges of the county.

COMMISSIONER MONTOYA: Is there a molino that's going to be part of this particular kitchen?

CHAIR VIGIL: Molino is a last name? Or what is it?

COMMISSIONER MONTOYA: No, a molino is a mill, a grinder.

MR. DILUZIO: Madam Chair, Commissioner, we haven't worked on the exact specifications for the building yet, since we don't have the dollars to do the architectural engineering. We've not had the discussion about having the ability to mill. What we've talked about though is the ability to support purchasing bulk quantities and storing them on-site there at the kitchen, so again, producers can derive the benefit of being able to buy in large quantities.

COMMISSIONER MONTOYA: Okay. Well, just hopefully as we move forward and this does get funded and that other project moves forward that there's some communication again between the two groups so that services that may be provided in one aren't duplicated and that sort of thing.

MR. DILUZIO: Madam Chair, Commissioner Montoya, we'll make sure we have those communications as we proceed with this proposal.

COMMISSIONER MONTOYA: Okay. Madam Chair, move for approval.

CHAIR VIGIL: Motion. Is there a second?

COMMISSIONER ANAYA: Second.

CHAIR VIGIL: Motion and second for approval. Commissioner Anaya.

COMMISSIONER ANAYA: We want to make sure it goes in the southern part of Santa Fe County.

COMMISSIONER MONTOYA: One for the north, one for the south.

CHAIR VIGIL: Commissioner Campos.

COMMISSIONER CAMPOS: Quick question for our Manager. Mr. Abeyta, will there be any burdens placed on the County by approving this resolution, either administrative, personnel, money, anything?

MR. ABEYTA: Madam Chair, Commissioner Campos, it's my understanding that no, there will not be, other than we will be assisting when it comes to talking about the project, where it locates, what type of approvals, and if we do decide to get more involved in it and it is going to have a financial impact we would come back to the Commission and seek approval for that. But we don't envision anything right now.

COMMISSIONER CAMPOS: Even employee demands, demands on employee time. All the resources that we have. A lot of these projects that we take from the legislature, for example, always include additional burdens on our staff. That's the question.

MR. ABEYTA: Right. Like I said, with this specific project we don't envision anything initially but you raise a bigger question and a bigger concern that is something we are going to try to address as a County this next fiscal year because these projects are coming in and we're having trouble catching up.

COMMISSIONER CAMPOS: Okay. Thank you.

CHAIR VIGIL: Any further questions or comments? Seeing, hearing none, there is a motion and a second to approve Resolution 2007-11.

The motion to adopt Resolution 2007-11 passed by unanimous [5-0] voice vote.

CHAIR VIGIL: Before we go into item X I also want to recognize Commissioner Linda Grill who is also here with us today. Thank you for joining us, Commissioner Grill. I recognized Commissioner Jose Varela Lopez and hoped you were in the room. It's nice to have you with us. Thanks for joining us.

IX. PRESENTATIONS

A. A Brief Update Presentation on the Regional Transit District (Land Use Department) [Exhibit 2: Informational Presentation]

JACK KOLKMEYER (Land Use Administrator): Thank you, Madam Chair. Good morning, Commissioners. At the last BCC meeting, the first BCC meeting of January there was a brief discussion on the activities and the role of the North Central Regional Transit District and Commissioner Campos raised some questions concerning the County's association and affiliation with the NCRTD and asked if staff would do a brief update on our role and also specifically the comment on whether it was worthwhile and useful for the County to be involved in the RTD. And I'd like to take a few moments to address those questions, which are of particular importance because we are ready to embark on the Eldorado transit demonstration project, beginning in April, so it's important for us all to at this point understand the challenges and obstacles that we are faced with, transit issues, and also to address those questions.

I'd like to start by pointing out that the current board member is Commissioner Anaya who has replaced Commissioner Sullivan, who was the board member for the past year, and then Commissioner Montoya served as the board member for the first two years of the RTD. This is under - I'm making this presentation because the RTD activities in transit and transportation activities of this nature have been under the Land Use Department since we started these activities. I'm going to make a few brief comments and then we have three members of the RTD staff who are here, executive director Josette Lucero, Jack Valencia, who is the transit project manager, and Linda Trujillo, who is the regional coordinator. I've asked them specifically to talk to you about and answer questions about fiscal obligations and future funding opportunities for the RTD.

I included in the packet for you a white paper of several pages. I'm not going to go over all of these things. I put it together in such a way that you would have information available to you though about who are the members of the RTD, how it was authorized originally, how an actual regional transit district is created and the boundaries of the current RTD, so that's just an informational item for you. Essentially, the NCRTD comprises Rio Arriba County, Los Alamos County and Santa Fe County, the municipalities within those counties and the Pueblos associated with those counties.

Importantly, and to Commissioner Campos' questions from the last BCC meeting, I wanted to go over briefly what are the important goals of the RTD so that we're all in an understanding about why this group was created and where we're headed. I think at the bottom of that first page in my white paper there I think the important point here for us and it has

created both opportunities and difficulties is that Santa Fe County does not have a transit program of its own. So the last five, ten years we've been talking about possible extending bus service out on Richards Avenue, out on Route 14, it's become pretty clear that if we're going to embark on transit activities in the future we really only have three options. One is to do it ourselves, create our own program, which is costly in terms of money and staff; or in cooperation with the City of Santa Fe, which actually a number of our conversations on potential transit projects have occurred with them, and the City of Santa Fe is also a member of the RTD; or to do it through another entity such as the RTD that in fact brings all of us together, helps us located the funding and helps us to really think about what these future transit projects might be.

The other important thing, on the second page of the handout that I gave to you, what guides the future direction of the NCRTD? In June of 2006 a service plan was adopted for the RTD and quite frankly we had some problems with the service plan because there wasn't much inclusion on the part of the Santa Fe County by the consultants who prepared this and we were asked to make comments on the service plan and we wanted to make it really clear and in part I believe that happened because most of the other entities of the RTD have some kind of transit program with which they're involved and again, since we didn't, it was kind of difficult how to assess what Santa Fe County wanted to do and how we should move forward. The Park 'n' Ride of course is located in our area and serves Santa Fe County residents and we've been a part of that but it was somewhat hard to assess exactly how we should fit into this service plan in the future.

Clearly, when the RTD started there was interest in the Eldorado commuter train project, which has now taken a backseat to the Railrunner project, but also we knew that we wanted to embark on some kind of a demonstration project to get transit working in some fashion for Santa Fe County, so the service plan does in fact support the Eldorado demonstration project that we're ready to embark on. The service plan had really six major goals I've outlined those for you so they're here also. Establish a reliable and adequate source of financing for NCRTD transit services, increase personal mobility, ensure access to critical services, ensure that the service plan is consistent with regional transportation policy planning, which as you know is the MPO in this area and the RPO for areas outside the municipalities, maximize the use of all funds that we can get. One of the biggest challenges of course of transit is funding has to come from outside sources. So for us to be able to take advantage of that we really need to be in the strongest position that we can possibly put ourselves in and again, that is a role that the NCRTD has filled at this time. And also, basically, the basic goal is to reduce dependence on the private auto and as we see things spreading further and further around us with more and more subdivisions and more and more population, particularly around the urban areas, this is a really important goal.

Those are challenges facing the RTD, because this is important for us to recognize - first recognizing that the commuter market is changing and there's starting to be more and more interest and need for us to look at transit, transportation opportunities other than the automobile. This really relates to the fact that we need to improve service at the local level and when we

don't have service of any kind this becomes a really big challenge for us.

There's a need for state and local funding partnerships because the money for transit is essentially state and federal money. For us to be able to get that we have to have the experience of going after that money and we have to have the partnerships that allow us to do that. Integration of long-term transit development plans for Santa Fe County - we're right at the very beginning of this. And if we're going to do it alone, that's one thing, but because transit is such a complicated and complex issue both to get moving and then to fund, again, there is a need for us to look at the appropriate partnerships that can help us to do that.

Consolidating capital needs and gaining support for a regional transit system are the other really important obstacles that we are faced with there.

On the last page, this is where we really get to the nuts and bolts of these issues. Why should member jurisdictions continue to support the RTD? I've listed several reasons there and I think three of them are really important. The first one, the primary guiding principle of the RTD is for member agencies to coordinate and consolidate public transportation and transit services on behalf of the region. When the RTD started, basically what it did is it shepherded or corralled all the existing programs that were out there in Rio Arriba County and Española - and these are small programs. If we're going to make it regional we're going to have to up not only all of those programs but to really figure out how we can coordinate them so they start working together.

Each one now are predominantly separate systems. It would be great if we could five years from now look down the pike and say, oh, we have one transit system for the whole area, and that's an important goal of the RTD. That's why membership should probably stay intact, because if we're going to do it regionally, then this membership is going to have to work together. And then that second point there, speaking with one voice so that we can go to the legislature for money, we can seek sources for funding together.

Then related to that is the duplication of efforts that we'd have to do if we did it by ourselves, so we can again consolidate some of these activities together. Specifically, and this was Commissioner Campos' specific question from the last meeting, is how does Santa Fe County benefit from continuing membership in the RTD? I think there are two really important reasons and they really kind of result in one action that's extremely important for us right now. Since Santa Fe County does not have a transit or transportation program of its own, the RTD can assist the County in planning and implementing actual transit services.

One such project is the Eldorado bus demonstration project. And I wanted to update you on the status of that right now. This is where we stand with that at the moment and again, I think this is probably the most important reason for us, for Santa Fe County to continue to be a member, and that is the RTD will serve as the lead agency in this project. In other words it's taken away the burden and the difficulty for Santa Fe County not having staff to be able to be dedicated to this, to take this on and do this project as the lead agency. They have done that. They put out the RFP for the service provider. They worked almost exclusively with the Agora shopping center, for us to use that facility for the depo, if you will, for that project, and they've taken on the majority of this work.

The target date now for the approval for that project to begin is April 2nd. They're going to have community meetings, two community meetings that we're working on scheduling in March. We'll use this next month, February, to pull all of these things together and we hope to have the buses rolling out of Eldorado into Santa Fe starting Monday, April 2nd. All Aboard America is the contracted service provider. A tentative schedule has been approved and we're going to probably tweak that a little bit. Want to make sure that we're very comfortable with the schedule before we start putting out a lot of public information on the scheduling and that will be an important part of the community meetings that we hold. We will have public meetings and a marketing campaign that will begin in March. A lease is being prepared and I do believe it's close to being finalized for the use of the Agora shopping center and the NCRTD will provide regular updates to the BCC on the progress of this particular demonstration project.

So that's my thoughts on that question and I'd like to ask Mr. Valencia to present to you some of the fiscal information real quickly here and then we'll stand for questions, if that's okay, Madam Chair.

CHAIR VIGIL: That's fine. Mr. Valencia, or whoever will come to the podium.

MR. KOLKMEYER: It's going to be Josette Lucero to start. Thank you.

JOSETTE LUCERO: I'm Josette Lucero, the executive director for the North Central Regional Transit District. Thank you for allowing us to make a presentation to you this morning. Jack Kolkmeier covered some of my points but I'm going to go over some things that we have done in the last couple of years. The history of the RTD, as he mentioned in 2003, Governor Richardson passed legislation to establish regional transit districts in the state. In September 2004 the North Central was certified by the Transportation Commission. We were the first RTD in the state to be approved.

This event was historic because it was the first RTD in New Mexico to be established and to have both tribal and local governments participating together. He also covered our current service area, the three counties, our two cities and the five pueblos. We've been meeting with Taos County and Taos Pueblo to also join our RTD. There's a lot of interest in that, so that will probably be happening in the next couple of months. The next screen, why NCRTD? Well, it creates regional, multi-government partnerships, allows tribal, state and local governments to form a true regional transit connection, allows for expanded transit services to unserved areas that you don't have currently in Santa Fe County, reduces traffic congestion and air pollution around northern New Mexico communities.

What are the benefits for Santa Fe County to be a member of the NCRTD? As Jack mentioned, we are managing the Eldorado shuttle service that's going to start in April. We took the opportunity last year to apply for 53-11 funds. This will help Santa Fe County in subsidizing the federal funds so you don't have to come up with the entire amount if you choose to continue the services for Eldorado. Right now it's going to be about a \$200,000 annual project, so if we are successful in getting the 53-11 moneys that will cut that down in half. The federal government will pay half, leaving Santa Fe County \$100,000. There's legislation being introduced of a transit fund. So if you get the transit funds passed, they'll pay 25 percent of the

operating costs.

I'm going to go into the Los Alamos GRT that we are hoping all the government agencies to sign off on and that will also assist Santa Fe County in funding the Eldorado service. So for a \$200,000 project, it will take the Santa Fe County's financial responsibility down to \$25,000 if the GRT fund is approved and if the state transit fund is approved this legislative session. Let me go into the Los Alamos GRT right now. I'm going to have Jack Valencia take us through the partnership and what we've done and I'll go back into the benefits to Santa Fe County.

JACK VALENCIA: Thank you, Madam Chair, members of the Commission.. Let me speak with regard to the regional partnership resolutions. First of all, this -

CHAIR VIGIL: Would you state your name for the record?

MR. VALENCIA: I'm Jack Valencia. I'm transit projects manager for the NCRTD. With regard to the Los Alamos gross receipts tax, everyone within this region knows with the change in tax status in the labs and the subsequent additional revenue stream that has been brought to the region, and as a result of that Los Alamos County has set up a regional partnership in trying to diversify the region in certain aspects and they have allocated up to \$1.5 million per year for regional projects.

The regional partners in this effort are Taos County, Town of Taos, City of Santa Fe, Santa Fe County, Rio Arriba County along with the City of Española. Back in August, you all, the prior Commission at that point in time, passed a resolution authorizing signature to this cooperative agreement. Since that time Rio Arriba County has passed on their resolution and has signed off of the cooperative agreement. The City of Española has passed on their resolution. At this point in time we're just awaiting signature. The Town of Taos has its scheduled for February and the County of Taos has it scheduled for February 6th.

What this brings about in this coalition is \$1.1 million for regional transit in the area, from the disbursement of those proceeds, a portion of those proceeds. There are two additional other projects that have been mentioned in this cooperative agreement. One is an economic development study and one is the regional forum that many of the governmental entities such as yourself participate in today. So that is what Los Alamos and the cooperative agreement is disbursing with in the first \$1.5 million of that allocation.

So what you have seen is we have the resolutions that have been forwarded to all these governing entities for passage of their elected bodies. Secondly, we are gathering signatures now for this cooperative agreement. We're hoping to have, once we have them all intact, we are going to have a ceremony scheduled in Los Alamos County with all of the partners who will be recipients of this sort of funding. Now, I'm going to turn this back over to Ms. Lucero and she will describe the disbursements of those funds specifically to Santa Fe County and the utilization of those funds.

CHAIR VIGIL: Thank you. Ms. Lucero, could you just get through the presentation because I'd like to get to questions.

MS. LUCERO: Absolutely, Madam Chair. How will this benefit Santa Fe County? With these funds, the NCRTD is proposing to pay your - what we call the local

match for Santa Fe County to be part of the member, and that would be \$25,000 that you guys won't have to come up, the Commission won't have to come up with. The RTD will assist in \$50,000 for part of the project of the Eldorado shuttle services if you guys continue to make this a permanent shuttle. We are also adding an additional \$50,000 to expand services within the county, southern Santa Fe County, and then we're also going to award Santa Fe Trails \$100,000 to expand services in northern New Mexico to connect with the Regional Transit District.

So that's going to be the benefit to Santa Fe County. Did you want to go through the rest of the slides real quick?

CHAIR VIGIL: I actually think at this point in time there may be some questions so perhaps the questions would even go into the future slides. Do I see any questions, comments thus far? Commissioner Campos.

COMMISSIONER CAMPOS: Madam Chair, thank you. My concern about this organization was whether it was effective, whether it was responsive to the member of Santa Fe County on the board and what resources this organization was going to ask for. If they're GRT-related I would certainly have some issues. Local government is pretty well strapped for resources. GRT is one of our few resources and that concerns me because we have so many other needs.

As far as responsiveness, I understand that Commissioner Sullivan was a member last year and he did not receive responses to calls to you several times, to the chairman of this NCRTD, didn't get good information. I'm concerned about productive. On paper it sounds great, what we should be doing, but are we really doing that? Or does it just look good on paper? Those are my questions and that's what I wanted Mr. Kolkmeier to address. I think I understand that generally, on paper it sounds like a good thing. I'm afraid that maybe we're not as effective as possible. Maybe the organization is not as responsive as it should be to our Commissioners on that board. I'm very concerned about that. It's about product. Are we spending a lot of money on jobs or are we spending a lot of money on products and results. That's the analysis that I want. Thank you.

CHAIR VIGIL: And Commissioner Campos, do you think some of those questions have been answered with the presentation thus far or would you like further response?

COMMISSIONER CAMPOS: No, I'll stand with Mr. Kolkmeier and maybe we can hash these out and if there's some reason to bring it back to the Commission I will. I think I've raised my concerns about this organization.

CHAIR VIGIL: Did you want to make a statement?

MR. KOLKMEYER: Thank you, Madam Chair, just briefly, yes. I agree with you, Commissioner Campos. Whenever you start any kind of organization there's organizational problems, there's communication problems. Commissioner Montoya was on there for two years and I think maybe he could also comment how he felt communication and organization was during his tenure as well, but I don't want to go into that. But I think the important thing is do we have a product. That would be your concern. And it's taken us this time to get everything together to do the Eldorado demonstration project. And I think there was

probably no other way we could have done it at this point.

I'd like to suggest that let's do the project, see how it works, because you're right. When the actual rubber hits the road in this particular project we'll know if it's going to work. We'll make the decision then if we want to expand it or continue it. So I think they do have a product and I think we need to stick with it for this period of time. We haven't put that much money in. We've put \$19,000 to belong to the organization in the first couple of years. Commissioner Sullivan put up \$13,000 for the demonstration project. I think we're on the right track. We need to see if this works and then do an assessment after that and for the very things you're concerned with and I think we'll have a pretty clear answer at that point.

COMMISSIONER CAMPOS: What about the GRT?

MR. KOLKMEYER: Well, the GRT, as they just proposed, the GRT that we would actually be using for our own transit projects is going to come from Los Alamos, not from Santa Fe County. And again, I think let's see how that works. They have the ability to be able to do that. We have a project now. We could tie all these things together. We may not even need to use our gross receipts application as it is in that act, for example.

COMMISSIONER CAMPOS: It says that this organization does have the right to impose a GRT or to ask the local governing bodies to adopt a GRT. Is that right?

MR. KOLKMEYER: That's correct. That's in the act and that's in the agreements that the Commission has already signed off on in the past, but it doesn't mean that they would be activated without your permission or without our concurrence that it is something that we should do.

COMMISSIONER CAMPOS: So each entity would have to approve?

MR. KOLKMEYER: I believe that's correct.

COMMISSIONER CAMPOS: The GRT.

MR. KOLKMEYER: Yes.

COMMISSIONER CAMPOS: Okay. I'm concerned about trying to fund these broad regional projects on very limited local government resources.

MR. KOLKMEYER: Yes. Well, that's why we started with a bus demonstration project, albeit only for six months. It certainly is a foot in the door for trying to pull all that together. As it's explained, it will cost us about \$200,000 a year if we want to continue to do that, but this will probably answer that question for us and I think we'd be able to take a really good look at it after that point.

COMMISSIONER CAMPOS: Thank you.

CHAIR VIGIL: Any further questions? Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, I want to thank Jack and staff for coming by. I was recently appointed to the RTD and I look forward to working with all of you. I know that you outlined some projects there. I know, like anything else, things take time and again, thank you all for being here and I look forward to working with you. Thanks.

CHAIR VIGIL: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Thank you, Madam Chair. I share many of Commissioner Campos' concerns with the County's participation and benefits in this

organization. I think that in some ways the question is do we have an elephant pushing a mouse around here. And we had for some time \$80,000 in federal funds sitting out there waiting to be used and could have been used through the transit district and nothing was done with them. And yet we paid over \$50,000 for a study. We hired three people on the staff. So it took Santa Fe County to have to come up with \$13,000 to match this \$80,000 to start this pilot program which has been simmering for a couple years, and in fact those funds would have been lost if there hadn't been some matching.

And I think that I'm certainly willing to see how that program comes out from a feasibility standpoint. I think what we have to remember is that right now, the basic recipient, the beneficiary of this program is the County of Los Alamos. The County of Los Alamos has the Park 'n' Ride program and that's a big benefit. So they are a big supporter and they are the driving force in all of these actions. And correct me if I'm wrong, Jack, but these gross receipt tax distributions, that has to be approved by the legislature. Isn't that correct? This is GRT to be allocated?

MR. KOLKMEYER: For Los Alamos, or for the one that's in the act for the RTD?

COMMISSIONER SULLIVAN: For the act.

MR. KOLKMEYER: They have to be approved by the local jurisdiction.

COMMISSIONER SULLIVAN: No, not the quarter percent that's in there now, but the independent GRT funds that are coming to Los Alamos as a result of the lab now being a private corporation as opposed to a non-profit entity.

MR. KOLKMEYER: I'm going to have Ms. Lucero answer that question for you.

MR. VALENCIA: Thank you, Madam Chair and members of the Commission, I'll speak directly to it. There is no legislative action that would be required in order for Los Alamos County to distribute under the cooperative agreement. Secondly, if I can expand, Commissioner, with regard to Commissioner Campos' question with regard to the GRT and the individual passage of counties and/or other governing entities, at this point in time it would require each of them to do it independently. I think one of the things that might be pursued long term is getting all of the members within the district to have a special election which that would be called among all of the entities. But also, and I want to speak specifically, there are other funding measures which you are well aware of, that if the County does chose to enact any kind of enhancement or participation of public transportation for county individuals it can be done in a variety of other ways without having a special election or pledging any of that gross receipts tax. And more specifically, with regard to the study that was talked about earlier, right in front you have a blowup of the map and there are three highlighted areas. There's the Eldorado area, there is the Highway 14 area and then there's the northern area from Santa Fe up to Pojoaque.

With regard to the study, we're in the process of doing an addendum and focusing on these areas to be more specific, to bring more specific information to you for consideration of whether or not you choose to pursue future projects. Thank you.

CHAIR VIGIL: Thank you, Mr. Valencia.

COMMISSIONER SULLIVAN: Madam Chair.

CHAIR VIGIL: Go ahead.

COMMISSIONER SULLIVAN: To continue with my comments and questions, my concern was back in July we appropriated these funds for this project. This is \$100,000 project; this is not rocket science. And it's the only project, justification for our participation in NCRTD here, other than it maybe being free in the future, is that we have the Eldorado pilot project. Now, Eldorado being in my district I should be a big supporter of the Eldorado pilot project. And I was. In fact I used my discretionary funds to fund it. There were no RTD funds in the Eldorado pilot project. Let's be very clear about that. So the Eldorado pilot project is not a project of the NCRTD; it's a project of Santa Fe County and the federal government. Those are the two financial participants in this.

Now, we're using the RTD as the coordinating entity. In point of fact, Santa Fe County staff did most of the work in locating the site for the buses. Now, some eight months later I receive a call from the owner of the Agora saying that another attorney has been brought into the process and this new attorney says that he would like the parking and loading area to be closer to the Agora than the area that's been agreed to and been worked on for the last six months. So, Mr. Valencia, could we get a status update on that? When will this end? April 2nd is the projected date but so was the fall of last year.

MR. VALENCIA: First of all, thank you, Madam Chair and Commissioner Sullivan. We have been working with County staff for a period of time. I first came on early November and I've taken the project on. My understanding is that there were prior meetings and moving the ball forward on this. Now, with regard to the specific issue, with the contract or the attorneys, I'm not specifically familiar with some of the aspects, although I know that there has been some discussions with regard to the spaces required - the lighting, the security, the snow removal and things like that - we have scheduled a conference call at this point in time, this Thursday to put all the partners together so that we can hopefully finalize it and move that one forward. But all the other aspects are in line right now with regard to equipment, with regard to tentative scheduling, the public hearings, which Mr. Kolkmeier had just discussed, and this is the last loop that I believe, or the hoop that we have to jump through in order to finalize this service.

COMMISSIONER SULLIVAN: And I'm only repeating what the Agora owner felt was of significant concern, enough to call me about, and that was after having months and months of negotiations, now a new face has been inserted into the legal process who feels that the location should be somewhere different, right close to the Agora center, as opposed to where we had sited it, and it seems like - I won't say we're back to square one, but we certainly haven't gotten to square two yet.

MR. VALENCIA: Madam Chair and Commissioner Sullivan, I have no direct knowledge of -

COMMISSIONER SULLIVAN: Who does have direct knowledge? Who's doing the negotiation?

MR. VALENCIA: If I have the ability to respond, Madam Chair and

Commissioner Sullivan, I've been working with County staff and there's been some discussions with staff and individuals within the Agora circuit. My direction discussions have been with County staff and with our attorney that had brought some discussion points that that was with the Agora landowner's legal counsel. And as I said, I have no direct knowledge of anyone from our entity at this point discussing directly with the owner of Agora. We have tried to maintain the discussion at the level of representative and representative staff and staff. And I will -

COMMISSIONER SULLIVAN: I understand. I think you've stated your point that you're not familiar with this. Perhaps Ms. Lucero is a little more conversive with it. Ms. Lucero, are you aware of -

MR. VALENCIA: I've been the project manager and I've had the direct -

COMMISSIONER SULLIVAN: But you're not aware of this. Then why would the Agora manager call me about it if it's not a problem?

MR. VALENCIA: Madam Chair and Commissioner Sullivan, I will definitely have a response for you within the next two hours, as soon as I am able to get that.

COMMISSIONER SULLIVAN: I sure would appreciate it.

MR. VALENCIA: You sure will have it.

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

CHAIR VIGIL: Okay, are there any other questions?

COMMISSIONER MONTOYA: Madam Chair.

CHAIR VIGIL: Yes.

COMMISSIONER MONTOYA: I'd just like to say, as is the case so many times, a lot is in the eye of the beholder. I guess some times we look through things with rose-colored glasses and other times through mud. But I'll just say that my experience in the two years that I was a board member, it was a growing experience. It was certainly a learning experience, and a baby doesn't come out of the womb and start shooting hoops and dunking the ball right away. They kind of go through a process of having to grow up and learn how to dribble, learn how to shoot, then learn how to dunk once they get 6'10" and can jump.

This is a classic example of that. You're going to go through growing pains. You're going to go through things that aren't always going to be rose-colored. My experience was drastically different that Commissioner Sullivan's. Commissioner Anaya, I look forward to hearing from you and what your experience is going to be, but again, I think sometimes there's things that are required from us and certainly this was a commitment from Santa Fe County in terms of we may not get a benefit immediately, but long term, that's what I need to look at, long term. Are we going to have something to say that Santa Fe County residents are benefiting, and I believe that the question will be answered yes, when the time comes that we are being serviced.

When we get to the point where we're able to jump and dunk, we're going to go through these processes of having differences of opinion, but I think we need to look at what the short-term loss may be in order to look at the long-term gain. Certainly that was my experience and I hope we continue to support it until we get to a point where maybe we decide maybe it's not appropriate for Santa Fe County to support these efforts. But I don't see it at that

point. I think it's certainly something that we need to continue to move forward on and I would continue to support. Thank you, Madam Chair.

CHAIR VIGIL: Thank you, Commissioner. We need to move on. Mr. Kolkmeier and Ms. Lucero and Mr. Valencia, thank you very much for your work. We appreciate the update.

MR. KOLKMEYER: Thank you, Madam Chair, and if I may, henceforth we'll do quarterly updates from the NCRTD so we'll keep you apprised of everything.

CHAIR VIGIL: Thank you very much. Gentlemen, I neglected to under Matters from the Commission ask you if you have a particular matter before the Commission, so I'm going to start with that, and then there's been a request to move item XIII. C. 1 to the next item of hearing.

IX. OTHER MATTERS FROM THE COMMISSION

CHAIR VIGIL: Commissioner Montoya, do you have any Matters from the Commission?

COMMISSIONER MONTOYA: Yes, Madam Chair. Just one, and that's you should have a packet in front of you and if you don't, please let me know, that says Investing in Northern New Mexico's Future, a Plan for Economic Equity, Self-sufficiency and sustainability. *[Exhibit 3: Informational Packet]*

CHAIR VIGIL: I don't.

COMMISSIONER MONTOYA: Could we make sure that everybody gets a packet of this?

MR. ABEYTA: Yes, Madam Chair, Commissioner Montoya.

COMMISSIONER MONTOYA: Okay. This is going to be presented at our next meeting and this, actually, is relevant to the previous discussion in terms of a proposal that the City of Española mayor is proposing to the legislature to seek a portion of the gross receipts tax, about \$20 million, as would be distributed to the different municipalities and county governments that will be affected, specifically Santa Fe County, Rio Arriba County, City of Española, City of Santa Fe. My understanding is that the City of Santa Fe has already passed a resolution as has the City of Española and what they're asking for is our participation in this and I would like for you all to take a look at it, read it and then we'll take action on it at the next meeting on February 13th. That's all I had right now, Madam Chair. Thank you.

CHAIR VIGIL: Are there any questions on that? Seeing none, Matters from the Commission, Commissioner Campos.

COMMISSIONER CAMPOS: One issue that I have is Commission setting priorities to do things and there being too many things to be done. It seems that the Commission as a whole has to set priorities and I'd like to have our County Manager look at a lot of the demands being placed on staff right now. I think we're having problems with the Land Use Code. We're moving a lot of our main priorities because there are too many subpriorities that

are taking precedence and I'd like to have an evaluation of that. I'd like to have it discussed by the Commission. The Commission sets the priorities so that we aren't being slowed up and distracted from our main purpose.

The Land Use Code is something very important to me. I think we need to move on it. Thank you, Madam Chair.

CHAIR VIGIL: Thank you, Commissioner Campos. Commissioner Sullivan.

COMMISSIONER SULLIVAN: Thank you, Madam Chair. Just one thing. I wanted to advise the Commission that, as we all know, we struggle consistently when we're making land use decisions with how we deal with water and how we deal particularly with using the domestic well permits for subdivisions and we have some very antiquated loopholes that exist in our Land Use Code. I've met with staff about them. We met about this issue more than a year ago when we were working on the revisions to the Code that haven't been finished yet, but I think we need to address this issue separately. So what I'd like to do, I have some concepts and some ideas that I think will lead us where we want to go on water, particularly on how we prioritize and how we deal with domestic wells and how we can continue to have domestic wells where they're needed but how we need to have these loopholes addressed.

So what I'd like to do in the upcoming weeks is meet individually with each of you and talk to you about some fairly minor, actually, changes that need to be made in the Code, but important ones to keep these multiple straws from being the way that we manage our aquifer. So I just wanted to alert, if you get a call from me about water, I'd like to sit down and have lunch or coffee and talk with you about these and get your input on it.

CHAIR VIGIL: Are you buying?

COMMISSIONER SULLIVAN: I'll buy. You got it. Wait a minute. I didn't say lunch for Campos. Coffee for Campos.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Madam Chair. I just wanted to again congratulate and thank the Public Works Department, the Fire Department, the Sheriff's Department for working hard still up in the southern part of Santa Fe County. We still have over a foot of snow. When the winds blow we get snow drifts and they are still helping and trying to get our County roads out from under the snow. And now we're dealing with mud and the Public Works Department is still there and working strong. So I wanted to acknowledge them again. Robert and James, your whole department has been outstanding. I have received numerous calls of people thanking Santa Fe County and the Public Works Department and the Sheriffs and the Fire for their help in helping them get out of their homes, helping them plow their roads and I'm still getting the calls of people that are thanking you all. You did an outstanding job. You've worked for - now we're going on months at a time. And I'm serious; we're still working hard over there. So again, thank you very much for all of your work, Robert and James and the Sheriffs and the Fire. Again, thank you. Thank you, Madam Chair.

CHAIR VIGIL: Anything further, Commissioner Anaya?

COMMISSIONER MONTOYA: Madam Chair.

CHAIR VIGIL: Commissioner Montoya.

COMMISSIONER MONTROYA: I would just like to recognize and welcome back Shirley Hooper. Shirley, it's good to see you back. Thank you.

CHAIR VIGIL: Welcome, Shirley. I just have a few items. I wanted to underscore what Commissioner Anaya is saying and James, I did the welcoming for the Association of Counties and wanted to recognize most Public Works from throughout the state and of course it was the day after the southern, eastern part of the state had had an incredible snow, so I asked the Public Works affiliate and members and administration to stand up and in that whole room only three of them were actually there and I saw you a little bit later. It occurred to me that they're still out there snowplowing and not even able to participate necessarily in our own Association of Counties meeting. Boy, have they been taxed. Please thank all of your employees for the work they've done.

I also – and Roman isn't here, but I'll give this direction to Steve Ross on his behalf. I believe it's time for our annual review of our affordable housing ordinance. I think that should be placed on the agenda, the next appropriate agenda item. When we adopted that ordinance we did require an annual review and I think it was adopted last February, so I'd like to move forward with that as an agenda item. And that is it for me.

With regard to any particular request, I'd like to meet with Steve Wust and perhaps Steve Ross and other key staff members with regard to David Gold's presentation today. I believe he makes some significant points in terms of whether or not we're addressing sustainability appropriately. So I'd like to schedule a meeting with that with the key people on that and perhaps even include Mr. Gold on that meeting so there can be further clarification, because when these issues come up I think we tend to not fully understand each other and communicate as well as we should, so I'd like that to occur.

And other than that, I think if there are no Matters from the Commission, we will be hearing next – and I believe this hearing will not be too long, XIII. C. 1.

XIII. C. Fire Department

- 1. Request Approval of a Memorandum of Understanding Between the Nambe Pueblo Gaming Enterprise and Santa Fe County for Emergency Response Services on Certain Pueblo of Nambe Tribal Lands, Specifically 1997b Trust Lands (Identified as "Tract 1")**

CHAIR VIGIL: I have a quick question, Stan. Is this the one we tabled?

CHIEF HOLDEN: Madam Chair, yes. This is the same.

CHAIR VIGIL: Okay. Could you please go ahead with the presentation then.

CHIEF HOLDEN: Madam Chair, Commissioners, the agreement before you is between the Nambe Gaming Enterprise and Santa Fe County to provide emergency services for a specific tract of land that is under economic development by Nambe Pueblo. The agreement has been reached after several months of discussion, with working with Commissioner Montoya and his lead, and with County Legal and the legal representation from the Gaming Authority.

And I'd be happy to stand for any questions. And we also have members of the Gaming Authority here to answer questions from the Nambe Pueblo.

CHAIR VIGIL: Are there any questions for Mr. Holden? Commissioner Sullivan.

COMMISSIONER SULLIVAN: I have a question for Commissioner Montoya or Stan, whichever. How does this, Commissioner, coordinate with the resolution that we discussed earlier this morning, having to do with the impact of the Nambe Pueblo Enterprise?

COMMISSIONER MONTOYA: It would directly correlate with that resolution in terms of communicating with the enterprise and with our Fire Department and with the local community there, so they go hand in hand.

COMMISSIONER SULLIVAN: So there was some concern that perhaps there needed to be a formal mechanism to encourage this communication, which is what I read into that resolution. And now we're also moving forward in approving this agreement to provide services. So aren't we pretty much concurring either that there is no impact or we're in some way giving our stamp of approval to the process? Am I missing a step here between that resolution and this agreement?

COMMISSIONER MONTOYA: No. That again - this resolution moves forward. The resolution that we've already passed also again - that's really something that we're requesting that as the planning continues to move forward that we're a part of that planning process. So this is allowing the planning process to move forward. That resolution is requesting that we be part of that planning process so that any concerns that the Fire Department may have, that they can be addressed during that planning process.

COMMISSIONER SULLIVAN: Okay. And I understand from the discussion last time we had on this that this was a part of the Pueblo's requirement in order to get their environmental clearance to move the project forward. Was that correct? To have an emergency plan in place?

COMMISSIONER MONTOYA: I believe so.

CHIEF HOLDEN: Madam Chair, Commissioner Sullivan, that's correct. There's a requirement by the National Indian Gaming Commission that they participate with the County to provide these services. Again, we have representation here. Perhaps they would like to speak specifically to what that requirement is.

COMMISSIONER SULLIVAN: I think the question has been answered and obviously the Pueblo is going to make its own decision about whether it builds a gaming facility and apparently it's already decided that it will. We're being asked to provide these services and I think from the testimony last time my recollection was we provide them anyway. We respond anyway to any emergencies in a radius of a particular station, and this I assume is to formalize it and to get paid for it as well. So I guess then my question to you, Chief, would be are you comfortable with this resolution?

CHIEF HOLDEN: Madam Chair, Commissioner Sullivan, yes I am.

COMMISSIONER SULLIVAN: All right. Thank you, Madam Chair.

CHAIR VIGIL: Any further questions?

COMMISSIONER MONTOYA: Madam Chair, move for approval.

CHAIR VIGIL: Motion to approval. Is there a second?

COMMISSIONER ANAYA: Second.

CHAIR VIGIL: Motion and second. Any further discussion?

The motion to approve the MOU with Nambe Pueblo Gaming Enterprise passed by unanimous [5-0] voice vote.

XI. APPOINTMENTS / REAPPOINTMENTS / RESIGNATION

A. New Appointments to the County Open Land and Trails Planning and Advisory Committee (COLTPAC) (Projects & Facility Management Department)

PAUL OLAFSON (PFMD): Madam Chair, Commissioners, we have before you membership for the County Open Land and Trails Planning and Advisory Committee, also known as COLTPAC. We are asking for appointment of four new members. One member for the north region, one member for the south region, one at-large member and one alternate member. We're also asking for the reappointment of seven members who have complete their first two-year term and have asked to be reappointed for a second two-year term. Those members are Leon Roybal and Levi Valdez from the north, William Johnson from the Central, Cherie Rife-Smylie and James Edmiston from the south, and John Buchser representing the city area, and Jack Frost as an alternate.

I just want to make one clerical note. We did hand out resumes and a summary list of candidates that was inserted into your packet, and just a minor error that under the north there's a member Mekko Miller. It might be hard to see his name because it's kind of on the very first bar, but his resume is included and the rest of the names and resumes are also included in these packets. And I would stand for any questions.

CHAIR VIGIL: Any questions?

COMMISSIONER MONTOYA: Madam Chair, how do you want to do this, Paul?

MR. OLAFSON: Madam Chair, Commissioners, generally, the practice of the Board in the past has been that the northern representatives are suggested by the Commissioner from that district. That would be yourself. The central representatives are kind of all of the Commissioners because you all have a piece of that central, and then the southern also would defer towards the south. And the final alternate is also kind of another at-large for the entire Board to discuss.

CHAIR VIGIL: We also need to take action on the seven current members, right?

MR. OLAFSON: Correct.

CHAIR VIGIL: So perhaps we could divide that motion up and look at

whether or not there is any concerns over the seven current members being recommended for reappointment.

COMMISSIONER CAMPOS: I would move that we reappoint all the existing members.

COMMISSIONER MONTOYA: Second.

CHAIR VIGIL: Motion and second. Any discussion?

The motion to reappoint the seven existing members passed by unanimous [5-0] voice vote.

COMMISSIONER MONTOYA: Madam Chair.

CHAIR VIGIL: Commissioner Montoya.

COMMISSIONER MONTOYA: I'd like to put forth the name of Mekko Miller for the north region.

COMMISSIONER ANAYA: Second.

COMMISSIONER CAMPOS: Let's do nominations.

CHAIR VIGIL: We have a nomination for Mekko Miller for the north region. That would be also with the same recommendation as Leon Roybal and Levi Valdez.

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Commissioner Anaya

COMMISSIONER ANAYA: I'd like to nominate Matthew McQueen for the southern region.

CHAIR VIGIL: That would be in addition to Cherie Rife-Smylie and James Edmiston. Matthew McQueen.

COMMISSIONER ANAYA: That's right.

CHAIR VIGIL: Okay. Any other nominations?

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: I would like to, as alternate put in James Hellerman.

CHAIR VIGIL: Do we have a resume on him?

MR. OLAFSON: Yes, ma'am. It's in the list of applicants.

CHAIR VIGIL: We just have one alternate, correct?

COMMISSIONER SULLIVAN: Didn't we just approve one in the motion we just did?

MR. OLAFSON: Madam Chair, Commissioners, if I may clarify. There's two alternates each. So one was reappointed for a previous member and there's one open seat.

COMMISSIONER SULLIVAN: Madam Chair.

CHAIR VIGIL: Commissioner Sullivan.

COMMISSIONER SULLIVAN: I have a question for Commissioner Montoya. Mekko Miller in the resume indicates general counsel to the Tesuque Pueblo. It doesn't indicate anything of environmental background or open space, land. The other two seem to have that kind of background. One has a masters in environmental and outdoor education, worked for the Forest Service, BLM. Another is a horseback rider and birdwatcher and member of Chimayo Volunteer Fire Department. So could perhaps you expand on Mekko Miller's background and what makes you feel that this is the best applicant?

COMMISSIONER MONTOYA: Well, I think based on his resume in terms of being legal counsel, I think that adds an element to the board that currently is not there, in terms of there being any attorneys, which is always good or bad, depending on the situation, to have an attorney on any board. Right, Commissioner Campos? Secondly, he is a Native American and a lot of these lands, open space and otherwise that we look at, go through some scrutiny, and we're doing it anyway now, as I understand it with a lot of our land use issues as well, to have the Native American Pueblos informed of any such transaction or potential development in order to get their blessing if you will. So I think he adds an element that isn't there in those two ways in terms of the Native American tradition of lands, land use and also his legal experience. I think there's a lot of birdwatchers and horseback riders already on that committee, if I'm not mistaken.

COMMISSIONER SULLIVAN: Well, I hope they're all birdwatchers but I was certainly interested in a degree in environmental and outdoor education. But let me ask staff, Mr. Olafson, do we have any current Native American representation on COLTPAC?

MR. OLAFSON: Madam Chair, Commissioner Sullivan, there is one other Pueblo member from San Ildefonso, and that's Leon Roybal.

COMMISSIONER SULLIVAN: Okay. And how are we doing with, for example on these reappointments, and Mr. Roybal and others, how are we doing on their attendance?

MR. OLAFSON: Madam Chair, Commissioner, attendance is generally very good at the committee. There's different times of the year when different people have their family obligations or other work obligations but generally we get a turnout from the committee members. It may not be everyone every meeting but we generally, they're attending.

COMMISSIONER SULLIVAN: I know early on we were struggling with making a quorum and that's always difficult when we have - it is a total of 14 members?

MR. OLAFSON: Eleven members, two alternates.

COMMISSIONER SULLIVAN: Okay. So 13, 11 members. So that's not been a problem recently?

MR. OLAFSON: No. We've been making quorum.

COMMISSIONER SULLIVAN: All the members have reasonably good attendance. Okay. Thank you. Thank you, Madam Chair.

CHAIR VIGIL: Thank you. Any other comments. Commissioner Campos.

COMMISSIONER CAMPOS: At-large, I don't think we've nominated for someone at-large. Anyone have any guidance?

CHAIR VIGIL: I might suggest at this point in time, Jack Frost and James Hellerman being considered for alternates, depending on who we select for that, perhaps the other person could serve as an at-large.

COMMISSIONER CAMPOS: Frost is already the alternate.

CHAIR VIGIL: He could also be the at-large member. Correct?

MR. OLAFSON: Correct. I think Commissioner Anaya nominated him for the alternate position.

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: There's supposed to be two alternates, right?

MR. OLAFSON: There is. And there's one already sitting, or there's position. There's one open and one open for at-large. And you made a nomination, I believe for the alternate.

COMMISSIONER MONTOYA: For Hellerman.

COMMISSIONER SULLIVAN: Madam Chair, let me make a nomination for at-large. I would add into the nominations Jan-Willem for at-large.

CHAIR VIGIL: Jan-Willem?

COMMISSIONER SULLIVAN: He's on the chart there, second down, at-large.

CHAIR VIGIL: Okay. There are some options available for us at this point in time. Why don't we, to make this clean, go through each one of the sections and take action on those that there is only one recommendation for, and then we'll go to the north, the south, the alternate and the alternates, and the at-large only has one. Commissioner Montoya.

COMMISSIONER MONTOYA: If I could, I would just move that the nominations cease and that the individuals nominated for their respective positions be elected or appointed by acclamation.

COMMISSIONER ANAYA: Second.

CHAIR VIGIL: There's a motion and second for those members who have been nominated to be appointed by acclamation. Are you, Commissioner Montoya, including the nominations of Mekko Miller, Matthew McQueen and James Hellerman?

COMMISSIONER MONTOYA: And Jan-Willem.

CHAIR VIGIL: And Jan-Willem. So you want to make a blanket motion on that?

COMMISSIONER CAMPOS: There's no conflict in any position, I don't believe. So good motion.

CHAIR VIGIL: Okay. There is a motion and a second by acclamation, all those nominated. Do you understand the nominations, Mr. Olafson?

MR. OLAFSON: Madam Chair, yes. For the north, Mekko Miller, for the

south Matthew McQueen, as alternate, James Hellerman and at large Jan-Willem Jansens.

CHAIR VIGIL: And that also would include for the central, the current -

MR. OLAFSON: Yes, as well as the reappointments.

COMMISSIONER MONTOYA: The reappointments are already done.

CHAIR VIGIL: Motion and second. Any further discussion?

The motion to make the appointments to COLTPAC as noted above passed by unanimous [5-0] voice vote.

XI. B. Appointments to the Health Policy & Planning Commission; Ron Hale and Rick Adesso (Health & Human Services Department)

STEVE SHEPHERD (HHS Director): Madam Chair, Commissioners, we've got two appointments recommended by the Health Policy and Planning Commission, Ron Hale, representing the MCH or Maternal and Child Health Council, and Rick Adesso, representing health clinic. He is the chief operating officer of La Familia.

COMMISSIONER ANAYA: So moved.

COMMISSIONER CAMPOS: Second.

CHAIR VIGIL: There's a motion to accept the recommended nominations and a second. Any discussion?

The motion to appoint Ron Hale and Rick Adesso to the HPPC passed by unanimous [5-0] voice vote.

XI. C. Resignation From the Health Policy & Planning Commission: Jerry Jorgensen (Health & Human Services Department)

MR. SHEPHERD: Madam Chair, the Health Policy and Planning Commission requests that you accept the resignation of Jerry Jorgensen, who was representing District V.

COMMISSIONER ANAYA: So moved.

COMMISSIONER CAMPOS: Second.

CHAIR VIGIL: Motion and second. I just want to make sure that we thank all of these.

The motion to accept Jerry Jorgensen's resignation passed by unanimous [5-0] voice vote.

XI. D. Resignation From the Maternal & Child Health Planning Council: Lisa Garcia (Health & Human Services Department)

COMMISSIONER CAMPOS: Move to accept Ms. Garcia's resignation..
COMMISSIONER MONTOYA: Second.
CHAIR VIGIL: Motion and second to accept that.

The motion to accept Lisa Garcia's resignation passed by unanimous [5-0] voice vote.

XI. E. Resignation of Marcelina Martinez from the DWI Planning Council (Health & Human Services Department)

COMMISSIONER CAMPOS: Move to accept.
COMMISSIONER MONTOYA: Second.
CHAIR VIGIL: Motion and second.

The motion to accept Marcelina Martinez' resignation passed by unanimous [5-0] voice vote.

CHAIR VIGIL: Thank you, Mr. Shepherd. Thank you, Ms. Beardsley. Your presentations were riveting.

XII. CONSENT CALENDAR

A. Finding of Facts

1. CDRC Case # APP 06-5361 New Cingular Wireless
2. CDRC Case # APP 06-5981 New Cingular Wireless

B. Budget Adjustments

1. Resolution No. 2007-12. A Resolution Requesting an Increase to the General Fund (101) / Home for Good Program to Budget Prior Fiscal Year 2006 Grant Balance for Expenditure in Fiscal Year 2007 / \$19,577 (Health & Human Services Department)
2. Resolution No. 2007-13. A Resolution Requesting an Increase to the Detox Programs Fund (242) / CARE Connection to Budget MOA Carryover Revenue With St. Vincent's Hospital for Expenditure in Fiscal Year 2007 / \$211,054 (Health & Human Services Department)
3. Resolution No. 2007-14. A Resolution Requesting an Increase to the Alcohol Programs' Fund (241) / Teen Court Program to Budget Additional Teen Court Fee Revenue for Expenditure in

- Fiscal Year 2007 / \$6,000 (Health & Human Services Department)**
4. **Resolution No. 2007-15. A Resolution Requesting an Increase to the State Special Appropriations' Fund (318) / La Familia Medical Center to Budget Prior Fiscal Year 2006 Grant Balance for Expenditure in Fiscal Year 2007 / \$25,000 (Projects & Facility Management Department)**
 5. **Resolution No. 2007-16. A Resolution Requesting an Increase to the Fire Protection Fund (209) / Hondo Fire District to Budget Forest Fire Reimbursement Revenue Received for Expenditure in Fiscal Year 2007 / \$8,120 (Fire Department)**
 6. **Resolution No. 2007-17. A Resolution Requesting an Increase to the Fire Tax ¼ Percent Fund (222) to Budget Prior Fiscal Year 2006 Cash Balance for Construction of Thunder Mountain Substation / \$732,200 (Fire Department)**
 7. **Resolution No. 2007-18. A Resolution Requesting an Increase to the General Fund (101) / County Sheriff's Office to Budget a Grant Awarded Through the New Mexico Department of Transportation for Traffic Safety Education and Enforcement for Expenditure in Fiscal Year 2007 / \$25,764 (Sheriffs Department)**
 8. **Resolution No. 2007-19. A Resolution Requesting an Increase to the General Fund (101) / County Sheriffs Office to Budget a Grant Awarded Through the New Mexico Department of Transportation for Selective Traffic Enforcement for Expenditure in Fiscal Year 2007 / \$22,468 (Sheriffs Department)**
 9. **Resolution No. 2007-20. A Resolution Requesting an Increase to the General Fund (101) / County Sheriffs Office to Budget a Memorandum of Understanding with the Administrative Office of the Courts for Expenditure in Fiscal Year 2007 / \$20,000 (Sheriffs Department)**
 10. **Resolution No. 2007-21. A Resolution Requesting an Increase to the Federal Forfeiture Fund (225) / Region III Program Income to Budget Federal Forfeiture Restitution Revenue Received for Expenditure in Fiscal Year 2007 / \$10,527.86 (Sheriffs Department)**
 11. **Resolution No. 2007-22. A Resolution Requesting an Increase to the General Fund (101) / Region III Program Income to Budget Court Settlement Restitution Revenue Received for Expenditure in Fiscal Year 2007 / \$695 (Sheriffs Department)**
 12. **Resolution No. 2007-23. A Resolution Requesting an Increase to**

the General Fund (101) to Budget a Grant Agreement Between Santa Fe County and the New Mexico Department of Transportation for the Impaired Driving Demonstration Program /\$350,600. (County Sheriffs Office)

13. **Resolution No. 2007-24. A Resolution Requesting an Increase to the Water Enterprise Fund (505) to Budget Prior Fiscal Year 2006 Grant Balance From the NM Environment Department for Expenditure in Fiscal Year 2007 / \$179,813 (Water Resources Department)**
14. **Resolution No. 2007-25. A Resolution Requesting an Increase to the Developer Fees Fund (231) / Affordable Housing Program to Budget Home Certification Fee Revenue for Expenditure in Fiscal Year 2007 / \$10,550 (Land Use Department)**

C. Professional Service Agreements

1. **Request Authorization to Accept and Award a Professional Services Agreement to the Highest Rated Offeror in Response to RFP # 27-0726-PFMD/RH to Provide Architectural and Engineering Design Services of the Cundiyo Fire Station Expansion (Projects & Facility Management Department)**

D. Miscellaneous

1. **Request Approval to Award Construction Agreement No. 27-0727-PFMD/RH to the Lowest-Cost, Responsive Bidder, Rivercrest Construction to Provide Construction of the El Rancho Community Center Building Additions in the Amount of \$222,193.13 (Projects & Facility Management Department)**
2. **Request Approval to Award Construction Agreement No. 27-0721-PFMD/RH to the Lowest-Cost, Responsive Bidder, HydroGeologic Services, Inc. to Provide Drilling of Water Well for the Public Works Facility Buildings in the Amount of \$143,404.93 (Projects & Facility Management Department/Water Resources Department)**
3. **Resolution No. 2007-26. A Resolution Granting the County Manager Signatory Authority for Amendments to a Conservation Easement on the Ortiz Mountain Preserve Property to be Purchased for Inclusion in the County's Open Space and Trails Property Inventory (Projects & Facilities Management Department)**
4. **Request Approval of a Purchase Agreement Between Santa Fe County and the Santa Fe Botanical Garden for the Purchase of Approximately 1300 Acres of Property for Inclusion in the County's Open Space and Trails Property Inventory \$380,000**

- (Projects & Facility Management Department)**
5. **Request Approval of a Management Agreement Between Santa Fe County and the Santa Fe Botanical Garden for the Management of the Approximately 1300 Acres Ortiz Mountain Preservation Open Space Property (Projects & Facility Management Department)**
 6. **Request Approval of Amendments to a Conservation Easement Agreement Between Santa Fe County and the Santa Fe Conservation Trust for the Approximately 1300 Acre Ortiz Mountain Preserve Open Space Property (Projects & Facility Management Department)**
 7. **Request Approval of a Lease Agreement for Satellite Office for CARE Connection Activities and Other Programs in Order to Provide Outreach Services for Northern Santa Fe County (Projects & Facility Management Department) ISOLATED FOR DISCUSSION**
 8. **Resolution No. 2007-27. Request Approval of Resolution Allowing CARE Connection to Submit an Application to the Department of Finance and Administration for \$300,000 in Detox Funds for the Sobering Center (Health & Human Services Department)**
 9. **Request Approval of DWI Detoxification Grant Application to DFA for \$300,000 in DWI Detoxification Grant for FY-2008 (Health & Human Services Department)**
 10. **Request Approval of Amendment No. 1 to the Value Options Contract for CARE Connection to Add Mobile Assessments and Recovery Support Coordination and to Increase Total Amount of the Contract (Health & Human Services Department) ISOLATED FOR DISCUSSION**
 11. **Resolution No. 2007-28. A Resolution Requesting Approval Authorizing the County to Submit an Application to the Department of Finance and Administration, Local Government Division, to Participate in the Local DWI Grant and Distribution Program (Health & Human Services Department)**
 12. **Request Approval of Local DWI Distribution / Grant Application for FY 2008 in the Amount of \$868,702 (Health & Human Services Department)**
 13. **Request Approval of Memorandum of Understanding with the New Mexico Department of Finance and Administration for Fiscal Year 2008 for the DWI And CARE Connection/Sobering Center Programs (Health & Human Services Department)**

14. **Request Approval of New Mexico State Department of Health Assurances and Cooperative Agreement Between Santa Fe County and the NM Department of Health for Fiscal Year 2008 for the DWI and CARE Connection/Sobering Center Programs (Health & Human Services Department)**
15. **Request Approval of Local DWI Distribution / Grant Statement of Assurance (Health & Human Services Department)**
16. **Resolution No. 2007-__ . A Resolution Authorizing the Santa Fe County, New Mexico \$25,000,000 General Obligation Bonds, Series 2007A, to the Best Bidder for the Purpose of Providing Funds to Acquire Real Property for and to Construct, Design, Equip, Improve and Furnish a District Courthouse and Related Parking Facilities in Santa Fe, New Mexico (Finance Department / Projects & Facility Management Department) ISOLATED FOR DISCUSSION**
17. **Resolution No. 2007-29. A Resolution Requesting Approval Authorizing the Sale of Surplus Fire Department Rescue Equipment (Fire Department)**
18. **Resolution No. 2007-__ . A Resolution Requesting Approval Authorizing the Donation of a Midland Radio to the Agua Sena Volunteer Fire Department in Rio Arriba County (Fire Department) ISOLATED FOR DISCUSSION**
19. **Request Approval of a Grant Agreement Between Santa Fe County and the New Mexico Department of Transportation for the Impaired Driving Demonstration Program Creating (4) Term Law Enforcement Officer FTE's / \$350,600. (County Sheriffs Office) ISOLATED FOR DISCUSSION**
20. **Request Acceptance of Offers Regarding, IFB 27-0608-PW/JC, and Authorization to Enter into a Price Agreement with Moriarty Concrete Products for District IV Road Maintenance and Construction Materials (Public Works Department)**
21. **Request for Approval and Execution of the 2006 Capital Cooperative Agreements for Cerro del Alamo, Sunrise and Sunset Road Projects from the New Mexico Department of Transportation (NMDOT) - \$40,000 (Public Works Department)**
22. **Request Acceptance of Offers Regarding, RFQ 27-0609-PW/JC, and Authorization to Enter into a Construction Agreement with Khani Co. for the County Road 84 Low Water Crossing Project - \$310,520.21 (Public Works Department) ISOLATED FOR DISCUSSION**

The motion to approve the Consent Calendar items with the exception of items XII. D 7, 10, 16, 18, 19, and 22, passed by unanimous [5-0] voice vote.

CHAIR VIGIL: We have approved the Consent Calendar minus the exceptions that we will review when we get back from lunch. It is now 12:20. 1:40? 2:00? We do have a long agenda. I don't know if you want to take a long lunch. We will convene at 2:00

[The Commission recessed from 12:20 to 2:06.]

CHAIR VIGIL: Call to order the continuation of this morning's meeting there has been a request to move item XIII. G. 1, the Presentation on Update of Classification and Compensation Study and we will do that.

XIII. G. Human Resources Department

1. Presentation on Update of Classification and Compensation Study

JUSTIN SALAZAR (HR): Madam Chair, Commissioners of the Board, the Human Resources Department completed a request for proposal process to retain a contract in order to provide a thorough classification and compensation study for Santa Fe County. The company that was awarded this was Public Sector Personnel Consultants. Public Sector Personnel Consultants has provided classification and compensation research for a variety of county organizations in New Mexico, to include Chavez County, Curry County, Dona Ana, Eddy, Lea, Los Alamos, McKinley, San Juan, and also the state of New Mexico.

To give you an idea of how these government entities were selected as a market comparison model I would like to introduce to you Robert Miles and he will give you an update on the progress of the study this far and also a scope of the process. With that –

CHAIR VIGIL: Thank you for being here, Mr. Miles. Would you state your name for the record?

ROBERT MILES: Robert Miles, Senior Consultant and team leader, Public Sector Personnel Consultants, Scottsdale, Arizona. It's my pleasure to meet with you this afternoon. All I want to do is give you a brief overview of the kind of work that we're doing, the things for you to expect and not to expect over the next couple of months. First and foremost, we're not here asking you to commit to any funding or anything today. It's very premature to do so. There are several parts to the process that we're going through.

This all started last fall when County employees were asked to complete a comprehensive questionnaire outlining their job duties and responsibilities. Once those were completed and reviewed by management, we recently completed a round of interviews with managers and supervisors. We talked about job content, talked about if there were changes needed in the organization, currency of job descriptions and that sort of thing. We then take all

that information and put together an update position classification plan – job families, lines of progression, such as career groups or career families. We will be updating some job titles, typically streamlining those job titles to be more reflective of the work that's being performed at the County today.

The next part of the process was a comprehensive salary survey and one of our roles as consultants is to recommend a comprehensive market model. And in your instance, which is the same as our other clients, there's really multiple markets. What we want to look at is where does the County effectively recruit? Where do you hire people from? Where do you lose people to? And we're looking at a combination of both public as well as private employers throughout the state of New Mexico. The City of Santa Fe, State of New Mexico, City of Albuquerque, Bernalillo County, Dona Ana County, City of Las Cruces, Los Alamos County, City of Rio Rancho, Sandoval County and San Juan County, as well as private employers where there is a private sector match.

And one of the things that we do that is very different from our competitors, when you hear the term salary survey you think of a written instrument that goes out, that would go out to these employers and someone would fill it out on their end. We don't do it that way. Since all of this information is public record, we request copies of organization charts, job descriptions and salary plans. We do all the job matching based on job content, not job title matching. So we come up with the most appropriate matches. So once we have completed position classification of all those titles and the market study we would run those two together and we will be recommending a new salary arranged structure for the County.

Now, when I first started today I said no, we're not asking for any money today, typically, there is fiscal impact associated with our work. And this is where you as Commissioners will come into play. What is going to be the County's salary competitiveness policy? Of course, that's going to be tied to the County's ability to pay. As you look at where the County fits today, survey-wise, any costs associated with market adjustments and where you may look two or three years down the road. And as part of our work we furnish all those financial projections so that you have alternatives and choices for your consideration.

That's basically the process as we envision our work right now. I believe you meet the fourth Tuesday of the month. Last Tuesday of the month? Then if everything goes according to plan and we don't see any reason why it shouldn't, we should be back here at the end of March with recommendations for your consideration. And of course, this all goes through a senior level management review before it's presented to you. Any questions or concerns?

CHAIR VIGIL: Any questions for Mr. Miles?

COMMISSIONER MONTOYA: Madam Chair.

CHAIR VIGIL: Commissioner Montoya.

COMMISSIONER MONTOYA: So as I understand the report that you gave to us, Mr. Miles, you've completed the evaluation on number 4.

MR. MILES: Yes.

COMMISSIONER MONTOYA: Evaluate and make necessary changes. You've completed that?

MR. MILES: Yes. We're in the process.

COMMISSIONER MONTOYA: You're in process of step 4.

MR. MILES: And we've already completed all the data collection for step 5, but we can't actually do step 5 until we're finished with step 4, so we know what jobs we are matching.

COMMISSIONER MONTOYA: Okay. Thank you.

CHAIR VIGIL: Any further questions? I have one, but it's for Mr. Ross. Mr. Ross, is the County required to use the state personnel classification guidelines in any way, shape or form?

MR. ROSS: Madam Chair, no.

CHAIR VIGIL: Okay. Thank you. Seeing no further questions, Mr. Miles, thank you for your work and for your update.

MR. MILES: Thank you.

XII. D. 7. Request Approval of a Lease Agreement for Satellite Office for CARE Connection Activities and Other Programs in Order to Provide Outreach Services for Northern Santa Fe County (Projects & Facility Management Department)

COMMISSIONER SULLIVAN: Madam Chair, I had a couple of questions about this. It appears that a decision has been made to open up a satellite office for the CARE Connection and then also, if that funding doesn't continue, or even if it does, that this office could also work into a satellite office for other services such as getting permits for solid waste facilities and County Clerk functions and things of that nature. And in addition, apparently a lease has already been negotiated for this.

I guess I perhaps feel like Rip Van Winkle here, maybe I woke up and something has happened and I missed 40 years or something. I know we've talked from time to time about satellite offices. I know that one has been requested in Edgewood and certainly in terms of population, the largest population outside the City of Santa Fe is the Eldorado area and I'm sure they would also like to have a satellite office for getting permits, landfill permits and County Clerk's work and Assessor's contact and so forth. So I guess I need to find out and ask how this decision making process came to be here and that's my, I guess first question.

JOSEPH GUTIERREZ (PFMD Director); Madam Chair, members of the Commission, this project started probably late last summer and it was at the direction of the previous County Manager. He asked PFMD to look into establishing a satellite office in the northern part of the county. Staff went up north and researched available places, brought it to the Manager, actually brought it to the new County Manager. The new County Manager was aware of the project. We were lucky enough that the CARE Connection actually had funds available and actually had a program that would work at this site, and the idea at this point was we actually had staff at PFMD that would be manning it once a week and another staff person

from the Clerk's office to assess what program needs might – how we could deliver better services for that area. I envision that this will only be the first satellite office of maybe several around the county, and just to assess, again, what kind of services the County could provide and the area that we could provide it.

There were a couple locations that the County looked at and this area is in Cuyamungue. The process behind this selection was that if individuals are going to do business with the County and they stop at this office in their familiar part of the county, and we can't address their specific needs that they don't have to turn around and add distance to their trip, that they're already on their way to Santa Fe. And if we can address their needs at this point – I went out to this office and I think it's about 12 miles so we're saving individuals that can conduct business there about a 25 mile round trip.

But again, it was at the direction of the previous County Manager that we started and it wasn't the intention that this be the only satellite office, possibly the first satellite office to see what kind of public participation we would receive and how we can deliver the services best to the residents of northern Santa Fe County.

COMMISSIONER SULLIVAN: I guess, Madam Chair, Mr. Gutierrez, the question I still have is how we prioritize this area. Now, the next item on the Consent Agenda is item 10 and that just pertains to funding for the CARE Connection for their mobile treatment, which I understand would be used, or a portion of which would be used to fund this facility. But of course mobile treatment can occur anywhere. It means you can go to Edgewood, Tesuque or Pojoaque or wherever you want to go and provide those assessments. So I'm not sure that I'm totally convinced that just the fact that the CARE Connection had some money is a good reason for deciding that our first satellite office should be at this location.

I think those same reasons that you talk about for saving travel would apply in other areas of higher population concentration, as well as other areas of greater distance, i.e., Edgewood or places like that. So I'm still not understanding the process, the decision making process that we went through here. Maybe, Mr. Abeyta, you could help out.

MR. ABEYTA: Madam Chair, Commissioner Sullivan, this, like Joseph stated, this has been something that the County has been working on for a few years now. As a matter of fact we had a satellite office opened up in Edgewood about two years ago with the Assessor's office. We didn't get a lot of activity out of that so that kind of went away. And more than once this Commission kept giving us direction to look into a satellite office, look into a satellite office. So we had been starting to talk about it amongst staff and when we found out that the CARE Connection was locating in a building up north we though, okay, well, maybe we can try a satellite office there just once a day again as kind of a pilot project. And like Joseph said, then we'll move out to the rest of the county.

But it was a situation where the CARE Connection found a building and was locating somewhere for the CARE Connection and we're just kind of piggy-backing on that. We're taking advantage of that opportunity to again try this again in the northern area and if we're successful, then we would like to expand it to the rest of the county. But the decision I made was since the CARE Connection was going to be out here, then maybe we could be out there

also once or twice a week, kind of, like I said, as a pilot project, and then eventually expand it to the rest of the county.

But it wasn't the situation where we said we want one up north; let's go up north, and then like I said the CARE Connection was coming on line up north, so we thought, well, maybe that's a logical location for a satellite office for kind of like I said, a pilot project. We'll only be out there once a week with existing staff and while we're out there we'll be getting information from the residents that are utilizing it, and then as time goes on we will open up another office somewhere else and possibly expand the services and the times at this location. But my decision was primarily based on the fact that the CARE Connection was going to locate up north so I thought, well, maybe we can piggy-back on that.

COMMISSIONER SULLIVAN: So the CARE Connection located this property for lease and negotiated this lease with Arsenio Trujillo?

MR. ABEYTA: Yes.

COMMISSIONER SULLIVAN: Okay. Maybe Mary, you could give me a little more background on that.

MARY JUSTICE (CARE Connection); Madam Chair, Commissioner, Value Options, which administers our Access to Recovery Program, voucher program, had asked us to look at doing mobile assessments and the next item that is on the agenda is that contract amendment. We had talked about a number of things, one being Pojoaque, so they're providing us funds with which to do mobile assessments. And when I spoke with Commissioner Montoya, we didn't know quite how we would accomplish that in Pojoaque, whether we needed to look for a couple of offices or exactly where that would happen. And that's how it sort of dovetailed into the search that was already underway with something in Pojoaque and it seemed to meld together for us.

COMMISSIONER SULLIVAN: So all of the funds for this, the rent, and the personnel, including people doing these other functions will be paid for by the CARE Connection?

MS. JUSTICE: Well, not the salaries of the two existing County employees. We will have to hire a mobile assessor, a therapist for that office. And the ATR voucher funds are going to pay for the rent and the assessor who would be there doing assessments for us.

COMMISSIONER SULLIVAN: So the report says there's no guarantee that the CARE Connection will have funding to continue after the first six months.

MS. JUSTICE: That's correct. We're in the last year of the ATR voucher program. The state and Value Options have sent a request to the federal government to do a one-year no-cost time extension to basically use carryover funds. So in terms of the agreement with Value Options for the mobile site it's for the rest of this fiscal year and in terms of our hiring three temp employees, it would also be through June. We expect to know from the federal government within a month or so about whether we will be able to roll that money over for a fourth year of the voucher program. But we have enough money in the voucher program to pay for the costs associated with this lease.

COMMISSIONER SULLIVAN: So you made an assessment, or did you make

an assessment, that this area was the most in need of CARE Connection services?

MS. JUSTICE: Well, it's where we get most of our clients from. Not most. Most obviously come from Santa Fe proper. But in terms of the people who struggle to get down to us who are mandated by the court or whatever for an assessment, a lot of those people do come from the northern part of the county. And we can also serve people now a little outside the county, which was another reason for looking at that so that before, we really couldn't serve people from Española proper but we can serve people 20 miles outside the county line, which takes in part of Española. So that seemed like a good choice and that's why we had talked about it. But I've also been working with Sangre de Cristo, with their clinical director, Mary Curry. We are also talking about having an assessor go down to Edgewood, maybe a day every two weeks or something like that. We'll have to see what the volume would be down there. So we are looking at that as well.

COMMISSIONER SULLIVAN: And how was the property located? Were there ads in the paper for places to lease?

MS. JUSTICE: I wasn't really part of that.

MR. GUTIERREZ: Madam Chair, Commissioner Sullivan, the location was that our project manager, which was Rudy Garcia, in the course of a couple of weeks went down there and investigated properties to see if there was ADA accessibility, phone lines, IT capability and space and I think he identified four or five places in that area and we went and visited them. I know we were down to two that would work and the two would work was this location and the other location was in Arroyo Seco. For a convenience factor, their requirements were less stringent than the Arroyo Seco site. The cost was less. We picked this one. The landlord is willing to work with us on a six-month lease because that's all the funding that we have at this point. We will evaluate and make a decision after that six months.

COMMISSIONER SULLIVAN: And were these FTEs in our budget? Talking about the non-CARE Connections ones?

MR. GUTIERREZ: The non-CARE Connection, because we want an assessment and this is a pilot project and wanting the information, the Clerk's office has volunteered to provide one person for one day a week and I've agreed to provide one person one day a week, so the County will be open for non-CARE Connection business twice a week to see what kind of inquiries the County gets to assess the viability of this office and also that information can be used to assess the viability of future offices in different locations in Santa Fe County. So they were already on the table at this point.

COMMISSIONER SULLIVAN: And will there be tenant improvements that we'll need to do to this property?

MR. GUTIERREZ: There is one improvement that CARE Connection is asking to make in opening the facility just a little bit larger. Our operations director, Frank Jaramillo went and assessed it and his crew pretty much can make that accommodation very easily.

COMMISSIONER SULLIVAN: So nothing major or structural.

MR. GUTIERREZ: Nothing major, nothing structural.

COMMISSIONER SULLIVAN: No electrical.

MR. GUTIERREZ: No, it's a fairly new building. It was erected I think about three years ago, so it's a new construction.

COMMISSIONER SULLIVAN: That's all the questions I had.

CHAIR VIGIL: Any further questions?

COMMISSIONER MONTOYA: Madam Chair, no questions, but I will just add to maybe some of the concerns that are brought up. In terms of the volume of requests, I have continuously, since I've been in office, had a number of requests of people in northern Santa Fe County requesting better accessibility to some of the services that we may be able to provide, to come to the Clerk's office, to come to Land Use, to come to Solid Waste. What did we sell, James, last year? Close to 200 solid waste permits. So I think that volume in itself speaks well for the need for this type of a facility. I know that the clientele is definitely different than the Eldorado folks. These people are going to find it a lot more convenient to be able to park, to be able to talk to someone than can help them without sending them to a bunch of different places. So I think the opportunity here presented itself at an opportune time to be able to, with some funding through another source, be able to provide this service at least on a six-month basis to begin taking a look at the feasibility of are we going to really be able to do this and continue this over a period of time. And I'm expecting that the volume will continue in terms of the people accessing and utilizing this office and I'm glad that PFMD and the Clerk's office are going to be providing staff people initially to begin with and see where we go from there. And I think this is certainly something that should be on a case-by-case basis. I'm not going to advocate for something if after six months or a year people aren't utilizing it, then it makes perfect sense to take a look at doing something else and going back to maybe business as usual.

But this is something that I've, again, advocated for for four years for the northern part of my district and it so happens that this is a good opportune time that we're capitalizing and I'm glad that we're doing so. And I would move for approval.

CHAIR VIGIL: Motion. Is there a second?

COMMISSIONER ANAYA: Second.

CHAIR VIGIL: Motion and second. Commissioner Sullivan.

COMMISSIONER SULLIVAN: Discussion. I would - I don't doubt that there's a need in northern New Mexico, nor do I doubt that there's a need in four other county districts for more convenient County services. The 285 area is much more than 12 miles from downtown Santa Fe. So if distance is our criteria I think that there are other needs as well. I would like to see some serious thought given to providing these similar services. The people in the 285 area also pay taxes. They also get landfill permits. They also have documents to record and file and one suggestion would be that now that we're opening the senior center there we may not have to pay any rent somewhere. We could designate one day a week or even a half-day a week where these functions would be available at the senior center and where staff could handle the paperwork for people, particularly those who are unable to get downtown or are elderly. We would be in a nice, new building and we wouldn't have to pay rent. That may be also a way to look at a pilot program for adding that convenience and keeping people off the

road, saving fuel, saving energy and not exacerbating the parking problem down here at our County facilities. Does that sound like a possibility, Mr. Gutierrez?

MR. GUTIERREZ: Madam Chair, Commissioner Sullivan, we will definitely look into it. I've had a chance to view the new center so there is some opportunity for temporary office space.

COMMISSIONER SULLIVAN: Okay. Thank you, Madam Chair.

CHAIR VIGIL: Thank you, Commissioner Sullivan. Commissioner Anaya.

COMMISSIONER ANAYA: While we're talking about satellite offices, we don't want to forget the southern part of Santa Fe County. I know that they opened up a little satellite office but I think what happened is we didn't stay on top of it. It would have been a good thing and I want to suggest that to your district over there, Commissioner. You have to show up. What happened there in Edgewood is we kind of didn't keep going back and then it kind of fell through. So I hope that doesn't happen in the northern part and if we decide to do one in Eldorado. But I'd like to get back and look at Edgewood too and keep going back. Because once you miss then we're not consistent. And I think if we're going to do these satellite offices we've got to have somebody there when we're supposed to be there. Thank you.

CHAIR VIGIL: Thank you. There's a motion and a second. I just want to add, I see a huge justification for selecting this site and that is this area is within the high-intensity drug trafficking area, federally designated. Is that not still correct, Commissioner Montoya?

COMMISSIONER MONTOYA: Yes, that is correct.

CHAIR VIGIL: Okay. I don't think there's any other area south of Pojoaque and of course Santa Fe County and Santa Fe are a component of that, but the boundary is within that area so I think that the CARE Connection services provided would be quite beneficial and oftentimes it does take some creativity to piggy-back on one particular source of funding and be able to utilize it for other needs. I do think that we do need to look at some prioritization in terms of that but I fully support that. With that I'll take a vote.

The motion to approve the CARE Connection lease in northern Santa Fe County passed by unanimous [5-0] voice vote.

XII. D. 10. Request Approval of Amendment No. 1 to the Value Options Contract for CARE Connection to Add Mobile Assessments and Recovery Support Coordination and to Increase Total Amount of the Contract (Health & Human Services Department)

CHAIR VIGIL: Commissioner Sullivan, your question?

COMMISSIONER SULLIVAN: I think my other questions have been answered in the previous item 7 except to ask Mary, is this funding that's provide only for this office in northern New Mexico or can these mobile assessments be done elsewhere? Or will they be done elsewhere?

MS. JUSTICE: It's not just for Pojoaque. If we needed to do a mobile assessment, like a day every two weeks or whatever, which is something we've been thinking about doing in Edgewood, we can use the funds for that as well.

COMMISSIONER SULLIVAN: Okay. I move for approval.

CHAIR VIGIL: Motion. Is there a second?

COMMISSIONER CAMPOS: Second.

CHAIR VIGIL: Motion and second for approval of item 10. Any further discussion? I just have a quick question, Mary. Have you all made any kind of assessment as to whether or not the CARE Connection services could be done through our mobile medical van?

MS. JUSTICE: We've worked somewhat with Angela, who's doing the van. We provide her with some information on the assessment center. It would be difficult doing assessments out of the van just because of the privacy issue of being able to talk with people about their drug and alcohol use and mental health problems in that context. But she certainly knows the services we provide. She refers people to us as appropriate and that's how we've been working with Angela and the van.

CHAIR VIGIL: Thank you, Mary. Seeing no further discussion, the motion is to approve item 10.

The motion to approve the amendment to the CARE Connection contract to add mobile assessments passed by unanimous [5-0] voice vote.

- XII. D. 16. Resolution No. 2007-30. A Resolution Authorizing the Santa Fe County, New Mexico \$25,000,000 General Obligation Bonds, Series 2007A, to the Best Bidder for the Purpose of Providing Funds to Acquire Real Property for and to Construct, Design, Equip, Improve and Furnish a District Courthouse and Related Parking Facilities in Santa Fe, New Mexico (Finance Department/Projects & Facility Management Department)**
[Exhibit 4: Bond Sale Result; Exhibit 5: Supporting Material]

CHAIR VIGIL: Commissioner Sullivan.

COMMISSIONER SULLIVAN: This was taken off at staff request.

CHAIR VIGIL: I'm sorry. That's correct. You've set a pattern here. This is my first chairing responsibility. Teresa, or Roman, whoever would like to -

TERESA MARTINEZ (Finance Director): Madam Chair, Commissioners, I'm basically here to introduce Kevin Powers, our financial advisor, and Peter Franklin, our bond counsel, to report on the results of the bond sale and the required resolution for the sale of bonds.

CHAIR VIGIL: Thank you, Teresa.

KEVIN POWERS (Financial Advisor): I'm Kevin Powers. I'm with RBC

Capital Markets and I'm the Financial Advisor to the County. Madam Chair, members of the Commission, we conducted a sale this morning of the County's general obligation bonds according to state law. We had a competitive sale. The results of the sale are contained in the handout we just distributed. Page 2 is a summary of the issue. It was \$25 million in GO bonds. The bonds will mature between 2007 and 2026. The average life of the transaction was a little over 13.6 years. Moody's Investor Service rates the bonds AA2, which is the third highest rating available under Moody's rating scale, which is excellent.

In addition, a portion of the bonds, from 2013 to 2026, will be insured by MBIA at the cost of the bidder on the bonds. The net interest cost was \$15 million, a little over \$15 million. The purchaser will pay the County a premium of \$33,000 in addition to the \$25 million. The TIC, the true interest cost, which is the measurement that we were using to determine which was the best bid to the County was a 4.39 percent and this will result in no tax increase to the county taxpayers.

Just to give you a little bit of a reference point, back in 2005 you sold some bonds that were authorized at the 2004 election. Those bonds had an average life 8.5 years and you sold those at a true interest cost of 4.24 percent. So the shorter bond issue sold at slightly lower interest rates. We structured these bonds this time to really take advantage of a market condition where we have relatively flat interest rates. The yield curve, you may hear the interest rate chart referred to as the yield curve. Short-term rates are almost the same as long-term rates at this point in time. So we stretched this issue out a little bit, extended the average life. This will allow you to sell additional bonds later in 2007 and early in 2008 to finish out the 2004 authorization if rates rise between now and then on a long term, you'll be able to sell these into the shorter end of the curve and take advantage of those favorable interest rates.

On pages 3 and 4 you have a recap of the bids. We received 13 bids, which is excellent. A very competitive sale. The top four bids were all very, very close in terms of TIC, the yellow highlighted area at the bottom highlights that those TICs - the best bid was a 4.3919. The second best was 4.3922, and the third was 4.3938. So very, very competitive. The bidding list, the list of bidders, very recognizable names from throughout the country. Piper Jaffrey did provide the best bid and the resulting debt service schedule can be found on page 5.

And then pages 6 and 7 show - when you look at this sale in a vacuum, the maturity schedule may look a little odd at first but if you look on pages 6 and 7, you take the 2007-A's and proposed 2007-B's, and then add to that the 2008 bonds, what results in terms of total debt service on the far right-hand side of page 7 all of a sudden now makes a little more sense as to what we were trying to accomplish.

Interest rates have been good. On page 8 you can see a 10-year history on interest rate. The red indicator is the 10-year treasury. The blue line is the 20-year GO bond index, and although we didn't catch it on the very bottom of this little mini-cycle, we did catch the blue line at a point where if you draw a line across all the bottoms in the market we're right about that area. So you did very well in terms of market timing.

One other item I'd just like to point out is the Moody's rating report, on page 11, and I'd just like to read one sentence from that report. It's kind of a justification for the rating level.

It says the high level rating is indicative of the County's large and diverse tax base supported by fairly affluent individuals, a multi-year trend of solid financial operations and a low debt burden. So that in nutshell is Moody's justification as to why you warrant a AA2 rating. And with that I would stand for any questions you might have on the sale process.

CHAIR VIGIL: Questions? Commissioner Sullivan.

COMMISSIONER SULLIVAN: Just one quick one. The true interest costs were, as you indicated, very close. Four of them are in the 4.39 rate. What is the plus premium? Is that something that affects the true interest cost? Is that kind of a rebate that they're proposing?

MR. POWERS: Madam Chair, Commissioner Sullivan, that is - we had set forth bid specifications that these bidders had to live within. We did allow them to bid a premium and what they basically do there is in addition to their part of the bonds they have to pay a par. They can pay you a premium in addition to that. That's a cash benefit to you up front. That was \$33,000. That gets calculated in when we calculate the TIC, that is in effect a way to buy down the interest rate and it's a way a bidder will use to tweak its rate, so to speak if they were shooting for a certain number in terms of the TIC, they can use that premium to make that adjustment. So, yes it does count and because the TIC calculation is a present value calculation of the future payments of principal and interest, by paying you that premium up front they get full credit for the \$33,000 because it's paid to you at the closing.

COMMISSIONER SULLIVAN: So, for example on page 3, they don't get selected on the basis of gross interests costs, because if you took Morgan Stanley at \$14,997,000 in gross interest and no premium, they would still be lower than Piper Jaffrey at \$15,068,000 in gross interest, even with the \$33,000 premium.

MR. POWERS: That's correct. Madam Chair and Commissioner Sullivan, if you look at those bids side by side, you can see that Morgan's bid has a number of five percent coupons up in the front end, and because that higher interest rate is discounted less in the present value calculation, that bid, even though the gross interest costs, the future value of that bid is a little lower, the present value of that bid is actually higher than the first bid.

COMMISSIONER SULLIVAN: Thank you, Madam Chair.

CHAIR VIGIL: Further questions?

COMMISSIONER MONTROYA: Madam Chair, Kevin, I just want to thank you again for doing this. I think the statement in the sentence that you outlined there is also indicative of what you've been able to help us move along with along with Peter and our staff to ensure that Santa Fe County is getting the type of rating that we should be getting. We want to commend you and thank you and Madam Chair, with that I move for approval for the sale on these bonds.

CHAIR VIGIL: Motion. Is there a second?

COMMISSIONER CAMPOS: Second.

CHAIR VIGIL: Motion and second. Is there further discussion? Hearing none, let's take a vote. Mr. Franklin, Peter, would you like to further address the Commission before we take an action?

PETER FRANKLIN (Bond Counsel): Madam Chair and Board members, if you'd like, I would be happy to summarize the bond resolution, the award resolution and I bet I can do it in 45 seconds or less. Specifically, what this resolution does is award the bonds to Piper Jaffrey as the best bidder, the bidder that bids the lowest true interest cost. You'll see that in Section 2, the principal amount, maturities, maturity dates and interest rates at maturity are stated. Sections 3 through 7 just describe the details of the bonds and things like where the bondholder goes or how interest is paid to the bondholder and how the principal amounts are paid and when, and so on and so forth.

The form of the bond is stated in Section 8. In Section 10, the Board of County Commissioners is authorizing the levy of taxes to pay debt service on the bond. Section 11 describes the Board's commitment to provide continuing disclosure for the benefit of investors. Section 12 covers the tax-exempt use of proceeds of the bonds, namely for the construction of the courthouse. And basically, Section 18 makes a technical repeal of a provision in the notice of sale resolution, in which we thought the sale was going to take place on January 9th, instead, we pushed it off to January 30th. And that's it. Did I make it? 45 seconds?

COMMISSIONER SULLIVAN: Not even close.

CHAIR VIGIL: Any questions for Mr. Franklin. Seeing, hearing none, there's a motion and a second to accept item 16.

The motion to approve Resolution 2007-30 passed by unanimous [5-0] roll call vote with Commissioners Anaya, Campos, Montoya, Sullivan and Vigil all voting in the affirmative.

XII. D. 18. Resolution No. 2007-31. A Resolution Requesting Approval Authorizing the Donation of a Midland Radio to the Agua Sena Volunteer Fire Department in Rio Arriba County (Fire Department) [Exhibit 6: Resolution Text]

CHAIR VIGIL: You had questions, Commissioner Sullivan, or this was the item that there was no material in the packet?

COMMISSIONER SULLIVAN: That's correct.

CHIEF HOLDEN: Madam Chair, I apologize on behalf of the department for failing to have this in as part of the packet material. I went through two or three different iterations before it was approved and thus we didn't make the time line. This was actually on a previous agenda and was removed to fix some language in it and we think now that with legal sign-off we're prepared to have Commission action on it.

Essentially, all it does is donate a 1970s Midland Bay station radio to a small volunteer department up in Rio Arriba County.

COMMISSIONER MONTOYA: Move for approval.

COMMISSIONER ANAYA: Second.

CHAIR VIGIL: Motion and second. Is there further questions?

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Stan, I'm glad to see you all helping out our surrounding counties and the people that are in need. Thanks.

CHIEF HOLDEN: Thank you, sir.

CHAIR VIGIL: Seeing, hearing no further questions or comments -

The motion to approve Resolution 2007-31 passed by unanimous [5-0] voice vote.

XII. D. 19. Request Approval of a Grant Agreement Between Santa Fe County and the New Mexico Department of Transportation for the Impaired Driving Demonstration Program Creating (4) Term Law Enforcement Officer FTE's / \$350,600. (County Sheriffs Office)

COMMISSIONER MONTOYA: Madam Chair, what I'd like to find out from the Sheriff is this is a time-limited grant, correct?

JOE MCLAUGHLIN (Sheriff's Department): Madam Chair, Commissioner Montoya, yes, sir. It's part of the five-year, five-county designation pilot project that will be utilized once the pilot project is completed. It's going to be a project that the National Highway Traffic Safety Administration wants to administer in all 50 states. The funding for fiscal year 08 we based upon the evaluation of the program for this fiscal year.

COMMISSIONER MONTOYA: And this funding is in the second year of this federal grant? Is that correct?

CPL. MCLAUGHLIN: Actually, we're coming in at the tail-end of this because of the recent incidents that have occurred. Santa Fe County was not originally part of the five-county study. Santa Fe County was being utilized as the baseline county for the other five counties. Our enforcement numbers were being used compared to the high intensity numbers from the other counties to determine how effective those enforcement actions were going to be. So we're coming in on the tail-end.

COMMISSIONER MONTOYA: Is this year four then?

CPL. MCLAUGHLIN: I believe this is going to be year three for it.

COMMISSIONER MONTOYA: Oh, year three. So then potentially we could get three years of funding.

CPL. MCLAUGHLIN: Yes, sir.

COMMISSIONER MONTOYA: And then what? Do they expect us to pick them up?

CPL. MCLAUGHLIN: Yes, sir. Eventually they would like to see at the end of the project, they want to see the counties absorb those positions. The other five

counties did this in pairs. At first they were given two full-time positions and that's just now been increased where they've been given two more full-time positions. So because we're coming in after that, we're being brought immediately up to the four-officer level that the other agencies are now up to. The counties have been asked to absorb the first two that they already have and they're being asked to find ways to absorb the second two officers that they've been given under this program.

COMMISSIONER MONTOYA: Okay. And that's what I think is important that we need to be aware of, that this is a program that we're receiving some federal funding now through the state, but with the expectation that the County picks it up once the funding has terminated from this grant. So we need to look now at \$350,600 for funding subsequent to the end of this grant, if we're going to keep this program and these officers on board. So kind of a heads-up for three years from now. Move for approval.

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

COMMISSIONER ANAYA: Motion and second. Further discussion?

Commissioner Campos.

COMMISSIONER CAMPOS: Question for Commissioner Montoya. Are we required to - is it suggested that we should, or are we going to be mandated to pay for these additional positions?

COMMISSIONER MONTOYA: My understanding on this grant is that they pretty much want to mandate us to do it. That's kind of why the counties that are originally identified as participating up front, I believe that's the commitment that they had to make, if I'm not mistaken.

CPL. MCLAUGHLIN: That is correct, Commissioner. And as part of the program also, Commissioner Campos, they're going to provide training and insight for the counties on how they can absorb these positions within the departments, so the Traffic Safety Bureau of the New Mexico Department of Transportation will assist with trying to come up with ways to assist the counties in absorbing these positions.

COMMISSIONER CAMPOS: Question for our Manager. Have we evaluated this? Do we have the resources?

MR. ABEYTA: Madam Chair, Commissioner Campos, no we have not and I don't feel comfortable to committing to those resources right now. Three years is three years away but if the three years were up today, I could tell you today we wouldn't be able to fund those positions. So maybe this is something that we table at this time. We sit down with the Sheriff and our Finance Director and we just make everybody aware that this is what we're getting into because I don't - like I say, if the three-year period came up today we couldn't fund it without cutting something else. And you'll find a little bit of that out when we do our mid-year review later this afternoon. It may be a good idea and it may be something we can do, but I would feel more comfortable sitting down with Sheriff Solano and our Finance Director and talking about this before we commit to \$350,000 in FTEs.

COMMISSIONER CAMPOS: I agree. I would move to table.

CHAIR VIGIL: There's a motion on the floor but a motion to table

supercedes that. Is there a second to the motion to table?

COMMISSIONER SULLIVAN: Second.

CHAIR VIGIL: Motion to table and seconded. Any further discussion? I think this is a great idea. I'm just not real clear on whether or not it's going to be a mandate, and perhaps that will help me decide. I'm hearing you testify to that but I think - is this funding that came from the Governor's office?

CPL. MCLAUGHLIN: Yes, ma'am. It's coming down through the Governor's office through the Traffic Safety Bureau.

CHAIR VIGIL: And in the grant application, does it specifically refer to language that mandates local governments to continue funding these projects? And perhaps those are questions that can be answered once we do table and get the appropriate staff together.

MR. ABEYTA: And Madam Chair, it's something we may support, but I would at least like to have it earmarked if we do go that way. So the extra time, even if it's just two more weeks, and we can put it on the next agenda. At least I would feel more comfortable that it's earmarked and in the record that we start accounting for this, if it becomes the decision of the Commission to support this. So between now and then, we will research one, whether or not it's mandated, and then two, if it is then we need to start preparing for funding this in three years. So I'd like to have that information before I make a recommendation to the Commission.

CHAIR VIGIL: Thank you, Mr. Abeyta. Commissioner Montoya.

COMMISSIONER MONTOYA: What will this do in terms of the time line if we table it for two weeks?

CPL. MCLAUGHLIN: Once this is approved, Madam Chair and Commissioner Montoya, they're looking at us to have these positions on board, filled, by the 30th of March.

COMMISSIONER MONTOYA: The 30th of March once this is approved.

CPL. MCLAUGHLIN: Yes.

COMMISSIONER MONTOYA: So our time line right now is -

CPL. MCLAUGHLIN: We're at 60 days right now. We were exempted from the first quarter responsibilities because this money wasn't offered to us until the first part of December. So we've been exempted from the first quarter requirements of the project.

COMMISSIONER MONTOYA: Okay.

CPL. MCLAUGHLIN: And I can make a phone call to the program manager and I can have an answer on the mandate. I can probably have that for you here in the next few minutes.

COMMISSIONER MONTOYA: I guess I would just hesitate that we table it for two weeks, putting us on an even tighter deadline. Before we took action on it I just wanted to make sure that you were aware that this was going to be the expectation, but I also believe that we need the additional officers to help us with the DWI situation. But I don't know - again, I think the mandate question, which I think is inevitable - I think

that's the expectation. But again, not knowing that - they've had these programs in the past that have come and gone, one of them being the DARE program for example. We used to have some DARE officers on the force. That funding went away. The DARE officers went away. Kind of the same type of situation here.

CPL. MCLAUGHLIN: Madam Chair, I can answer that question for you right now, looking at Section 1 of the project agreement, the last sentence reads, "The agency is required to develop a self-sufficiency plan by the end of the grant to determine and commit to the funding beyond the end of this agreement."

COMMISSIONER MONTOYA: Oh, yes?

CPL. MCLAUGHLIN: The last line of Section 1, Commissioner, under where it says under project purpose and conditions. The very last sentence in Section 1.

COMMISSIONER MONTOYA: What page?

CPL. MCLAUGHLIN: It's on page 1.

CHAIR VIGIL: That sounds like a mandate to me.

COMMISSIONER SULLIVAN: Madam Chair.

CHAIR VIGIL: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Mr. Ross, somehow in the back of my mind I have this feeling that contracts with municipal corporations can't commit beyond the term of the contract to a future elected body. Does that sound familiar?

MR. ROSS: Madam Chair, Commissioner Sullivan, you're talking about the Abatement Act. And what it provides is that in a multi-year contract, any commitment of funds beyond the year in which the contract is entered into is voidable.

COMMISSIONER SULLIVAN: Okay. So this is a multi-year contract for three years, and it sounds to me like they're asking us to make a commitment to funding beyond the term of the contract.

MR. ROSS: Correct.

COMMISSIONER SULLIVAN: So would you advise that that's a legal provision in the contract?

MR. ROSS: Madam Chair, Commissioner Sullivan, I don't know whether it's enforceable on the part of the Department of Transportation.

COMMISSIONER SULLIVAN: It may sound good, and don't get me wrong, I think spending money on four DWI officers is a good idea. I'm just wondering how, if I'm trying to plan for this as County Manager and I'm budgeting as Finance Director, how I deal with it. Is it a duck or isn't a duck? You're saying it might not be a duck. Or an unenforceable duck.

MR. ROSS: It might be an unenforceable duck.

COMMISSIONER SULLIVAN: Okay. It might be an unenforceable duck.

MR. ROSS: A duck that flies north in the winter.

COMMISSIONER SULLIVAN: That's the Abatement Act we're talking about.

MR. ROSS: That's right.

COMMISSIONER SULLIVAN: Thank you, Madam Chair.

COMMISSIONER MONTOYA: Madam Chair.

CHAIR VIGIL: We're still on a motion to table but having discussions.

There was a second. Go ahead, Commissioner Montoya.

COMMISSIONER MONTOYA: I guess my guess on this template for this project agreement is it's probably one that's resembling the one DOT has with NTSA.

CPL. MCLAUGHLIN: Madam Chair, Commissioner Montoya, this template here is the same as the other five counties have entered into. They've taken the problems they've run into at the other five counties and this is the final production from what all the other counties are involved in.

COMMISSIONER MONTOYA: So I guess saying that, and that last sentence, which I believe is a mandate, would require that New Mexico DOT be involved in that self-sufficiency plan as well. So do you know if DOT has put together that type of a plan that we could take a look at?

CPL. MCLAUGHLIN: Madam Chair and Commissioner Montoya, that's what I was informed by the project manager for this program when she first had the program with our agency. She said that there would be a plan available to us to help assist in the absorption of these positions. The Department of Transportation doesn't just leave the counties out on their own. That they're willing to provide help in how to come to that absorption.

COMMISSIONER MONTOYA: Does any of that help include funding?

CPL. MCLAUGHLIN: Not that I'm aware of, Commissioner.

COMMISSIONER MONTOYA: No? Then it would seem like if NMDOT submitted this application that they had to have had - either they had the commitments from those counties up front that they were going to do that or they had something in that plan that said the state is going to contribute x, y to the funding beyond the grant period.

CPL. MCLAUGHLIN: The only commitment we have for the funding is for the period of the contract, Commissioner.

CHAIR VIGIL: Let's take a vote on the motion to table. There was a motion to table by Commissioner Campos, seconded by Commissioner Sullivan.

The motion to table failed by 2-3 voice vote with Commissioners Campos and Sullivan voting in favor.

CHAIR VIGIL: Okay, motion to table fails. We're back on the main motion and the motion has been made to accept item 19, and seconded. Further discussion?

COMMISSIONER SULLIVAN: Madam Chair.

CHAIR VIGIL: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Why don't we just modify this language and make it what we want to make it. A contract can be negotiated between anybody. First of all, it uses the word agency. There's no definition in this contract of what the agency is.

The contract is between DOT and what it calls the department and Santa Fe, it says which it calls the County. So I'm not quite sure who the agency is. It could be either. But why don't we just say, and commit to some level of funding beyond the end of this agreement. It doesn't say - it says commit to funding. It doesn't say commit to four FTEs. How much funding are we expected to commit to. I'm not sure. That would depend on what the need is, of course, three years from now. It may or may not be for four FTEs.

So I'm wondering if we should just approve it and say, commit to an appropriate level of funding. Does that give the Commission a little more flexibility? Mr. Ross, would you think so? Or would the DOT just reject it and say because it's not our boilerplate we're not going to approve it.

MR. ROSS: Madam Chair, Commissioner Sullivan, I don't know the extent to which they're flexible on the terms of the agreement. Certainly the language you're suggesting is less definitive than this language.

COMMISSIONER SULLIVAN: Well, you guys are going to be here in four years; we're not. Roman is. He's going to be here for 12 more years. So he's going to have to bite the bullet on this. I would suggest - what would be your thought on that?

CPL. MCLAUGHLIN: Madam Chair, Commissioner Sullivan, I know that there was - this did go through County Legal and there was a couple questions that they had. Ms. Rachel Brown was the staff member that reviewed this and she did talk to the program manager and there was some change and corrections made to some other language. I don't know how the program manager and DOT - how tight they are on the language in that paragraph.

COMMISSIONER SULLIVAN: Okay, how about this then? We don't want to hold things up and if you long-timers here are willing to spend all that money four years from now - we won't be here, Commissioner Campos and I. So how about if we pass it with recommended language. If we can't get it, then we do the best we can, but we don't make it mandatory, but we make our wishes known with a recommended amendment. And then if we can't sell that to the program manager we do the best job we can here. Would that work for you?

CPL. MCLAUGHLIN: I think that would work, Commissioner. I could try it.

COMMISSIONER SULLIVAN: That's all I'm asking is try to give the County Manager a little relief here. He worries about enough things. Now he's got to worry about something three years from now. So I don't know. Madam Chair, do you think that would work?

CHAIR VIGIL: Commissioner Sullivan, the maker of the motion might consider that a friendly amendment. I'll ask him that. For me it would be a little more narrow if we included language that said depending on budgetary restrictions, which is what we're actually looking at and I suggest is another way of saying what you're recommending. The maker of the motion, would he consider that friendly to the motion?

COMMISSIONER MONTOYA: Where would you insert that, Madam

Chair?

CHAIR VIGIL: I don't even have it in front of me. Where would you insert your recommendation, Commissioner Sullivan? My language is dependent on budgetary restraints and funding availability.

COMMISSIONER SULLIVAN: I think you could, Commissioner Montoya, put it right at the end. The agency is required to develop a self-sufficiency plan by the end of the grant to determine and commit to funding beyond the end of this agreement, depending on budgetary restrictions. Is that what you said, Madam Chair?

CHAIR VIGIL: Yes.

COMMISSIONER MONTOYA: I'm agreeable to that. That friendly amendment.

COMMISSIONER SULLIVAN: That would be recommended language.

COMMISSIONER CAMPOS: It's ambiguous.

COMMISSIONER SULLIVAN: So was the other one. Well, maybe Mr. Ross has a better one.

COMMISSIONER CAMPOS: Maybe Mr. Ross could give us some better language.

MR. ROSS: Well, Madam Chair, members of the Commission, this is a requirement that we develop a plan, so maybe the sentence could be revised to provide that the agency is required to develop a self-sufficiency plan by the end of the grant that identified an appropriate level of funding beyond the end of the agreement and any relevant budgetary restrictions. Then you're basically committing to prepare a plan that identifies any issues that might exist beyond the end of the grant and avoid the use of the word commit.

COMMISSIONER MONTOYA: Right. I'm fine with that.

CHAIR VIGIL: Okay. The motion has been clarified by our attorney. Is the seconder all right with that clarification?

COMMISSIONER ANAYA: Now it's a rubber duck?

CHAIR VIGIL: Now it's a rubber duck as opposed to a real duck or an illegal duck.

COMMISSIONER CAMPOS: We don't know what it is.

COMMISSIONER MONTOYA: Is it an elephant or a mouse?

CHAIR VIGIL: Are you in agreement?

COMMISSIONER ANAYA: I agree.

CHAIR VIGIL: There's a motion with clarification, seconded. Any further discussion? Seeing, hearing none -

The motion to approve item XII. D. 19 as clarified above passed by majority 4-1 voice vote with Commissioner Campos voting against.

XII. D. 22. Request Acceptance of Offers Regarding, RFQ 27-0609-PW/JC, and Authorization to Enter into a Construction Agreement with Khani Co. for the County Road 84 Low Water Crossing Project - \$310,520.21 (Public Works Department)

COMMISSIONER SULLIVAN: Madam Chair, my question on this item was it appears we had difficulty getting responsive bids and ended up going out for bid three times, and finally had to go with kind of a revised format. But in the end, we ended up with a project of \$310,000 after going through three iterations of this. And at the beginning, we had a bid of \$299,000, which we turned down because we didn't have sufficient funding. So I'm trying to understand how we went from \$299,000, which was rejected for insufficient funding to an ultimate award of \$310,000. That's my question, Mr. Lujan.

MR. LUJAN: Madam Chair, Commissioner Sullivan, Yes, sir, you are correct. At the first bid we had approximately \$200,000. \$44,000 went for engineering services, and the remainder was for construction. And 166, we didn't have enough to award the contract. This was in May. We didn't have bonding. Later on, we did have bonding from the bond money for the roads so we were able to add to that project. We put it out for bid one more time, it came in approximately \$500,000. We thought that was still too high, so she let us get quotes for it.

COMMISSIONER SULLIVAN: But you didn't get a quote from the original bidder that was \$299,000? He didn't -

MR. LUJAN: I myself didn't get the quotes. I don't know how they did the quotes.

COMMISSIONER SULLIVAN: How do we get quotes? What's the procedure for that?

RICHARD MARTINEZ (Purchasing Division): Madam Chair, Commissioners, the way that I understand is that one of the staff at the Public Works Department had acquired the quotes after the two solicitations, the two invitations to bid were unsuccessful, based on the budget restraints. Essentially, as far as statute is concerned, if you run two solicitations and they're unsuccessful for whatever reason, the budget restraints in this particular case, Santa Fe County has the opportunity to reject all of those bids for the first solicitation and well as the second. What statute then allows us to do is to obtain pricing based on fair market value and obtain competitive pricing.

I do apologize. The vendors that quotes were obtained from, I do not have that information. I believe it was Public Works staff that did acquire those quotes under which Khani was the lowest quote at that time.

COMMISSIONER SULLIVAN: So we don't know if the original bidder that was \$299,000 was asked if they could still commit to that quote?

MR. MARTINEZ: Madam Chair, Commissioner Sullivan, I do not know that for certain. However, I'd have to get that information from Public Works.

MR. LUJAN: Madam Chair, Commissioner Sullivan, no he was not asked.
COMMISSIONER SULLIVAN: That doesn't seem fair. He spent his time
and money to bid the job and then -

MR. LUJAN: I'd like to discuss this not in public. It was an issue that I've
experienced with that contractor prior to this.

COMMISSIONER SULLIVAN: Okay. So you thought that they weren't
qualified, that they didn't meet the qualifications criteria.

MR. LUJAN: In some sense. Yes.

COMMISSIONER SULLIVAN: Okay. Well, that's a different issue. I'm
just looking at the procurement issue. I'm not advocating for one contractor or another.
I'm simply saying it looks like we had a \$299,000 deal and it ended up costing us more.
But I'm certainly willing to take your judgment on that. That's all the questions I had.

CHAIR VIGIL: Is there a motion?

COMMISSIONER SULLIVAN: Move for approval.

CHAIR VIGIL: There's a motion to approve item 22.

COMMISSIONER MONTOYA: Second.

CHAIR VIGIL: Motion and second. Any further discussion? Seeing,
hearing none -

**The motion to approve item XII. D. 22 passed by unanimous [4-0] voice vote.
[Commissioner Campos was not present for this action.]**

XIII. STAFF AND ELECTED OFFICIALS' ITEMS

A. Projects and Facilities Management Department

- 1. Request Approval to Award Construction Agreement No. 27-0718-PFMD/RH to the Lowest-Cost Responsive Bidder, HB Construction, to Provide Construction of the Public Works Facility Building in the Amount of \$16,808,588 \$16,344,237**

MR. GUTIERREZ: The first thing I'd like to bring to the attention of the Commission is on the caption, the amount is actually wrong. The amount should read \$16,344,237. As soon as we received the bids we put the caption in to make sure that we met the deadlines. We received two bids for this project, one from HB and one from Jaynes. HB was the lowest bidder. Their initial bid was about \$15,800,000. We went back because we have the ability to negotiate if it's within 10 percent of the budget. We explained our situation. They went back and looked to see if they could revise their bid without changing any of the specifications and they came back and reduced their original bid by \$436,000.

This is a method that we also used on the Eldorado project, so we were able to save some money there. They're anxious to go. They also asked that we reduce the time frame

from 600 days to 520 days as they looked at the project. They feel they can complete this in 520 days. We as a department are very excited to present this to you. I understand that this is something that has been on the County's books for about eight years and because we know the availability of this contractor and their energy to move forward on this we would recommend approval at this time.

CHAIR VIGIL: Questions? Commissioner Anaya.

COMMISSIONER ANAYA: Move for approval.

COMMISSIONER MONTOYA: Second.

CHAIR VIGIL: Motion and second for approval. Is there any discussion on this? Commissioner Anaya.

COMMISSIONER ANAYA: Groundbreaking day?

MR. GUTIERREZ: Madam Chair, Commissioner Anaya, we actually are thinking about groundbreaking. The first phase of this is a lot of ground work, a lot of earth removal, so that will probably get underway and we would probably look at something probably about springtime to have a groundbreaking for this.

COMMISSIONER ANAYA: Thank you.

COMMISSIONER MONTOYA: When we can see the ground,
Commissioner.

CHAIR VIGIL: I have a question, Joseph. When we took action on this I voted against a component of the project. I'm totally in favor of the project. It was the energy component, because we are actually testing a windmill and windmill alternative resources for energy. My understanding from the industry officials that I've studied here is that there are a variety of windmills out there available and that in today's market we don't necessarily have to place a large, obtrusive, over-sized windmill there and that there are actually smaller, more efficient ones. Has that item been discussed? And if it hasn't it would be my preference that it be discussed because this is a project that will be visible or close to visible, especially if the windmill is very high, off 599.

MR. GUTIERREZ: Madam Chair, this contract has a component for the windmill at \$75,000. It's spec'ed right now at 100 feet. The specifications are already in there and we couldn't change that at this point. I have talked to the architect, Michael Freeman, who is in the audience, I believe. And he has told that I believe to get any energy production out of this windmill it should be a minimum of 60 to 70 feet which is very close to the 100 feet at this point. So reducing the size of it at this point would even lessen the effect of the energy gathering, I guess the energy component of this in terms of the demonstration side of that. The lower that we go the less wind we receive and the less wind we receive the less, I guess successful this demonstration program would be.

There is still time to talk about it at this point before we make this final decision. We have some flexibility. Once we award this agreement we have the ability to go in with the contract and change orders, based on specifications.

CHAIR VIGIL: I'd like that opportunity because that's not the same message I'm getting from people in the industry. And I'd also like to see the design. It will

affect not only, because I represent that district, but 599 is an area where all transportation and travelers will be. So I think we need to be sensitive to that. So with that, I have no further discussion and we do have a motion on the floor and I'd like to schedule an appointment with you and the construction manager to see what alternatives can be looked at.

The motion to award the construction agreement to HB Construction passed by unanimous [5-0] voice vote.

XIII. A. 2. Request Authorization to Accept and Award a Professional Services Agreement No. 27-0728-PFMD/MS for construction management services to Parsons 3D/I for the Public Works Complex in the amount of \$280,994.06

MR. OLAFSON: What we have before you is a contract for construction management services for the Public Works facility we were just discussing. Of course this is a very large project for the County, a very visible project and we are very interested in pursuing it aggressively before we put the contractor to get into the price range we need and to get into a time range. We feel that because of the scope and the complexity of this project, plus the additional work that we already have on our plates at PFMD that it behooves the County to have some construction management services to oversee this project.

We sent out an RFP and received responses from four firms, selected Parsons 3D/I as the top rated offeror and negotiated a price with them. The price we came up with is \$280,994.06 and the duty of Parsons 3D/I will be overseeing the project. They have a project manager, project director and a project engineer that will be assisting the County in providing those management services. I stand for any questions.

CHAIR VIGIL: Any questions? Commissioner Montoya.

COMMISSIONER MONTOYA: Madam Chair, we had talked about construction manager, construction manager services, one or the other. Here we're coming up with the services as opposed to, let's say, a construction manager. Had we looked into hiring someone internally to do that role, to fulfill that role?

MR. OLAFSON: Madam Chair, Commissioner Montoya, we have looked at - actually we've been looking at the project manager position that would serve in this role and we've used that system for what we'd call smaller projects, Agua Fria Community Center, Hondo Fire State, Eldorado Senior Center. Also we have for example, Frank Jaramillo in our operations division is helping oversee some of the smaller projects such as El Rancho and Bennie J. But on the project of this scale and this scope, this is actually a large building and quite a large endeavor for us, we feel that it's more appropriate to bring in some outside resources that can focus solely on this project and not be managing

multiple projects, and just get our bang for the buck and focus on this.

COMMISSIONER MONTOYA: Well, that had been part of my discussion. It may have not gotten to you in terms of looking at how can we fulfill this function. Is it better internally or to contract it out? And here, what I'm seeing is we're contracting it out. Has there been any discussion, Roman, in terms of maybe hiring someone, not as a project manager but as a construction manager?

MR. ABEYTA: Madam Chair, Commissioner Montoya, yes, we are talking about that. As a matter of fact you're going to see during our mid-year budget review the amount of money we have in projects that we're receiving from the state. And we're going to get even more in the next 60 days. So we're going to have to expand our staff in that area and that's something that we're going to recommend this next budget year, because I think it's time to take a look at that. But for a project this size we would take this route but we're going to need a permanent solution. We're going to need somebody in-house to help us with that.

COMMISSIONER MONTOYA: Because with that amount we could hire about six people probably, couldn't we?

MR. ABEYTA: Madam Chair, Commissioner Montoya, that's correct. I just don't know what restrictions if any we have on this money. I don't know how we would justify - we could probably justify it temporarily for this specific project is what we're struggling with is can we use this money to fill a long-term need, a permanent position for the County. Can we use this same funding source for that. Because it's clear we can use it for a contract, an outside contract for this specific project, but you're right. It would pay for more than that. The question is whether or not we can access this money for that purpose, for other projects.

COMMISSIONER MONTOYA: Can we, Paul?

MR. OLAFSON: Madam Chair, Commissioner Montoya, my understanding - I'd have to defer to Finance, but my understanding is no, we cannot. We can do plan, design, construct, per se, and this can be part of our planning and construction costs. However, as Roman indicated we cannot hire on a full-time FTE with these kind of revenues. What we're essentially doing is hiring someone, or actually a team, for the 520-day period of this project. And it's the same as a term employee only it's a team of employees who have the specific background and the resources they bring and also the resources of their company that they'll bring to us as well.

There is the opportunity of hiring construction management services, for example with state appropriations and state projects whereby we could look at having construction managers on staff on kind of a term setting, versus a full-time FTE for construction management of specific projects or groups of projects. But my understanding, without deferring to Finance for more details, is that we are restricted in the way we can apply these types of either bonds or state appropriations, and those restrictions do not allow us to put on an FTE for these services.

COMMISSIONER MONTOYA: Is there someone from Finance here? So is

this GO bond money?

MS. MARTINEZ: Madam Chair, Commissioner Montoya, in the past we have used term or temporary employment. I'd actually like to go back and look at the bond document to see if we could do that. But in the past we have - on the roads, if I'm not mistaken, we have hired term employees, if you will, to assist us with the completion of some of the roads.

COMMISSIONER MONTOYA: So the potential exists that we may be able to hire someone on a term basis.

MS. MARTINEZ: Right.

COMMISSIONER MONTOYA: Or six people for \$280,000. Again, we're needing to get the right mix of what's needed for this project. I would suggest that we table this until we get that answer. So I move to table.

CHAIR VIGIL: There's a motion to table. Is there a second. Not hearing a second for the tabling motion, we'll continue the discussion. We don't have a motion yet on the item. Commissioner Sullivan.

COMMISSIONER SULLIVAN: Madam Chair, I think this is a really good project for this kind of construction management. I can tell you that it's very difficult to find this type of people. When you add salaries and benefits and a vehicle and all the appurtenances, the computers and everything, you're certainly going to be spending \$80,000 a head for someone like this. What you get from a construction management firm, and I have not any experience with this particular firm so I'm just saying in general, is you have a variety of expertise within that firm. If you have a problem with roofs, if you have a problem with utilities, if you have a problem with some architectural features that the contractor is having problems with and needs resolution with the architect, you have expertise there to call upon. So you have that depth that you wouldn't have with any one person that you hired or two people or even three.

And the other thing I'm looking for here too is hopefully in the not too far distant future we're going to be building a courthouse. And that courthouse is going to cost - who knows? \$50 million? And we are definitely going to have to have a CM firm involved with that project. I think this will give us a trial in the process. We'll see what their value is to the process. We'll see how we can best utilize them. We'll be able to evaluate this particular firm and we'll be able to relieve the staff to deal with these other projects. You hire a good project manager or a construction manager what happens is suddenly he gets yanked off on several other projects because he's so good, everybody else wants him on their project. Come unscramble a project over here on this project. And his or her efforts get diluted.

So I think the market isn't as sanguine as you might think out there for this kind of personnel. They are hard to find. Parsons of course is a good company and I think this is the right place to evaluate that. The fee is under two percent. That seems reasonable. My suggestion is that we run with this. This is an important facility. We're only going to do it once. We want to do it right the first time. That's my opinion. Thank you, Madam Chair.

CHAIR VIGIL: Thank you. Commissioner Anaya.

COMMISSIONER ANAYA: So moved.

CHAIR VIGIL: Made a motion to move. Is there a second?

COMMISSIONER SULLIVAN: Second.

CHAIR VIGIL: And a second. Any further discussion?

COMMISSIONER MONTOYA: Commissioner Sullivan, you said that you didn't have experience with this firm. Do you have experience with other firms? These other ones?

COMMISSIONER SULLIVAN: Only with Gerald Martin Construction and not as a construction manager but I've dealt with him as a contractor under construction projects. So I don't know how they would act as a construction manager.

COMMISSIONER MONTOYA: So, Madam Chair, I would just reiterate that I know that there are probably a number of services we're going to get but if we're going to have these projects going on I think we'd probably have more control if we have someone on staff, in-house than with a contractor who may or may not show up when they say they're going to show up has been kind of my experience. So that's why I think we need to look at this and look at it for when we do build the courthouse. That's all I had.

CHAIR VIGIL: Any further discussion? Hearing none, we're on the motion.

The motion to award the professional services agreement for construction management passed by unanimous [5-0] voice vote.

XIII. B. Land Use Department

1. (For Discussion Only) Ordinance 2006-12. An Ordinance to Amend Ordinance 2004-1, the Village of Agua Fria Traditional Historic Community Boundary

ROBERT GRIEGO (Senior Planner): Madam Chair, the Board of County Commissioners approved Ordinance 2006-12 on December 12, 2006. The ordinance revised the previous Village of Agua Fria Traditional Historic Community Ordinance and amends the THC boundary. The amendment to the THC boundary includes the following: The Board approved requests from 24 property owners who were identified to be contiguous to the THC boundary. The Board also approved a motion to allow the requests from two additional property owners after a legal determination was made that their property was adjacent to the THC.

These properties are adjacent to public land which is contiguous to the THC. The County Attorney's office has determined that public land adjacent to the boundary can be included into the THC. County staff is working on finalizing the Village of Agua Fria

Traditional Historic Community boundary map to include the following: That private property approved by the Board of County Commissioners, related BLM lands and roads adjacent, property owned by the state and portions of the Santa Fe River adjacent to the THC.

The Village of Agua Fria Traditional Historic Community Boundary is also the boundary for the Village of Agua Fria Community Planning and Zoning District, and this proposed amendment to the THC boundary will also amend the Agua Fria Community Planning boundary.

CHAIR VIGIL: Okay. Is there any discussion on this? We don't need to take action. I think we've taken action. The motion was at the last hearing that we accept this ordinance and allow the opportunity for Legal to review whether or not that property was contiguous, and if it was, the amendment would be a part of the motion. So I believe you're updating us? Is that correct:

MR. GRIEGO: Madam Chair, that is correct. We wanted to bring that back to you to be sure that you were aware that Legal had determined that these properties were contiguous and therefore we're including them in the THC boundary that was approved by the Board on December 12th.

CHAIR VIGIL: Thank you, Mr. Griego.

**XIII. B. 2. (For Discussion Only) Possible Adoption of Ordinance No. 2007-__.
An Ordinance Governing Design, Construction, Operation,
Replacement and Maintenance of Swimming Pools Within the
Unincorporated Areas of Santa Fe County, Providing for Medical
Exceptions, Amending the Santa Fe County Land Development
Code, Ordinance No. 1996-10 (As Amended); Repealing Resolution
No. 2006-86**

CHAIR VIGIL: With regard to this, is there any staff that will give us an update?

MR. ABEYTA: Madam Chair, there is a memo in your packet that was prepared by the County Attorney. Due to noticing requirements, we're not able to act on the ordinance today but we wanted to provide you with an update as follows: As directed by the Board during the meeting of January 9th, staff of the Legal Department and the Water Resources Department met with a group of pool contractors to consider the concerns of the contractors to the proposed ordinance. That meeting resulted in a consensus draft of the proposed ordinance, a copy of which is attached to the memorandum. The changes from the version presented to the Board during the public hearing of December 12th and January 9th are also shown on the draft.

The changes include the following: One, deleting the language that proposes to amend the Land Development Code; two, amending the sections that provide an analysis of

the water requirements of the proposed swimming pool presume an annual refilling, when in fact pools constructed according to the standards in the proposed ordinance will require filling once every five years; three, amending the water conservation provisions to preclude water conserved from deck and cover areas of the pool in making the determination whether the pool is permitted under applicable water restrictions; four, recognizing that annual painting of a pool and actually creates leaks and should be prohibited; five, amending the prior draft to recognize that because of water chemistry issues, trucked water should be permitted in certain limited circumstances, but the fact that water is trucked to a pool should not be considered in determining whether the pool may be constructed given the applicable water restrictions.

The public hearings were conducted on December 12th and January 9th and the matter will be brought before you the end of February for your adoption if you choose. And again, Madam Chair, the purpose was just to provide you with an update, get any further direction you may want to give to us as we prepare for the public hearing at the end of February and Stephen Wust is available for any questions you may have.

CHAIR VIGIL: Is there any discussion on this? Commissioner Sullivan.

COMMISSIONER SULLIVAN: A real quick question, but this is for Legal and I don't see them right now but my question was – maybe Roman you can respond. What was the reason for deleting the language that proposed to amend the Land Development Code? Isn't this a Land Development ordinance or is it not a Land Development ordinance?

MR. ABEYTA: Madam Chair, Commissioner Sullivan, I'm not sure. I'll have to check with Counselor Ross on that.

COMMISSIONER SULLIVAN: That's all I had, Madam Chair.

CHAIR VIGIL: Any further discussion? Seeing no further discussion I believe that the direction would be to bring it back for the final public hearing.

MR. ABEYTA: Yes, and that will be the last meeting in February.

XIII. D. Water Resources Department

1. Request to Extend Water Service Area to Santa Fe Canyon Ranch

MR. ABEYTA: Madam Chair, this is a Water Resources Department item. Stephen Wust will begin the discussion.

DR. WUST: Madam Chair, this is D. 1? Make sure I've got that straight. This is a request that has been made by representatives of Santa Fe Canyon Ranch to extend the County water utility service area to include them. What you have in your packet is a cover memo and a map. The reason it's a map and not just a regular description of the area is you can see the boundaries are in various directions and there are some other jurisdictions in there including Pueblo. So it was better just to show you what the map was.

Sometimes when the utility comes forward for extending the water service area they include whole sections or something but it can't be done in this case. This came before you, I believe last May with the same request. At that time the BCC turned it down. Since that time the developer has not officially gotten on any schedule for committee for master plan event though there's been a master plan submitted and the reason is they will have to revise their master plan depending on what your decision is. So they're coming again. Their letter said it was a reconsideration but I think they're using different terminology than we do with the Commission. They didn't want a reconsideration of your previous vote but they wanted to ask the question again. Can they be included in the water service area?

They basically need an answer because their water availability will depend for the master plan on what your answer is. If you agree that they can be in the utility service area then they can come forward with a proposal to hook up to the utility for some or all of their water. If you say no, then they need to develop their own water sources. So they asked to come forward to be able to get a resolution on at least what that direction is.

The criteria that I use in my department for bringing such a request forward to the Commission is not to look at things like what are the development plans or anything like that. As a matter of fact, we don't really review their development plans because they're not in our service area so I really have nothing to discuss with them because there's no possibility right now. What we look at is are they adjacent to our existing service area? And you see from the map that they are. Are they near our existing infrastructure? And that's not on the map but as a matter of fact, one of our lines runs right next to one of their property boundaries and it's that one that's like a little spike that goes up to the furthest north, that crosses into our existing utility service area. There's a line on Paseo C de Baca, I believe is which one it is, in the La Cienega area that's part of the County utility. The other criterion is do they have a development plan that's ready to go forward, because there's no reason to have this request in if the developer isn't ready with some kind of master plan or development plan. And they fit all those criteria.

That's not a policy decision; that's just if they fit these various technical or geographic aspects then we will bring the request forward. I'm probably going to add another criterion in there. Some time in the future, just so we don't run into someone coming back every month if you say no, so we'll probably limit it to one request per six months or something like that. This one was actually more than six months ago, so it would fit that anyway. But that's why they're coming forward, in order to be able to get a resolution on whether they're in the service area so they can revise, as appropriate, their master plan, before they get on the schedule for the committee and the BCC hearings, they're here to talk about their water sources.

That's no commitment of water, by the way, I'd like to add in there. That's a question we got asked by a couple of phone calls. Does that mean we're going to serve them? It just allows us to actually ask us for service. But that's a decision of the Commission as part of their development permit and my analysis would then go in about how much water do we have and things like that. But being in our service area does not

commit the County to provide service to any particular person or development. And with that, I'll stand for questions.

CHAIR VIGIL: Questions of Dr. Wust?

COMMISSIONER CAMPOS: Madam Chair.

CHAIR VIGIL: Commissioner Campos.

COMMISSIONER CAMPOS: Dr. Wust, is this application different in any way from the last we considered?

DR. WUST: Madam Chair, Commissioner Campos, basically, no.

COMMISSIONER CAMPOS: Now, the letter says the County's 8" water service main is adjacent to the property and the 12" main is nearby and easily accessible. Was that true then and is it true today? Or is that -

DR. WUST: It's true. It was true then, it's true today. Our infrastructure hasn't really been added onto.

COMMISSIONER CAMPOS: So there's nothing different.

DR. WUST: No.

COMMISSIONER CAMPOS: It's identical. Thank you.

CHAIR VIGIL: Further questions? Hearing none, is the applicant here? Would you please state your name and address for the record.

DAVID SCHUTZ: I'm David Schutz, P.O. Box 1072, Santa Fe, New Mexico.

CHAIR VIGIL: Thank you, Mr. Schutz. Please proceed.

MR. SCHUTZ: Madam Chair, members of the Commission, I have a brief presentation to make and then I'll stand for any questions. As all of you know, in 1980 the County approved the general plan and the Land Development Code that we now operate under. The basic premise of the plan in 1980, in fact the very cornerstone of the plan is predicated on the one basic cornerstone of water, resources planning policy. Number one, it was to the greatest extent possible, all new growth should be served by imported water which in effect protects the aquifer from overdevelopment and depletion. In fact it prevents it from being mined. That is, more water coming out than is being recharged. So that was a principal element of the Code and the plan back in 1980 and it still is.

The other component to that principle is that to the greatest extent possible, use imported water to recharge the basin, so that we're supplementing the basin as opposed to mining it or depleting. So that very fundamental premise remains today as a cornerstone of the Code and the plan. The second major component or water policy statement in the plan and in the Code states that when groundwater resources are utilized to support growth, then the level and intensity of that growth are based on the underground resources upon which the land that's going to support that growth. In other words, hydrologic zoning.

Now, that's not the issue in this case because we're asking for a water service area boundary extension. These water resource planning policies at the time, and still are, considered to be the most significant factors that the County has implemented over the last 25 years in restoring the Santa Fe Basin and not depleting it. In fact, they were so

significant that Santa Fe County, and I flew to Washington to receive a national award. Santa Fe County actually received the award for being innovative and creative in that regard. And even today, cities and counties throughout the United States are using these same principles in their codes and in their plans.

I think it's very safe to say, Commissioners, that all of us agree, whether it be County staff or whether it be the folks in La Cienega or whether it be just regular people and planners and developers alike, that whenever possible, if we have the opportunity to serve new growth with imported water we should take that opportunity. This policy and this premise is supported throughout the Code, throughout the La Cienega code, in the 1999 growth management plan and in all other documents that we've read. I think all of us agree on that concept.

Now we have had very productive meetings with the folks in La Cienega over the last two years. We've had meeting after meeting and they have for the most part been honest and open discussions about the various issues that concern them: traffic, environmental protection, archeological resources, densities, water availability, community impact, land use, commercial development. We have had very frank and honest discussions with them about all of those matters and we continue the dialogue with them in the hopes that we will reach consensus as we go through the master plan process in the future.

The issue that separates us today, right now, is one of density. The number of units that are being proposed within the master plan that you'll be seeing in the coming months. We continue to discuss and debate the issue regarding that point and as I mentioned, we will make every effort to reach consensus with the community on that one issue. I can assure you that we will do whatever we can to reach consensus. The issues of density and open space and trails and traffic impact and all of those kinds of issues will be discussed as we go through the master plan process, and will be reviewed and approved by this Commission in the near future.

The issue before you today is very clear. Regardless of whether we're proposing 50 or 250 units, the issue that you have to decide on today is will those lots and will those residential units be served with imported water from the Rio Grande, or will be use local water resources from the underground basin. That is the question before you today. This is the current property line; this is the La Cienega interchange, and Las Lagunitas lies right here. Las Lagunitas is a 105-unit development on 262 acres and I was the planning consultant for that project when we developed, when Chuck Robinson developed it 15 years ago. The whole issue of water availability and County water system extension into this area was discussed at that time with the community. We walked into this Commission Chambers hand in hand, in unanimity, and as a result of that effort, water was taken to Entrada La Cienega because the developer at my request - I asked him to extend water to - and at the community's request. I should say that - to Entrada La Cienega so that one day La Cienega could receive County water, imported water. And today, that's become a reality, because now water goes all the way down Paseo C de Baca and there's legislation currently on the table in this year's legislative session to appropriate monies to extend

water into this area.

When the County in its wisdom extended water into Las Lagunitas they also extended the service area boundary of the water system as outlined in this dashed line and includes a portion of our property. So a portion of our property is currently within the service area.

I must mention that the request that we have on the table for our service area boundary extension does not commit the County to serve us. It is only the first step. We must then negotiate with Mr. Wust and with this Commission's approval, a service area contract. We'll discuss water rights. We'll discuss level of service, timing, phasing and so forth. It does not commit the County to approve the master plan in any way, shape or form. We have to go through the master plan process. But it's extremely difficult for us as planners and developers to develop a master plan and come down on hard numbers in terms of number of units without knowing whether or not we're going to be served by the County water system, we're going to have to utilize underground water resources.

As I mentioned, we believe that the optimum solution is of course a water extension. In terms of water resources planning policy I mentioned the importance of using imported water as opposed to local groundwater resources. Our wastewater treatment system is designed to take the water to a very high level, treat it to a very high level, and put it back into the ground. Fifty percent of our water that's going through our homes is going to be treated and put back into the ground, either by a deep well percolation-infiltration bed or deep well injection system that is currently under design.

So in effect, instead of depleting or mining the aquifer, we're going to be recharging it, and that's what this is all about and that's what the County has been advocating for years. We have currently the necessary water rights to commit the County for this extension. We have Santa Fe Basin rights, which as you know the County is currently undergoing a study and a review to develop a well-based groundwater supplemental delivery system in the event that the Rio Grande cannot support its customer needs you could use groundwater to supplement your system. You need Santa Fe Basin rights. You're negotiating for them today. We are prepared to dedicate those rights to you.

We also have Rio Grande rights which we propose to dedicate to you as well to serve this new area with imported water. We also have acequia rights. We have committed to the community that those rights would remain in the community, so those are a little bit in question.

In terms of our compliance with existing codes and documents that are on the table, if you read the La Cienega Ordinance that was adopted by this Commission in 2002, this request is very consistent with the language in that ordinance. In particular, it says here under County water system, your current policy, the County's current policy right now says that the County employs a policy with the La Cienega Watershed that requires all land division applicants within the La Cienega Watershed to accept the La Cienega Watershed conditions as part of the land division. That's on simple lot splits. These conditions require connection to the County water utility system when it is within 200 feet of the property line

of the parcel being divided. You're requiring that currently.

Also, if you look at the ordinance, it says residential connection to water systems. And this is an ordinance that you passed at the request of the La Cienega residents. All new lots created as part of residential land divisions and subdivisions shall be required to connect to the Santa Fe County water system when said system is extended to within 200 feet of the property line of the lot. The line is on our property. It's not within 200 feet. It crosses our property, an 8" main. So for us not to have the benefit of utilizing, of bringing in imported water seems inconsistent with both of these planning policies.

If you look at the 1999 Santa Fe County Growth Management Plan, which you adopted then, it says the lack of new water resources, imported water from the Rio Grande is a major constraint to increases in population to the rural district, which this falls under. We don't have that case here. We have the water right, the legal right, the wet resource from the river, which we're willing to transfer, and the delivery system once the diversion project comes on line. So all three factors that are critical to providing water to new growth areas is present.

And finally, we think it's in your best interest to expand your customer base so that the system operates more efficiently down the road and into the future. The other discussion that we've had with staff involves the fact that if the water is extended to La Cienega along the three routes that are being proposed under the current legislation sponsored by Senator Griego, that will enable us to extend water off of Paseo C de Baca to these three roads right to our property line. The concern of the County staff is that we be able to loop the system through our property and back into Camino Entrada La Cienega, so that there's a loop in the event of a line break here. We could serve going this direction and vice versa. So it's very advantageous in that regard in providing adequate pressure to your customers.

I guess the final point I want to make, Madam Chair, Commissioners is that we propose to provide you with the water rights and we propose to pay for all the costs of extending the infrastructure to the development. So this would be at no cost to the County. The only other final discussion that I want to make, and I'll be happy to address any question regarding the project. We are proposing a very green and sustainable development that we hope will serve as the model for new communities in the county. Water reuse, water conservation measures, lots of open space, 60 to 70 percent open space connected by trails. We continue to work with the community on a number of issues in that regard and we also look forward to implementing the County's new affordable housing ordinance.

We are supporters of the ordinance. There are times when we think the ordinance is a little aggressive in terms of the 30 percent but we think we can make it work for both sides, and we look forward to meeting that challenge in providing local people with new homes in this area. So that's my presentation. I stand for any questions.

CHAIR VIGIL: Are there any questions for Mr. Schutz at this point? We'll reserve the opportunity to have further questions with the applicant. Now, I did commit to hearing from the public earlier this morning. How many out there, by raising your hands,

want to address the Commission? Are some of you in favor and some of you against? Let's start with those that are in favor of this project. You may come forward and address the Commission. Please state your name and address.

BOB CHERNOCK: My name is Bob Chernock. I live at 411 San Antonio, Santa Fe, New Mexico. Madam Chair, Commissioners, staff, I've been in the real estate business in this city for 18 years. I've seen enormous changes. As the city grows, the county grows; the growth is not stopping. You need to understand that people are moving here. They're moving everywhere. My 19-year old daughter says to me, Dad, why are people so aggressive with each other? She hears me talking on the phone. I just look at her and smile. She says, No, really. I said, I don't know. Once they have their little piece they don't want anybody else to do anything.

We can negotiate, we can argue, we can debate. You can say we don't want any more developments. You can say we want this development. Whichever way you vote there are going to be people on the opposite side. You know this. You get ugly letters. You get ugly phone calls.

Let me give you a couple of examples of what I've been involved in lately. I've sold several Centex homes off of Airport Road. Those homes are either rented or bought by people – one member, if it's a couple, works in Santa Fe, one member works in Los Alamos. They take 599. Several of these couples, also one member works in Albuquerque, one member works in Santa Fe. That is becoming a very big trend. Centex Homes on Airport Road, for all intents and purposes is sold out. Tierra Contenta, for all intents and purposes, is sold out.

What this group is trying to do is reinfuse the aquifer. I have been to meetings in developments because I do a lot of it from Pojoaque to La Cienega. I have sat in La Cienega water meetings in amazement. I have been told, and your attorney that was there, the County attorney when one woman said, well, what if people won't let you put water lines down their land? The answer was real simple. The United States Supreme Court has ruled that they cannot do that, that you the County may put water lines down their roads to service everybody. Your County attorney affirmed that, saying that they would not like to take it and work it out but that is reality.

As you look at this project I must share one incident with you. I have recently shown this property to a developer from Kansas. He asked me how many thousand homes he could build on 1350 acres. Not hundreds, thousands. I said you will not get several thousand homes here because this is Santa Fe. We want open space. We want low density. That's the way it should be. He laughed. He laughed and said, this is ridiculous. I'm out of here. As we were driving back I said, how many houses would you build on 1350 acres? His response was 7,000 homes, which is five, six, seven homes to the acre. No open space. Minimum parks. Little tiny lots. That's the way they build subdivisions. They don't care about what we want.

This development group cares. I've worked with them and I'm here to tell you, whichever way the argument goes, the arguments that I have heard from this group make a

lot of sense. Thank you.

CHAIR VIGIL: Thank you, Mr. Chernock. Those people who would like to speak and oppose this project, or this request, actually, and we're specifically on the request of the water service delivery boundary extension, please stand to my right on the aisle, and come on up, whoever would like to speak first, and just state your name for the record. And I just ask that you all make your statements and not repeat other speakers' statements. You may start.

MR. DICKENS: Again, I'm Carl Dickens, president of La Cienega Valley Association, 27347-B West Frontage Road. I want to explain who I represent. I represent the La Cienega Valley Association who represents the villages of La Cienega, and La Cieneguilla. This decision was made last spring and in our minds, nothing has changed since that time. The short notice that we have received, and it's really interesting to hear the description of the dialogue. Let me tell you our perspective in terms of the community what the dialogue has been. July 8th of last year we met with the developers. They had reduced the number of homes down to 362 homes and asked us to respond to that the La Cienega Valley Association board met in early August. We sent a formal letter to them explaining to them that we felt that was excessive and that it wasn't in accordance with our rural atmosphere.

We were told we would get a response to that letter. We have not had a response to that letter. The first notification we've heard from the developers since July 8th was this notice of a community update meeting. So that's not quite the dialogue we would generally consider as having us involved.

One of the things - it sounds like a good thing. Let's get on County water, and we've talked about that. Since that Monday meeting we have rushed around. We had a really kind of quick pizza party, community meeting Saturday night. Sunday night, actually last night I asked the board to meet briefly because we wanted to make sure we had some sort of response to what the developers had proposed. And one of our concerns when we say let's let them have County water so we won't have to drill into aquifer anymore. The problem with that is there's so many other communities and so many other residents within Santa Fe County that need water, so to allow this to go on, for us to somehow support it, we felt was a disservice to those people from other communities that have serious water problems.

Does this become a developer-driven system or is it a system for the residents of Santa Fe? That's the decision I think that is before you. One of the things that is really important to us and this is something that you mentioned last year at the February 28th meeting where you wanted a comprehensive water plan for the county. We think that is a great idea. That is something we want to participate in and we have offered on two occasions. We have sent letters offering our involvement to participate in the creation of a comprehensive water plan for the county.

And I can tell you right now there are a number of other communities just like us, unincorporated little villages that would love to be a part of developing a comprehensive water plan. We have the expertise. We have the knowledge. We have an incredible board

and I'll match our board against anybody else's in terms of the knowledge and expertise in terms of water issues, in terms of commitment to community and to traditional values. We fight an ongoing battle in our community to maintain the rural atmosphere of our communities. And we do that. The battles come from the misuse and misapplication of lot splits which proliferate, especially around the racetrack area. It comes from the fact that people are now developing farmland that should be held in farmland, and it comes from big developments like this. So we are constantly trying to maintain this rural atmosphere of this little traditional, historical area that we treasure deeply.

And so when we talk about developments like this, they don't fit what we do. It doesn't fit our rural atmosphere. To us, it really is an urban development in a rural community. And if you have not seen the property please take a drive out there and take the opportunity to really see what a beautiful place this is. I think that's really it. One of the suggestions that Mr. Borrego made at the meeting that we had last Monday night, and again, our process, our community process, when we have these kinds of issues that come before us, number one, we stick fliers in everybody's mailboxes. There are between 700 and 800 fliers that we'll send out. It takes about four to six hours to go to everybody's mailbox and stick the flier in. We ask for input. We want to hear what the community has to say and then the board sits down and makes a decision.

This short notice has not allowed us to do that. But one of the things that Mr. Borrego suggested the other night was would the board be willing to sit down at a round table and talk this out. And we talked about that. That is something we're willing to do, but it has to be within the context of our community plan, and within the context of the ordinance that supports that community plan. And with that I stand for questions.

CHAIR VIGIL: Are there any questions for Mr. Dickens, Seeing, hearing none, who would like to speak next? Mr. Gonzales, could you please state your name and address.

J.J. GONZALES: I'm J.J. Gonzales. My address is 54 Entrada La Cienega. Madam Chair and Commissioners, we were here last year and this very same request was denied. Nothing has changed out there. The community, there's still an overwhelming opposition to granting this extension. We were here. We talked about it. Everybody had their say. This request here isn't a request to serve county residents. This is a request to serve developers. When they were here they said that with or without County water, they were going to go forward. We said fine. The request was denied. They said they were going to go forward, then they stopped. They tabled things. We were prepared to talk with them. They never set up any meetings or anything last year.

They do have water rights. We know that. They claim to have anywhere from 14 to 28 acre-feet of water. That's what they have on the property. They told us they're going to do a development with what they had on their property and we've always said that's fine. If you have 20 acre-feet, 25 acre-feet, you go to the State Engineer, get an application, they have a hearing, they determine what you really have and your development can go forward on that. We said fine. With their water rights and stuff they end up with maybe 75

or 100 homes, which is a big piece of property but that is pretty low density.

But they're not satisfied with that. They want – the last count was 350 or 400 homes. That was way over what we would even think was reasonable for that area. And this area is remote. It's the southernmost part of Santa Fe County or the southwestern most part of Santa Fe County. It stretches from Entrada La Cienega three or four miles along the Santa Fe River Canyon. So in some places it's narrow and has wetlands in it. It has arroyos in it. They have many, numerous archeological sites, so most of that area they have to leave untouched. And also the thing of this property, it's not in a designated growth area. It's remote. There's one entrance to it. There's an entrance on Entrada La Cienega, then they have an overpass on I-25 and that's been their main entrance ever since that property existed. It was built by I-25.

This is way outside a growth area. The growth areas that the County has designated are around the Community College area. There's thousands of acres there. There's the Jarrett Ranch that has probably another 20,000 acres. Eldorado. And there's also a lot of parts of Santa Fe in the county where there's a need for County water. There's already residents there. They need water. They could use water for fire protection. They're underserved in those areas.

The last thing I want to talk about is whether they're in the service boundary area, the portion of the property that's presently in the service boundary area and I'm pretty familiar with that because it's right next to the piece of property I own. It's a long little silver that is land-locked. It just happens to be that when they drew the service boundary area they drew a line across their property instead of drawing a line along a fence line. The other area where they have property that goes into Entrada La Cienega, that is a small sliver of property that probably is over 3000 feet long. And the reason I know that is I own the property adjoining that. So we share like a 3000-foot long property line. And if they get water from that area, that's an 8" water line, if they try to get water from that point to their property they've got to go uphill about 3000 feet and presently at that point where County Paseo C de Baca is the water pressure is around 80 psi.

So if they extend the line from there to the bulk of their property, which is 3000 feet away, at that point they'd probably have zero water pressure in that area. And trying to increase water pressure in that area is impossible. The only way to send water to them in that area is where the County has a 12-inch water main and that is basically where Las Lagunitas is. And the last thing I want to say is that you've already made a decision on this request once. It's already been denied and I just ask you to reaffirm that decision today. Thank you.

CHAIR VIGIL: Thank you, Mr. Gonzales. Are there any questions for Mr. Gonzales? Seeing, hearing none, would the next person state their name and address for the record?

RAY ROMERO: Ray Romero, 733-A Camino Capilla Vieja. Madam Chair, Commissioners, I've been the mayordomo for the Acequia La Cienega since 1960 and I also represent the acequia for the Valley Association. I feel that this water service request

is putting the cart in front of the horse. Transfer of water rights need to be approved by the State Engineer and are subject to protest due to impairment, impairment on our springs. Especially if transfers are going to be to wells in the area like Valle Vista, Hagerman well, Rancho Viejo and other wells in the Santa Fe Basin, the Acequia La Cienega has no choice but to file protests, which we have been doing recently, due to impairment of our historical water rights. Our water rights date back to, way back 300 years really.

We believe that this Commission should wait until water transfers have gone through the process with the State Engineer so we know how much is being transferred into where, before you act on this matter. Pumping the aquifer is not the answer. Protect our springs which have been depleted from 750 gallons a minute in 1960 when I started on the acequia to 180 gallons a minute today. This development is in the La Cienega Mutual Domestic Service area. I happen to be the president of that association. They need to get involved in this process. That is our service area.

A return flow like Mr. Schutz was mentioning in that area will not recharge our springs. It is way below our springs. That return flow might help the Rio Grande. The La Cienega MDCA is on the list, your list for emergency water service with you, with the County. We haven't heard anything. Also, in 1998 or 1999, Cottonwood Estates land and cattle development were approved on condition that they hook up to County water. Since then County water system is close by there and this should be looked upon and given priority. The development is next to our springs so it's just like Valle Vista. Water transfers being proposed by this developer are water rights that flow to Rio Grande. Therefore we feel that this developer should wait for imported water.

We feel that this water service request should be tabled at this time until transfers and locations are determined to serve this development. Thank you.

CHAIR VIGIL: Thank you, Mr. Romero. Anyone else. Please come forward and state your name.

COMMISSIONER MONTTOYA: Madam Chair.

CHAIR VIGIL: Do you have a question, Commissioner Montoya?

COMMISSIONER MONTTOYA: I have a question for Mr. Romero.

CHAIR VIGIL: Mr. Romero, here's a question for you.

MR. ROMERO: I'm a little hard of hearing so if you will speak a little loud.

CHAIR VIGIL: It's from Commissioner Montoya.

COMMISSIONER MONTTOYA: Mr. Romero, you mentioned that the La Cienega Domestic Water Association has a request in to the County.

MR. ROMERO: Yes, for emergency water.

COMMISSIONER MONTTOYA: For emergency water.

MR. ROMERO: Standby, yes.

COMMISSIONER MONTTOYA: Now, my understanding is that the County actually offered some sort of an agreement which the domestic water association refused. Is that correct?

MR. ROMERO: We haven't refused anything. We haven't refused anything. We're still working. As a matter of fact we started our improvements on the water system. We're putting in a big enough line, possibly to serve this development. That's why I say we haven't been contacted. We haven't refused anything. It's still on the table.

COMMISSIONER MONTOYA: So Dr. Wust, are you negotiating with them? Or who's negotiating with La Cienega?

MR. ROMERO: We negotiate with the County.

DR. WUST: Madam Chair, Commissioner Montoya, there have been draft JPAs go back and forth several times. County Attorney Ross might be able to address whatever its current status is but most of that has been through some kind of joint ownership and wheeling water and things like that. And the status was, as you suggested. I don't know if it's had any movement lately, but that's my knowledge of it at the moment.

COMMISSIONER MONTOYA: Steve, is that where that's at?

MR. ROSS: Madam Chair, Commissioner Montoya, there's been four or five different drafts exchanged, but I think as of now there's really nothing. There's really no discussions along those lines going on. I think we haven't had any discussion since last summer when the last set of drafts weren't accepted.

COMMISSIONER MONTOYA: Did we let them know - who didn't accept them? They didn't or we didn't?

MR. ROSS: My understanding is that we were notified that the most recent draft that we were then working on was not acceptable to the association. Otherwise, we would have put it on your agenda. So we're really not working on anything right now that I'm aware of.

COMMISSIONER MONTOYA: Well, that was my understanding. That's why I asked the question is that the water association is the one that refused any sort of partnership or agreement with the County, and the reason I'm aware of that is that we're actually working on some agreements with Chimayo and Cuatro Villas that are actually similar, and actually, we're using the La Cienega agreement as the template for those agreements which we're moving forward on. So I was just curious as to what happened with that.

MR. ROMERO: Well, maybe we need to keep on talking.

COMMISSIONER MONTOYA: Okay. Thank you. Thank you, Madam Chair.

CHAIR VIGIL: Thank you. Thank you, Mr. Romero.

LUCHA LUJAN: Madam Chair, Commissioners, my name is Lucha Lujan. I live at 305 Los Gatos Lane. I'm just one of the residents that lives there. I've attended several of the meetings and a lot of times it's a little bit confusing because you get different information. At one point there was information about 300 and something houses. At the last meeting, Mr. Schutz brought the old map back with 600 and some plus houses. So we are a small community and we all get together and we, still, the men do the ditches and

women cook their food for lunch after they're done. We don't want a large growth there. We want small density. We want to keep it as a small, rural community. As a little village is what it is.

I was also a little confused as to the last meeting because Mr. Borrego said - we got this invitation for the particular last meeting like the night before. And he said this was signed, sealed and delivered. And we went, well, how is it signed, sealed and delivered if we haven't gone to the Commission yet? Well, it took a while to find out that it was signed, sealed and delivered by - so it wasn't signed, sealed and delivered.

So the messages we get - like I say, I'm not an attorney. I'm just one of the citizens that lives in that area. I don't feel like I get told the information. Information isn't given. When we ask, well, what are you talking about? How many houses are you talking about? Well, we don't know. Well, do you mean 1,000 houses? Do you mean 600 houses? Do you mean 50 houses? What are we talking about?

I'm opposed to you giving them water because I'm afraid. I'm afraid that once they get their water they'll build a small area and then they'll continue to build and they'll continue to build. We had over 600-plus signatures from the citizens of that area opposing the water, you granting them water rights. I hope that you will listen to the citizens of La Cienega. Like I said, we are a small community and we are very - I think we're pretty powerful. We get together at meetings and lots of people come. And I think that's how these little communities need to be. They need to get together. They need to make decisions and they need to be able to say no. We don't want this in our community. We're able to accept so much and we're not saying don't build. That's not at all what we're saying. We're saying let's make it limited. Let's work with what we have and let's work with the community and let's give the community the right information. Thank you.

CHAIR VIGIL: Thank you, Ms. Lujan. Do you have a question? Ms. Lujan, would you come back?

COMMISSIONER MONTTOYA: Ms. Lujan, I should be asking everyone, because everyone keeps bringing up the density factor. What is an acceptable density factor for you?

MS. LUJAN: Well, I think that we should work within the water table that we have.

COMMISSIONER MONTTOYA: Which would mean -

MS. LUJAN: As many acre-feet of water that they have. We should go with the plan that La Cienega community put together. And I'm not sure of numbers. Like I said, I'm not read clear on that, but as many houses as the water table that's there, the wells they have acre-feet, that's what they should use, like the rest of us.

COMMISSIONER MONTTOYA: Thank you, Madam Chair.

CHAIR VIGIL: Any further questions. Thank you, Ms. Lujan. Could you please state your name for the record and your address.

JOHN HERBRAND: My name is John Herbrand. I live at 37 Paseo C de Baca in La Cienega. I really came here today, really to say a couple of things. I know

some of it will not directly relate to extension of service of water but it really relates more overall with the overall plan of the developers in this case. I think what you've probably heard from other members of the community is not only that some of us have some confusion about that and I think the developers don't because they're waiting for some decision so they can rather than go forward with a plan that's acceptable to the community to sort of bust our community plan, in effect, and develop in a pretty extensive process.

I went to a meeting within the last week where Mr. Schutz got up there and he spoke and I think this statement that he made at the time as he went up to introduce himself, he made a comment that he didn't want to be considered a developer. He wanted to be considered a community planner and he was going forward with this as a community plan. I think in hindsight what he was really saying at the time, he meant to say in a form that there was a connotation that a developer was not something he wanted to be viewed as. That was an image problem for him, that a community planner was something else. And he has offered to work with the community in some way.

I think the problem for us is that we actually have a community plan and at the same time I asked Mr. Schutz, right after he made that statement, whether he felt his plan was in conformity and within the spirit of the community plan, which was rural of nature. And he struggled a little bit and he said what he had to say and he said yes. I think you can basically look at the mural on your wall behind you and the dedication that's on that wall. The community builds a plan for this community to be a rural village and save a culture, a way of life. You have the ability to help them preserve that.

So it's not just about water. They would like to come here and say they can develop to the accessibility or the amount of water they have available. Mr. Chernock would like to fly somebody in and say there's 7,000 homes that can be built there. A lot of this has to do with what the community wants itself to be and what their future lies in. They've made a statement; they want to be a rural community. They're asking for your support. When they adopted their plan, they put a lot of work in the process. The owners of the property that preceded these people participated in that plan. What the community really wants is to preserve their plan. They want to live within it. They want them to live within it. They want it to prosper for everybody.

They're looking at your jobs and this County staff as ministerial of their will. And that's what they expect out of the good faith that they put in, the time and effort in that plan, for the County to say, Look, these people as owners, members of the community set out [inaudible] They voted for us. They put us in positions of authority to carry out their will. This particular area is a little different. We didn't want to be in the boundary area. We didn't want to have extensive neighbors. We wanted to preserve all those things [inaudible]

Now, I think Mr. Montoya indicated that he had a question to people about how many homes they felt would be acceptable. I think the community as a whole within the community when we were talking were feeling that they should stick to their community plan. The amount of water that was owned by the developers shouldn't be increased. The

number of homes, by importing additional water, that they were tied to the amount of water that they owned and that they read the community plan to say that. And I think there's been a lot of struggle because Mr. Chernock, Mr. Borrego, Mr. Schutz, they would all like to read things into that plan, but I guess again, it comes down to what that spirit of that plan really was about.

They may find some loopholes in it, but this was meant to be a rural community and the community enjoys it that way. There's good community involvement. I think one of the things that has been most interesting about these meetings is that a lot of the people that have lived in that community forever, I think some of the members of the community were thinking that well, somebody like J.J.'s property should be on a national historic list. And maybe he could cash in and make a lot of money out of. He stood up and said I like my community. I would think that most communities would want that, and I think that most people that are developers that feel that they have an image problem would step back from it and say, look, I shouldn't have an image problem. I should feel good about what I'm doing. I'm not building a community here by destroying one. I want to build a community that the community as a whole is proud of and that I can be proud of.

Some of those meetings that people like Mr. Chernock described it like it was chaos. They've all been pretty much civil. There's been some emotional outbursts but on the whole the community's been pretty straightforward about what they want. They've asked for some commitments and they've also laid out some groundwork, that they want to preserve the community the way it is. They haven't gotten a straightforward answer. A lot of them are debating what is acceptable amounts and a lot of them don't think they should be negotiating their community plan away. So that puts us all right where we're at. Most of us want to stay where we're at.

CHAIR VIGIL: Thank you, Mr. Herbrand Are there any questions for him?

COMMISSIONER MONTOYA: Madam Chair.

CHAIR VIGIL: Commissioner Montoya.

COMMISSIONER MONTOYA: So what I heard you say is that your plan ties water available to a development.

MR. HERBRAND: No, I didn't say that. I didn't mean to say that. I said the discussion within the meetings I've been in -

COMMISSIONER MONTOYA: So what does the plan say? Bottom line, can somebody, Land Use, somebody, answer my question? What does the plan say in terms of the density allowable for development in this area?

ROBERT GRIEGO (Senior Planner): Madam Chair, Commissioner Montoya, I have in front of me the Ordinance 2002-9, the La Cienega Ordinance, and it does discuss zoning density for La Cienega and La Cieneguilla area. It identifies each of the hydrologic zones within that and there's a provision within the ordinance that states - do you want a summary or do you want me to read from the -

COMMISSIONER MONTOYA: Go ahead.

MR. GRIEGO: The maximum density may be increased to one dwelling

unit within the Basin Fringe Zone – this is the area they’re in – most of the property is within that zone, I believe – may be increased to one dwelling unit per 12.5 acres with a geohydro reconnaissance report and application of water use covenants. If an adequate 100-year supply of water and no impairment to neighboring wells is proven by an onsite geohydrological well test, land may be further divided to a maximum of 2.5 acres per dwelling unit. Density adjustments – I’ll skip ahead to the final statement here. The maximum density shall not be increased even when community water and sewer systems are provided except where density transfer is used to protect sensitive lands or preserve community assets as described within the ordinance.

So the bottom line, Commissioner, Madam Chair, is the density should be based on an onsite geohydrological test and at this point I don’t know that we’ve received that.

COMMISSIONER MONTOYA: Okay. Has that been done, Stephen?

DR. WUST: Madam Chair, Commissioner Montoya, they do have a hydrogeologic study that’s been given to us. However, because at this stage they’re not scheduled for any committee hearing or anything, it’s one of those where – it’s a policy I imposed when I was County Hydrologist that we don’t do reviews of things if they’re not basically in the mill for development review, because then we’d be spending all our time reviewing things that aren’t going forward. We’re coming forward simply at their request to do a utility extension and if it’s denied then they have to submit the whole master plan with a hydrologic report and then we’ll review it and all that. So we have it but we haven’t reviewed it.

COMMISSIONER MONTOYA: Oh, it hasn’t been reviewed?

DR. WUST: No, because as I said, there’s no scheduled development permit application going through right now and that’s what our review is tied to generally. Because this is just an extension of service area – and if that were granted they would probably revise what they’re doing anyway to get utility service and so it would be a review of something that’s not really applicable at the moment. So if you deny it and they have to come forward with their own water source then we will review the hydrogeologic report to see how it fits in. That’s basically how the procedure goes.

COMMISSIONER MONTOYA: Okay. Madam Chair, Dr. Wust, I would like to have that information, even though we’re not at that stage. I think it’s still critical information, even for this discussion, even though they’re not going through master plan approval so maybe if I could get that at some point.

DR. WUST: Madam Chair, I can ask the County Hydrologist to review that.

CHAIR VIGIL: Thank you.

COMMISSIONER MONTOYA: Okay. Thank you. That’s all I had.

Thanks.

CHAIR VIGIL: Is there anyone else? Would you please come forward and state your name. Thank you for being here, Commissioner.

LINDA GRILL: I want to make sure you can hear me okay. Madam

Chairwoman, Commissioners, County Manager Roman Abeyta, my name is Linda Grill. I live at 54 Paseo C de Baca. I'm a long-time resident of La Cienega. I just want to tell you, I don't want to repeat myself and a lot of things that have already been said, I just want to say thank you to all the Commissioners. You're listening to both sides of the story here. We love La Cienega. Vote your conscience. Help us out. Thank you.

CHAIR VIGIL: Thank you, Commissioner Grill.

LISA GARCIA: Lisa Garcia, 9 Cuerno de Vaca, Santa Fe, 87507. Madam Chair, Commissioners, thank you for giving me this moment. I would like for the record - I would like to speak on behalf of the project. I am in support of the project. I have been in La Cienega now for 14 years and part of my reasoning for supporting a project like this is it has allowed my generation a chance to remain in our hometown. I would like those that oppose to please consider that at one point it may have been their grandparents that lived there that passed down the land to them, to their children as well and that is something that I would like to be able to do for my children. I think that this project is something that would be very beneficial to all the La Cienega residents. That's all I would like to say.

CHAIR VIGIL: Thank you, Ms. Garcia. Any questions for Ms. Garcia? Seeing none, is there anyone else that would like to address the Commission? Seeing no further requests for addressing the Commission, I'd like to first field any questions from the members of the Board of County Commission. Are there any questions?

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: There was a few times when the members of the audience in La Cienega spoke about the notice of this meeting. And I want to know, maybe from the attorney, did they follow all the rules in terms of noticing about this meeting?

MR. ROSS: Madam Chair, Commissioner Anaya, this is a request for a service area boundary extension. There's no specific notice required for something like this, other than the normal notice provided for a County Commission meeting. It's unlike the requirements of the Land Development Code where you have to post on the property, publish, do all that kind of thing, provide neighborhood notice. There's no notice requirement for this particular type of proceeding.

COMMISSIONER ANAYA: Thank you. So we got the notice issue out of the way. Several times I've heard about the densities, that the developers have not given the community the exact amount. Or they're lowering it and then highering it. That's what I've heard. And I just want to - I'm thinking the reason that's not the case is because they want to get the water service extension first and then they'll be able to develop a plan. Is that correct, Mr. Schutz. You can't give a hard number because you're not sure if - it could change anyway.

Another thing that came to my attention was the fact that nothing has changed from the last time we were here to the time they're here now. And I believe from what I heard

that the reduction in homes possibly would change, and the main reason that I was against the extension was that some of the residents in La Cienega weren't able to get access to the water lines for their own homes. And I believe since then that the County Commission - well, I know since then, has passed a resolution and we are seeking funding for that as we speak, to continue to find monies to extend the water service to the areas that we spoke about a year ago. And I still hope that we can get the funding for that to move that project forward.

I want to know - we talked a little bit about, or the residents talked a little bit about how many acre-feet the developer has. I would like to know what do you really have in terms of acre-feet for the ranch that you're proposing - that we are talking about?

MR. SCHUTZ: Thank you, Commissioner, Madam Chair.

COMMISSIONER SULLIVAN: Just a minute. Is that all, Commissioner?

COMMISSIONER ANAYA: No.

MR. SCHUTZ: I'm sorry. Are you the chair?

COMMISSIONER SULLIVAN: I am the vice chair..

MR. SCHUTZ: Vice Chair Sullivan and Commissioner Anaya -

COMMISSIONER SULLIVAN: Just a minute for Commissioner Anaya. He still has other questions for you.

COMMISSIONER ANAYA: No, I wanted to hear from him know.

COMMISSIONER SULLIVAN: He yields the floor. Go ahead.

MR. SCHUTZ: In terms of notice, I just wanted to mention, Commissioner, there are no notice requirements for this kind of a proceeding, but about nine days before our scheduled Monday meeting, which was a week ago yesterday, we posted signs at every entry to the village of La Cienega to let everybody know that there was a public meeting to be held in nine or ten days to discuss an update. And the purpose of that notice was to just apprise the folks in La Cienega that we were coming to the County for this request. We didn't have to do it. It's our MO for the community to be told and we keep them apprised. We do apologize for the short notice. As you know, the weather has been extremely terrible in that area and we were trying to wait for a good day but we did try to make every effort to apprise them.

But in terms of our water rights, Commissioner, we have Santa Fe Basin water rights appurtenant to the property as licensed by the State Engineer for 29.10 acre-feet of diversionary use and 14.55 acre-feet of consumptive use rights. We also have 17 acre-feet of Rio Grande main stem surface rights that we bought from Pena Blanca and are in the process of perfecting them with the County for use in the system. We also have 8.5 acre-feet of La Cienega acequia rights which we bought from some folks in La Cienega. We have under contract and are pursuing additional water rights on the main stem Rio Grande River to supplement our current water rights portfolio. I guess the question you want to know is how many units that will serve. Is that a fair statement?

COMMISSIONER ANAYA: Yes. Go ahead and answer it.

MR. SCHUTZ: Well, if we were to utilize our water rights that are on the

land, assuming that each unit were to utilize .20 acre-feet of water per acre-foot, and assuming that we return 50 percent of the water back into the stream system as we propose to do, the 14.55 acre-feet would allow us to build about 200 to 225 units.

If the water extension is granted, depending on how we deal with the County in terms of the water rights that we have and water rights portfolio transfer, the current plan, the current Code as we understand it, would allow for – with the density bonus contained in the affordable housing ordinance, we would be able to go up to 605. Now, we're not proposing 605. You're exactly correct, Commissioner. When we came before you last year, or earlier, the master plan proposed 605 units. That's gone way down and as Mr. Dickens noted we have come down 40 percent from 605 to 362. That was our latest proposal. And in terms of density, we talk about rural densities and urban densities, the County now allows in the traditional community of La Cienega $\frac{3}{4}$ -acre lots. Those are urban densities. Our density at 362 units on 1300 acres is 3.6 acres per unit. And we're clustering these units. We are maintaining a rural environment consistent with the community plan.

But to answer your question, between 200 and 225 lots.

COMMISSIONER ANAYA: Okay. Thank you. Could you tell me, there was a question by Mr. Ray Romero, he stated why haven't you transferred the water rights that you own now? And I think I know the answer but I want to hear it again.

MR. SCHUTZ: We have filed an application with the State Engineer, to perfect the water rights, in fact for the purpose, place and use of the water rights from irrigation to domestic use. That process, assuming that Mr. Romero and others in La Cienega are going to protest us, could take 18 months to two years. But we're in the process of that right now.

COMMISSIONER ANAYA: Okay. I heard culture and the way of life. I'm from a small community myself and I want to know, if this development were to come into my area, I would want to know exactly what you're proposing. And I guess what I'm hearing from the planner is that until you get a water line or water service extension then you will be able to answer the questions precisely when you have your meetings with the community.

MR. SCHUTZ: Correct. Now I must tell you, Commissioner, that we have made certain commitments at the community's request in terms of open space, use of open space, trails non-commercial activities – they don't want any commercial development. We've agreed to that. We've agreed to a number of things. Setbacks, lot sizes in certain areas and on and on. I could go through a laundry list of things that we've conceded to but I don't know if you want to hear that.

COMMISSIONER ANAYA: That's all the questions I had for now. I might have some later, Madam Chair.

CHAIR VIGIL: Thank you, Commissioner Anaya. And thank you, Vice Chair Sullivan for handling my few minutes of departure. Further questions from members of the Commission? Commissioner Sullivan, and then Commissioner Montoya and then

Commissioner Campos.

COMMISSIONER SULLIVAN: I just wonder, Madam Chair, briefly, if we could hear from Ms. Mills. I'm always concerned when we are dealing here with what appears to be zoning and also water extension at the same time, as to how this fits into our strategic plan, just from an overview standpoint.

CHAIR VIGIL: Ms. Mills, you have the floor.

BETH MILLS (Strategic Planner): Good afternoon, Madam Chair, Commissioner Sullivan. This request to extend the service area is one that alerts us to the need for strategic planning. It highlights the disconnect we're seeing between land use planning and water resource planning. And it's to no one's benefit, not the developer, not the community and not the County, who are the stewards of looking after these resources and the citizenship to keep things these so disconnected. Everyone is confused and there is a lot of runaround for everybody in the course of making these requests.

From a strategic planning point of view, we're working towards integrated growth management planning, which means that we're struggling to plan growth management. We realize there's going to be growth, but growth management in a way that we can accommodate infrastructure, emergency and other types of services to the new developments that come forward. So when one asks for an extension of a water service area, they're in fact requesting, given the history of the way water planning and land use planning have happened at the County, to my mind they're asking for an extension of a designated growth area, because in fact when we look at the water service area currently for the county, those areas are the same as our designated growth areas, with the exception of portions of the Community College District which are due to receive County water but in fact aren't even part of the County water service area at this point. So I hope I'm making sense.

There's a direct connection between growth areas where we want to be able to direct infrastructure and services and water service areas. Although you would never know it hearing this discussion today. So it's the goal of the strategic plan to unite those things and be able to look at all those elements of planning in a holistic way and make some evaluations. And to that end this discussion alerts me to the fact that we need to revisit the 40-year water plan, and that has been suggested by other consultants who have come in here, for instance, for the fiscal impact study. And we need to revisit and be very clear about our water service areas and the County water allocation for them.

I think, looking at what we have now on the books, the water service areas don't necessarily reflect where we're looking at growth, and they don't accurately reflect our need to look at growth management. I would hope that's enough. I don't know.

COMMISSIONER SULLIVAN: Thank you, Ms. Mills. Thank you, Madam Chair.

CHAIR VIGIL: There were some other questions from Commissioner Montoya and he stepped out. Commissioner Campos, did you have any questions? Not at this time. Okay. I guess I have a couple of questions. For Mr. Ross, Mr. Ross, we're

considering the very same request that we considered a year ago, or whatever time frame? Is this the very same request, extending the water service boundary lines?

MR. ROSS: Madam Chair, it seems to be a similar request?

CHAIR VIGIL: Is there anything different?

MR. ROSS: I don't know. I haven't studied the two.

CHAIR VIGIL: Okay. Would you like to respond to that, Mr. Schutz?

MR. SCHUTZ: There are a couple of material changes, Madam Chair, between what was presented last time and now. Number one, as Commissioner Anaya stated, one of the concerns that was raised at that time was the fact that those three roads, those rural roads that served residents off of Paseo C de Baca Lane were not being served, and that was a main concern. I think, I'm not sure if the water allocation policy had been developed, and now it has been. And probably the other material change is the fact that we've gone - at the time, the master plan on the table was at 605 units. So there have been some changes, material changes to the program.

CHAIR VIGIL: Thank you. I guess another question I had and this is for our planners. Is this proposed water service delivery expansion within the boundaries of the La Cienega community plan ordinance?

JUDY MCGOWAN (Planning Director): Madam Chair, Commissioners, yes it is. It's my understanding that it is. We actually haven't seen a recent plan. There has been nothing submitted.

CHAIR VIGIL: But the area is within the boundaries of what was proposed by the community. A boundary line for their particular plan that we adopted as an ordinance.

MS. MCGOWAN: Yes, that's correct. I maybe shouldn't assert this, but I am a little concerned because listening to the applicant it seems that they have a very different interpretation of the La Cienega Ordinance than the staff and some members of the community have, as far as density is concerned.

CHAIR VIGIL: Okay. Thank you. And Commissioner Montoya, we've been waiting for your questions. Do you have any further?

COMMISSIONER MONTOYA: Now I have one for Judy. What are the differences in interpretation as you have heard?

MS. MCGOWAN: I don't have the direct excerpt that Robert read, Commissioner Montoya, but I believe that what the ordinance says is the density is determined by their onsite geohydrological study. So therefore, if your geohydro study shows that you have enough onsite water, you could go down to the gross density of 2.5 acres, whether or not you're on a water system.

COMMISSIONER MONTOYA: As opposed to 12.5.

MS. MCGOWAN: As opposed to 12.5. That's correct. If you're geohydro study show you can do a gross density of five-acre lots then that would be your gross density, even if you're on the County water system.

COMMISSIONER MONTOYA: Is that your understanding, David? Thank

you, Judy.

MR. SCHUTZ: Madam Chair, Commissioner Montoya, partially, we agree with that, but our understanding is if community water or County water is brought into the project then the maximum density can also go down from 12.5 to 2.5, because you're doing the same thing. Instead of demonstrating groundwater resources, you're providing imported water to accomplish the same thing. There is a disagreement in the interpretation of that portion of the ordinance, which needs to be worked out with staff, and I think we can come to a consensus on that as we go through the master plan process.

COMMISSIONER MONTOYA: David, do you know if your geohydro study proves a 100-year supply that would warrant 2.5-acre size?

MR. SCHUTZ: The geohydrologic study that was prepared by Glorieta Geoscience was turned into the County sometime before the end of last year, and I spoke to the County Hydrologist, Ms. Torres a few days ago and she had not yet had an opportunity to review it. As Mr. Wust said, they are waiting for us to finalize a master plan, at which time they'll review it. But we did do our well tests. We did do detailed hydrologic studies of the aquifer and we have proven a 100-year supply.

COMMISSIONER MONTOYA: Okay. And then I'm just curious for the people, if you could just raise your hands, the ones that are in opposition to this, if you live on a 2.5-acre lot or larger, if you would please raise your hand. So about a third of the people that testified. Because we're looking probably at a minimum size of 2.5 acres here. And I think it was brought out that the current size for the traditional historic community is $\frac{3}{4}$ of an acre. I think that's all I have, Madam Chair. Actually one more for the applicant.

CHAIR VIGIL: Commissioner Montoya, then we'll go to Sullivan and then Anaya.

COMMISSIONER MONTOYA: My last one. Are you willing to work within the community plan that's been designated by the La Cienega-La Cieneguilla Development Committee?

MR. SCHUTZ: Commissioner, to answer your question pointblank, yes. Mr. Herbrand's, John's assertion, the question he asked me on the meeting on Monday was do I believe that our plan complies with the La Cienega plan, and I answered very directly, yes. I do believe it does. We are not - everybody keeps calling us an urban development plan, that we're urbanizing La Cienega. We're not urbanizing it. Of the 1300 acres, over 600 to 700 acres of it is open space. We are clustering some of our development into areas that can comfortably accommodate growth so that environmentally sensitive areas are protected, but the lot sizes are very consistent. They'll range in size from one to 2.5 to five, depending on the area. We're maintaining a very, very rural feel in the amounts of open space that we are providing.

Let me just say this directly. We commit here and now, tonight, to the Commission, that we will work within the confines and in accordance with the community plan as it was adopted by this Commission in 2002. We have studied it very carefully. We're very sensitive to the local cultural and archeological resources that exist in La

Cienega property, within the traditional community. I must tell you, J.J. and I are friends. Commissioner Grill and I are friends. I like to think that most of the people that we've been dealing with, we've maintained a civil atmosphere. We've been having very productive, honest, open debate and we hope to continue down that road, and we hope to come to you in the future with consensus. That's our true objective and our true goal at this point.

So let me just say, yes. We are committed to working within and in accord with the plan.

CHAIR VIGIL: Thank you.

COMMISSIONER MONTOYA: I'm sorry. I lied. I have two more questions. So if this is approved, then what?

MR. SCHUTZ: Assuming that we get approval for the extension then we will go back to the drawing board and discuss with the community a reasonable density, because I think that's where the impasse is right now. A reasonable density that's acceptable to both sides. The reason that we came forward with the 605 was because you were in the throes of discussing the affordable housing ordinance. So we knew that we were not going to be developing 605 units but we had to put something on the table for master plan, so we went with maximum allowable because we didn't know how it was going to affect the bottom line.

After we realized we could come back from those numbers and still meet your 30 percent goal for affordable housing, we started coming down from 605 to 500, finally ended up with 362, which is a 40 percent reduction of what is currently allowed under our interpretation of the Code.

COMMISSIONER MONTOYA: And if it's not approved, then what?

MR. SCHUTZ: We'll do the same thing. We'll go back to the drawing board and look at our options for developing a project using groundwater resources.

COMMISSIONER MONTOYA: Okay. Thank you, Madam Chair. Thank you, David.

CHAIR VIGIL: I believe I said Commissioner Sullivan and Commissioner Anaya. Let me just make a statement that we do have quite a few other items on the agenda that may take a large amount of time so if we're ready to start zeroing in on a possible motion, if your discussion might lend itself to that, I would encourage it. Commissioner Sullivan, then Commissioner Anaya.

COMMISSIONER SULLIVAN: Thanks, Madam Chair. I think that the concern about 2.5 acres and this will only be 2.5 acres is - as Mr. Schutz says, some lots will be one acre, perhaps less. It's the average that's going to be 2.5 acres. So I think what perhaps residents are concerned about is although the average - it's like the average of the trunk of the elephant and the tail of the elephant is the big, fat middle of the elephant. And really, the average is not what residents are concerned with. They're concerned with the development that's right next to them, right next door to them. And if that development is not in concert with the rural character of their area then they feel that's not an appropriate

development.

So I think we're getting way ahead of ourselves here, reviewing a phantom master plan that we don't even have in front of us. We're selling the sizzle but not the steak again, and I really think that the next step that the applicant needs to do is refine their master plan concepts and I don't think that we need to be scared that they're going to use groundwater, because if they do a 300-unit development or a 225-unit development, they will have to do a community water system. That community water system will have to show that it has a 100-year supply. It will have to have the same protections that the County water system has. And in the end we'll have control over water conservation and all the other things that you get in a public water system.

So I don't think the issue is do we get water out of the Rio Grande or do we get groundwater from the La Cienega area. Either way we're going to have a public water system. So my suggestion, Madam Chair, is that the applicant refine their master plan and they come back with a plan that shows that they've reached some modicum of agreement with the community. Once we have a plan that says, hey, this is appropriate zoning and this is appropriate development for this area, then we say, what's the best way to serve it with water? It may be, at the outset a small community system is better, and connect perhaps in the future to a larger County system when the Buckman water becomes available, and we're not sure when that will be available.

So there's a lot of strategies that we can implement, but I don't think it's a battle between groundwater versus the magic surface water. Not at all. Because all of that impacts our aquifer. So I think we're a little premature here. I think the applicant should move forward. They should work on their master plan under the current guidelines. And then in that process, we can continue to decide whether the community water system that they come up with is better served through groundwater or through the Santa Fe County water system. I think that's the time we can do that. Thank you.

CHAIR VIGIL: Thank you, Commissioner Sullivan. Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, thank you. I tend to disagree with Commissioner Sullivan because groundwater is life and if we don't have groundwater then we lose our acequias that have been around for 300 years and more. And if we can't protect those, then I don't know what we're doing up here. So those are really important to me, is the groundwater in the La Cienega area and throughout the county.

I want to ask a question to Dr. Wust and that is if this were to be approved, that opens the door to your office so that they can communicate with you in terms of their project and they can move forward, correct? What would they do if this was to be approved?

DR. WUST: Madam Chair, Commissioner Anaya, if this were to be approved then the applicant could come to us and then start talking to us about how much water is available, what the requirements are if they wanted to hook up to the utility, and how that would affect their master plan proposal. I would tell them about our phasing, about Buckman and what our available supply is and things like that.

COMMISSIONER ANAYA: And right now, the County doesn't talk to the developer because we're not sure whether they're serious or not, or why are we not talking now?

DR. WUST: Madam Chair, Commissioner Anaya, I have talked to them. I've met with them several times. The difference is they're all hypotheticals now. If this, then that. If this, then that. So we can't really put anything definitive, any discussion. We have discussed a lot but again, it's been all ifs. Since they're not in our water service area I can only say, well if you were, we could talk about this, this and this. And that's really the bottom line. Same thing with the hydrologic reports. Since there's no submittal saying they're going to use their own water there's no official procedure that we're reviewing the report and telling them what we think.

COMMISSIONER ANAYA: So then you can get down to the nitty-gritty with the developers in terms of what, how much, how much you can transfer, how much you can use, and then we'll know some more, something in concrete.

DR. WUST: Madam Chair, Commissioner Anaya, that's correct, and not only that but that means they can actually come forward and submit a master plan utilizing whatever we discuss that will go in front of a committee and the BCC.

COMMISSIONER ANAYA: Madam Chair, was there another Commissioner that would like to speak?

CHAIR VIGIL: Not that I know of. Commissioner Campos.

COMMISSIONER CAMPOS: I would just ask the chair if she is ready for a motion, I'd like to make a motion?

CHAIR VIGIL: Are you done, Commissioner Anaya?

COMMISSIONER ANAYA: No.

CHAIR VIGIL: You still have the floor. Let me return to him, and then I'll go to you.

COMMISSIONER ANAYA: Thank you, Madam Chair. From the testimony that I have heard for the second time, and I'll say it again. I said it last time and I'll say it again. This is a difficult situation that we're up here against. And I'm weighing in and out community and where our children are going to go. Lisa spoke earlier about her kids. We can't continue to keep dividing the property that we have, and I'm talking about the five-acre lots the acre lots. Where are our children going to go? I'm not saying that I agree with the developers' request in terms of density and how much, but I think in order to keep the dialogue open that the County can communicate with the developers we need to extend the water service boundary so that we can talk about it.

My concerns, and I'll say it again, is the density in that area. We cannot - the people in La Cienega want to live in a rural lifestyle and I want to keep it that way. That doesn't mean that we just shut the door. These people have a right to develop their property just like you have a right to develop your property. And I don't want to shut the door on anybody. I want to go through the procedures, which they have gone through the procedures, and I want to keep the dialogue open.

I underlined a few things that people spoke about, and this is what I want. I want the developers to work with the community. And I said it last time and I'll say it again. The culture and the way of life in La Cienega. Keep the communications open with the County. And most important is our water. And if deplete the water in La Cienega we've lost everything. So their proposal is to import and recharge. To me that makes sense. But there's still a lot of unanswered questions that I have and that the community has.

Before I approve any master plan, and I'm going to tell you right now, before I approve any master plan I want the developers to meet with the community and talk about it. Because we can't - with that, Madam Chair, I move for approval.

CHAIR VIGIL: There's a motion for approval.

COMMISSIONER MONTOYA: Second.

CHAIR VIGIL: I hear a second on a motion for approval of extension of the boundary lines. Is there any further discussion? I think I'd like to chime in here. As chair and this is the first meeting I've ever chaired, a lot of what's been discussed is something that I might have brought up if I'm not sort of trying to follow the signals of the procedures going on here. I must say, I have a really difficult time voting in favor of a water service extension, only because I think it sends the wrong signal, not only to the community of La Cienega, but to the community as a whole. And I'm not too sure that surface water delivery is the most appropriate alternative for this development. Hydrological studies should be a part of a proposal, and I'm more inclined to consider a water service delivery system, whatever it would be within a master plan development, so that the developer and the applicant would have an opportunity to have further discourse with the community. The community who has its mayordomo represented here. The community who has long historical traditional members, who are quite familiar with the area, and I must say, so am I. I grew up in the area. I have longstanding family ties to La Cienega, indeed to some of the community members who moved to La Cienega from an area called Bonanza.

It seems to me that it would be more appropriate for us to deny the water extension and look at the opportunity of what is going to happen with the community plan. And I know that the applicant quoted the general plan and made some very good links to it, but there are some links missing between here what you've presented and what the actual La Cienega community plan ordinance is. I see and I hear the community is real insecure about that. So it seems to me that probably the most prudent way to move forward with this is to deny the extension and consider that the developer should move forward with working with the community towards a master plan development that would identify and give some assurances to the community that sustainability would be a part of that.

And whether that's surface water or whether it's aquifer water, I don't know, and I don't know that anybody does at this point in time, but that would be a mission, I think that would create a lot more ease for members of the community and I think Santa Fe County residents. Water is a resource that we cannot move too fast with. With that, is there any other discussion? Then there's a motion and we can vote on the motion to

approve the boundary lines and there is a second.

The motion to extend the water service area to Santa Fe Canyon Ranch failed by a 2-3 voice vote, with Commissioners Anaya and Montoya voting in the affirmative.

CHAIR VIGIL: The request has been denied. Are there any other motions?

COMMISSIONER CAMPOS: Do we need a motion to deny? No? This does it?

MR. ROSS: Madam Chair, Commissioner Campos, the request needed approval.

COMMISSIONER CAMPOS: Okay. Good.

CHAIR VIGIL: I would just encourage Dr. Wust – and it's my understanding and that's why I voted the way I did, that if a developer chooses to move forward with a master plan that we continue to work with him with more information that we can make available to them in regard to what is the best use of water for this particular development and more information to be exchanged between them and the community in terms of the density issue.

DR. WUST: We will, Madam Chair.

CHAIR VIGIL: Thank you, Dr. Wust.

- XIII. D. 2. Request for Approval of Memorandum of Understanding (MOU) Between Santa Fe County and the Pueblo of Pojoaque for a Regional Wastewater Project [Exhibit 7: Pojoaque MOU]**
- 3. Resolution 2007-32. A Resolution Committing County Funds for Cost-Sharing Applied to a Pojoaque Valley Regional Wastewater Project (\$1,000,000)**

DR. WUST: Madam Chair, thank you. The next two items, actually, D. 3 and D. 3 are related and what I'm going to do here is just sort of introduce where these are coming from. The MOU itself has gone through a little back and forth between the attorneys for the Pueblo of Pojoaque and our County Attorney, so I'll defer to Steve Ross on that particular item, but I'd like to introduce what these two items are about. At this legislative session, the County and the Pueblo of Pojoaque are both going to the legislature for funding, both separately and together, I believe, to look for funding for improvements to the existing wastewater treatment plant on the Pueblo of Pojoaque and to build infrastructure to hook up residents on Pueblo lands and off Pueblo lands.

A year ago the Speaker had talked to us at the County and with the Pueblo of Pojoaque and basically said that he did not want to see this area, the two areas going independently. That if we were looking at legislative funding to improve the wastewater

status of the folks there, he wanted to see a plan for the whole valley accommodated, and he wanted to see the Pueblo of Pojoaque and the County working together cooperatively on this. So when we came forward this year with funding requests we were asked by the legislature and actually by DFA two things. They wanted to see that again, we were working together cooperatively. That's where the MOU is coming from. That was drafted initially by the Pueblo of Pojoaque. Our County Attorney has looked at. It's very recent. It's just been happening so I don't know even if it's in final form.

What we were asked by DFA was that they would like to see some County and Pueblo matching funding commitments. So D. 3, which we can get to in a moment, it was listed as a separate item, is to allow the Commission to discuss whether they'd like to put forth a funding commitment as a cost sharing for this project. Now, in the interim this last year, part of what's happened is there's been an engineering study to include non-Pueblo residents to hook into the sewer system in the early phases. And in this case, the easiest way would be hooking in the Cuyamungue area first, off Pueblo.

So that's what's being proposed in these earliest phases to show that other valley residents are being included as part of the early construction. With that, Madam Chair, for D. 2, I'll defer to our County Attorney for questions or comments on the particular MOU.

CHAIR VIGIL: We will be taking action, I believe, on these items separately, but Mr. Ross, would you like to follow up on that request?

MR. ROSS: Madam Chair, quickly, the MOU that's in your packets, the ink is still wet on this particular document. Dr. Wust is correct. The Pueblo of Pojoaque provided us with a draft late last week and I edited it over the weekend and what you see in front of you is my work product, largely working from what the Pueblo provided and I have of course sent this back to the Pueblo but have not heard back from them as of a few hours ago on number of changes that I propose in the agreement.

What this MOU really is is a roadmap to this larger project which is the Pojoaque Valley wastewater facility. The guts of the project are laid out here on pages 3, 4, and 5. They're outlined in phases. Some of you may remember that the County participated in some engineering studies with the Pueblo that were done a few years ago. Those engineering studies identified project components and grouped them into suggestions for phases. Since that time some of the planned improvements have been actually constructed and completed. Others are funded and in the planning stages and not constructed and others are necessary to complete the larger design that you see here.

The phases are somewhat arbitrary. They're broken down, not based on the suggested order that the phases should occur but by the money that's available. It's sort of a pragmatic analysis of the funds that are available and how you can use those funds and keep moving on the project, rather than whether it's desirable to have C or A or phase 3B done first. You'll see that phase 1 is partially done and it was intended to hook up the Pojoaque Valley schools, the Jacona campus, to the existing wastewater facility located just adjacent to the campus that's currently operated by the Pueblo.

Component B of that is construction of return lines from that facility to the schools

for irrigating fields and stuff. The necessary components of that are a treatment facility and that's not constructed yet so there's no plans right now to fund that, but that is a necessary component of this project. The next phase is the heavy-duty infrastructure, constructing the treatment facility and that's a pretty hefty price tag, \$3.6 million. It's probably more than that. There are some funds available already for that as you can see from the note.

Components B and C of that are construction of effluent reuse lines back to the Pueblo of Pojoaque, in this case for outdoor irrigation. Some of the funding for that part of the project is in place. Phase 3 involves placing lines to residents in Nambe, Cuyamungue and Jacona. Among those, component A is in the legislative request right now.

MR. ROSS: Cuyamungue is slated for a request as is Jacona. So what this agreement says is that this is the project, these are the sources of funding that the County and the Pueblo are pursuing and that we're either going to tackle the project as a unified whole, if funding permits, or piecemeal as we have been doing by separate agreements. That's what the section that's titled "Future Agreements" on page 5 describes. It describes that process. It recognizes that we need more agreements and describes the subject matter of those agreements. And that, I think that's the general outline of the MOA.

CHAIR VIGIL: Questions? Commissioner Campos.

COMMISSIONER CAMPOS: Madam Chair, what about governance and ownership?

MR. ROSS: Madam Chair, Commissioner Campos, that's specifically set forth in the MOA as required of a future agreement. That's Section 2 B which provides that future agreements must address the ownership of the project and governance, relationship of the parties amongst themselves and the project.

COMMISSIONER CAMPOS: Why can't we agree to them beforehand? Why this delay? I think it's more of a tactic than a need.

MR. ROSS: Madam Chair, Commissioner Campos, I don't think it's a tactic. A number of these elements have been discussed but not presented to the governing bodies of either the Pueblo or the County. I think it's generally accepted that the County would own and operate the facility but we haven't purported to set that down because that would take probably two to three, four months of negotiation and we have a session going on right now. We need to document what we can document right now so that the legislators understand that we're working together towards this objective. Were we to try and reach agreement on all those fine, technical points it could take some time.

COMMISSIONER CAMPOS: Well, we have had this project for over a year. Is there any declaration that the County would ultimately be the owner and operator of this system?

MR. ROSS: Madam Chair, Commissioner Campos, a declaration? It's not in writing anywhere except in draft agreements that we've been working on.

COMMISSIONER CAMPOS: Draft agreements, that have been signed by no one, approved by no governing body.

MR. ROSS: Correct.

COMMISSIONER CAMPOS: Okay. I don't think I could support it at this point.

CHAIR VIGIL: Further questions? Commissioner Sullivan.

COMMISSIONER SULLIVAN: Steve or Steve, we already - I see they say funds secured by Pojoaque in the amount of \$1,070,000, those funds are actually allocated to the County, are they not?

MR. ROSS: That's correct.

COMMISSIONER SULLIVAN: Okay. So the County already has \$1,070,000 in funds toward this project which hasn't been used yet, and I think Dr. Wust you said that DFA has said we should put up some money. Where is this policy coming from? Was it somebody at the staff of DFA? Was this the Governor? We've spent time and money already on this project for, oh, a good three years that I can remember. Certainly no one's more committed in Santa Fe County towards solving the wastewater problems in the Pojoaque Valley. If they're looking for good faith money, and we can't come to an agreement on these MOU items, is that money still obligated or then must the Commission de-obligate it? I'm just asking about - who is insisting on this additional contribution to the project?

MR. ROSS: Madam Chair, Commissioner Sullivan, it does come from the Department of Finance and Administration. I think the thought was that requiring a financial contribution to a project by a local government agency would demonstrate the local government agency's commitment to the project.

COMMISSIONER SULLIVAN: Okay, and that makes bureaucratic sense. But let's say we make that commitment and then let's say the legislature approves nothing, as has happened in the past. Are we still obligated to that \$1 million?

MR. ROSS: No.

COMMISSIONER SULLIVAN: That's in the agreement.

MR. ROSS: There's nothing in the agreement about a County contribution of \$1 million. There is a discussion about a large contribution from the Pueblo of \$3.6 million but there's nothing that requires the County at this point to contribute a million dollars because it hasn't been approved by this body yet.

COMMISSIONER SULLIVAN: Okay, but let's say we approve the million dollars. What is the DFA - it's kind of like saying "Wall Street says", DFA says - what's the reciprocal side of the agreement? What is DFA saying that they will recommend to the legislature upon our commitment of a million dollars? Which may be a good investment. I'm not questioning the investment. I'm asking about the quid pro quo.

MR. ROSS: Madam Chair, Commissioner Sullivan, you can see the amounts set out in the agreement here, \$6 million. It's my understanding that DFA would then support the request that this body and the Pueblo of Pojoaque have made, the capital request.

COMMISSIONER SULLIVAN: And what are those requests? Six million?

MR. ROSS: I think it's \$6 million.

COMMISSIONER SULLIVAN: And how much are we requesting?

MR. ROSS: It's a joint request, isn't it?

COMMISSIONER SULLIVAN: Oh, it's a joint request.

DR. WUST: Madam Chair, Commissioner Sullivan, if you would like to see the breakdown of all the different requests Joseph Gutierrez is here. He's been working on this primarily with DFA. So I'll let him address that. I would like to note, however, to your earlier question, if you see the resolution that's a part of D 3 on our commitment of a million dollars, I wrote in there "contingent upon funding". So it's not just we're saying we're spending a million dollars no matter what, we do say contingent upon funding from legislature, the total funding for the project.

COMMISSIONER SULLIVAN: And that means total funding?

DR. WUST: That's what I wrote in there. However they'd like to vote on the language.

COMMISSIONER SULLIVAN: That's our duck again. Okay. Joseph, how much money are we -

MR. GUTIERREZ: Madam Chair, Commissioner Sullivan, the dollars that are allocated for this project right now, the only dollars that are allocated for the water/wastewater system in Pojoaque Valley is \$1,070,000 which was a state appropriation through the Department of the Environment. The Department of the Environment provided a grant to Santa Fe County. In the interim, a request came to the Commission, I believe a couple months ago to submit a proposal on behalf of the County for a regional wastewater project in the Pojoaque Valley, and that request was for \$4 million. That went to DFA local government, theoretically, to possibly be included in the Governor's water capital package.

In addition to that, we also identified Pojoaque Valley wastewater/water system as a top five priority of the County, and there's a two million dollar request for the legislature right now.

COMMISSIONER SULLIVAN: Okay. So that's the six million, those two components?

MR. GUTIERREZ: I think, Madam Chair, Commissioner Sullivan, my conversation with Alyn Martinez, who's the public works director for the Pueblo is they're actually looking at about a \$6 million project, and that would be the \$4 million request that's at Local Government right now. That would be the \$1,070,000 state appropriation allocated to the County and potentially item number three on the agenda today, the million dollars of actual County funds.

COMMISSIONER SULLIVAN: And when and where does the Pueblo's \$3.6 million come in?

MR. GUTIERREZ: Madam Chair, Commissioner Sullivan, I haven't see the breakout that you have. I believe the \$3.6 million is the value they identify and maybe capital investment into their system, which would be a support system, in my understanding, to hooking up residents outside of tribal lands.

COMMISSIONER SULLIVAN: So, Mr. Ross, is this \$3.6 million new money? Or they're just capitalizing improvements that they've been doing over the years?

MR. ROSS: Madam Chair, Commissioner Sullivan, I think that's new money and that's to build that plus the million dollars from the Water Trust Board would build the treatment plant, and the \$6 million would build the pipes.

COMMISSIONER SULLIVAN: Just a last comment. The only concern I have - I think it's a good commitment of money. I have some concern over priorities, which you indicate are not identified here. We have phases but they're not priorities. I understand that. But I do know that the Pueblo's priority is to move effluent to the golf course and that's where they're spending their money now. Where I think the money needs to be spent is on wastewater treatment, is on the big kahuna, because all they have now are lagoons. When we say the Pueblo has a wastewater treatment facility let's be clear what that is: It's ponds. It's ponds of effluent. It's lagoons. And they need a wastewater plant, particularly for the flows that they're anticipating.

So their prioritization right now is to move water to the golf course and to irrigate the golf courses. So they're irrigating the golf courses with water that is less than ideally treated. It's lagoon water; it's 30-30 water. So that's an issue and I understand the memorandum doesn't commit either to those priorities, but I know that's their priority, so I'm just stating in the negotiations and the discussions with them, we need, I think, to emphasize that where we're going is the treatment of this effluent, not the distribution of it on the golf courses, but the treatment of it for the protection and the safety of the residents. So that would be a change in strategy that I would suggest. Thank you, Madam Chair.

CHAIR VIGIL: Any further questions? Commissioner Campos.

COMMISSIONER CAMPOS: Commissioner Sullivan, what did you mean by that last comment, the emphasis should be on treatment and not use. There's going to be a product from the treatment and the tribe wants to certainly capture that and use it for its golf courses. I don't understand what the difference is.

COMMISSIONER SULLIVAN: Well, in the three phases in the MOU, and this is the first time I've seen this draft, obviously, but it does have some components of older ones. In these three phases of the draft, if you look at phase 2, component B, it's the design and construction of effluent re-use line from the Pueblo's evaporative lagoons to the Thunder Resort, \$1 million funded by the Water Trust Board. Now, that \$1 million is Santa Fe County's \$1 million. That was allocated to Santa Fe County. And what the Pueblo is proposing to do with that is to pipe the treated effluent lagoon water to the golf course.

COMMISSIONER CAMPOS: To the golf course. Okay. I get it.

COMMISSIONER SULLIVAN: I'm saying move up one paragraph in that phase 2 to component A which says design and construction of the Pojoaque Valley wastewater treatment plant facility, \$3.6 million. That's the guts of the system. And there's no sense, in my judgment, distributing semi-treated water all over the Pojoaque Valley. What we need to do is treat the water and then distribute it where it should go. But

there's a lot of pressure, I think, because the wells are not adequately producing for the golf courses. So I think our priority has to be to treat that water. That's what's caused the contamination in the Pojoaque Valley is the septic tanks, is the lack of treated wastewater.

I don't know how we can do that except by continuing discussions and negotiations and refinement of this agreement.

COMMISSIONER CAMPOS: Yes, to me, Madam Chair, this is very similar to what was proposed last year. This is not very different. I'm not satisfied that it's been changed in any really significant way. I think it's still designed for the golf courses. It's not designed to serve the majority of people in the Pojoaque Valley who do not live in the Pueblos. It's designed to service the Pojoaque business interests, Pojoaque Pueblo business interest. I think the priorities are reversed.

COMMISSIONER SULLIVAN: Madam Chair, let me just respond to that one. And I agree 100 percent with that, but on the flip-side I say they need to get something out of the deal too. Pojoaque needs to – and that's what their priority is. It's not our priority. Let me rephrase that. It's not my priority, but to get to that end, I think this is a good deal, a good way. I don't think where they are right now is a good point, where they are. But I don't see any other alternative way from a health and safety standpoint, a public health standpoint to do this except this way. Like, you say, how else would you do it if you were king of the world and I can't think of a better way to do this, given the constraints we have dealing with the Pueblo.

So, I agree with what you're saying but I'm saying pragmatically I think this is worth our support.

COMMISSIONER CAMPOS: What about the governance and ownership issues?

COMMISSIONER SULLIVAN: Important issues. Don't go to the bank, don't write a check, don't do anything until that's resolved. Important issue. Absolutely.

CHAIR VIGIL: I have a question for anyone who would like to answer this. I've heard from the Water Trust Board, I've heard from the legislature – where's the one million dollars coming from specifically?

DR. WUST: Madam Chair, do you mean the commitment?

CHAIR VIGIL: From this particular request.

DR. WUST: It's on the resolution. It would come from GRT. We have a certain amount of money that goes to water and wastewater and it's let out between County projects and regional projects. And so it would be coming from the GRT, which is somewhere around \$12 million right now. Actually a little later Teresa is going to go over a bunch of funding – that kind of thing. Here's all the funding and here are all the projects for water, wastewater, also roads and fire.

CHAIR VIGIL: Okay. And Commissioner Montoya, does this commitment commit us to further funding of this project?

COMMISSIONER MONTOYA: No.

CHAIR VIGIL: But it doesn't prevent them from coming to us for more

funding, right?

COMMISSIONER MONTOYA: Correct.

CHAIR VIGIL: Okay. I believe in the project; I probably will support it. However, part of the problem I have with it is I know that we have a balance in the water/wastewater GRT. We have not done any prioritization with that so we're going to be handling that as we do as the other specified encumbered GRTs as the project comes forth. So Roman, I guess I would like us to start looking at prioritization of those balances. It would make these kinds of decisions very easy when they come before us. If it's a priority we can move forward with it. Any other comments or questions?

COMMISSIONER CAMPOS: Madam Chair.

CHAIR VIGIL: Commissioner Campos, then Commissioner Montoya.

COMMISSIONER CAMPOS: Question for Mr. Ross. If we agreed today to put up a million dollars, we cannot resolve the governance issue in a way that's satisfactory to the County, where are we and what can we do?

MR. ROSS: Madam Chair, Commissioner Campos, you mean with respect to the million dollars? The pledge?

COMMISSIONER CAMPOS: Yes.

MR. ROSS: You're making a pledge by resolution to pledge this amount of money to the project. A resolution can be undone with another resolution. If you don't reach some sort of agreement on this, that would be the way to handle that, just to pass another resolution saying that we weren't able to come to agreement on any of these things and the pledge is withdrawn.

COMMISSIONER CAMPOS: And I'd like to know from the other Commissioners where they stand on governance. Do they think this is important to the County to own and operate this system for the benefit of the greater number of people in the Pojoaque Valley?

CHAIR VIGIL: Yes or no, Commissioner Montoya?

COMMISSIONER MONTOYA: The governor from Pojoaque Pueblo has clearly said he would be glad for the County to operate it and if we can operate it and own it, he's given us that word in the meeting with the Speaker.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Yes, Madam Chair. This discussion seems real familiar to me, but the Town of Edgewood was in place. I believe that we said that we wanted to develop a plan for this money. I'd be happy to support this but what happened to the last time when I came forward with the Town of Edgewood about their wastewater treatment plant and it was denied, to set up a plan on what we were going to do with the money.

So it's difficult for me to say, yes, no problem. I do have a problem. We were just listening to this a couple years ago. I want to help the Commissioner out on that end of the table but I need to get helped out on this end of the table too.

COMMISSIONER MONTOYA: You got it.

COMMISSIONER ANAYA: Just let us be a little fair around here and I think I've been more than fair. Those are my comments.

CHAIR VIGIL: Commissioner Sullivan, the governance issue.

COMMISSIONER SULLIVAN: Governance, yes, but I also wanted to ask Mr. Ross, the problems we have had, for example, with the Edgewood situation and others, other communities are that we couldn't grant money to entities that were not County entities, that we did not have an ownership interest in. Does this memorandum and this resolution coming up now solve that problem? Can we now give this million to Pojoaque Pueblo or who are we giving it to? Has that been fixed?

MR. ROSS: Madam Chair, Commissioner Sullivan, it's not resolved in this MOA but if the governor is being accurate and ultimately the County owns and operates this facility, there is no problem. We're giving money to our own facility.

COMMISSIONER SULLIVAN: So we really couldn't - the answer to the governance issue and I'm coming back to that, Madam Chair, is I don't think we could make a commitment of a million bucks unless we had ownership interest in this facility because it would be against the law. We would be running into the same problem we ran into in La Cienega on the water system project, and in Edgewood on the wastewater project. I think there are ways to work these out still. I'm not saying Edgewood is a dead issue. It's a good project. But we have to be - we have to have an ownership interest as I understand it. Is that correct? He's shaking his head so that's correct. Thank you, Madam Chair. So I say yes to the governance issue.

CHAIR VIGIL: Okay.

COMMISSIONER MONTOYA: Madam Chair.

COMMISSIONER CAMPOS: Commissioner Montoya.

COMMISSIONER MONTOYA: Stephen, can we own and operate a system right now in the Pojoaque Valley? Or anywhere?

DR. WUST: Madam Chair, Commissioner Montoya, you mean with our existing staff?

COMMISSIONER MONTOYA: Right.

DR. WUST: We'd have to staff up. That's the bottom line for us, and that's actually an operation question I have, why we have to have further negotiation on this discussion because the proposal from the Pueblo is that we'd in essence operate it for free for the Pueblo residents because of a jurisdictional issue, so therefore we wouldn't be getting any operational money to run this for a number of customers. So that's one of those things that just has to be worked out and we would need additional staff. That's absolutely right. We'd need additional expenses in our budget to be able to do that. We could do that if we staffed up and we certainly have the department as a total, have the management and supervising capability but we'd certainly need additional operators.

COMMISSIONER MONTOYA: So when you say jurisdictional issues what are you talking about?

DR. WUST: Basically, I'm talking as a non-lawyer, just an operator. It

would be very difficult for us to bill Pueblo residents because what do we do if they don't pay? We don't have much authority in that respect. There probably would be much cross-giving-up of authority in that respect. The same thing goes the other way, that if the Pueblo were running it and a non-Pueblo resident didn't want to pay their bill it would be very difficult to say shut them off. It's actually very difficult to shut anybody's sewer off anyway, at any time. The City doesn't even do it. Especially when you cross these authority lines. So part of this agreement has been trying to work out how do we do that kind of thing, and yet be able to have operating funding to be able to run the thing no matter who runs it to make sure that they're not caught in a deficit in terms of operational funding to be able to run the thing, no matter who runs it, to make sure that they're not caught in a deficit in terms of operational funding.

COMMISSIONER MONTOYA: Okay. The other thing I'd like to ask you, Steve, if you could look into, is the possibility of the lines being run at the current time - they're constructing 84/285 right now and it you could maybe find out if there is a possibility if some of those lines could be run now during the construction period.

DR. WUST: I'm not sure. Commissioner Montoya, we can look into that. I would bet that there's no procedural issue but I bet it's going to turn into a funding issue - who's going to pay for that. But we can certainly look at all those issues.

COMMISSIONER MONTOYA: Right. It's totally hypothetical right now. I was just asked by a constituent if that was a possibility, if that could be done. So it's totally hypothetical. And the other thing, in recent discussions I've had with Governor Rivera is the treatment system is their priority, so with the funding that's obtained and what they're talking about in phase three is that the majority of that funding would be for the wastewater treatment system, knowing that they need that facility in order to be able to provide water for other commitments that they've made.

When I look at phase 2, component B, they've already obtained that funding of \$1 million to run the effluent back to Buffalo Thunder. So they've got that funding; they're already doing that. That's not coming out of the \$1.07 million that we're talking about on this. They're already working on that. They're already doing that with funding that they've gotten from the legislature also.

The other thing that does come with this that's probably going to figure into the equation of ownership and operation and management is the issue of easements which the Pueblo has said that they would grant in perpetuity. So I think that's a huge thing that if you talk to some other utility companies like PNM, like Qwest, and ask them what they're paying for easements it's not a cheap proposition for the Pueblo to be providing those easements to them. They're paying for those easements and this is something that we're talking about that we will be allowed to have easements on their tribal properties.

I think, Madam Chair, that I'm just going to say that quite frankly, Commissioner Anaya brings up a situation about Edgewood. There have been a lot of situations where quite frankly, because we haven't either directed or planned well enough the way we should, we have and we're going to find out now during our next presentation an unmet

need in terms of projects that need to be completed. There's projects all over this county. I've got a bunch of them. I know all of you all do. But we have not planned sufficiently or effectively in terms of implementing these projects. A request comes up like this one, it makes perfect sense, partnering, doing all this and this, but we talk about a million bucks - well, we talk about \$27 million that is sitting in a balance right at which DFA does not look at very kindly in terms of any request that we have in the legislature right now. On the contrary, it works to our negative.

So unless we get our act together and start doing things and implementing these projects and working on them, we're going to be in the predicament where what we ask for isn't going to be taken seriously, and then we're going to be in a predicament of having to fund everything ourselves, as opposed to what we're doing now in terms of Pojoaque Pueblo is pursuing their funding from the feds. We're working with them, pursuing the funding at the state. We're saying the County is going to contribute a little bit. And the more you have people working together the more we're going to be able to get done.

So I would hope that we begin to look at these projects in this way and we begin to more effectively plan long term, Roman, for a lot of these projects that need to be done in these communities.

CHAIR VIGIL: Okay. Any further discussion? If not, what is the pleasure of the Board?

COMMISSIONER MONTTOYA: Move for approval.

COMMISSIONER ANAYA: Second.

CHAIR VIGIL: Motion and second. Are you moving for approval of both items, D 2 and 3, or just taking item D.2, which would be the memorandum of understanding first? What is your motion?

COMMISSIONER MONTTOYA: I would say for both D. 2 and D. 3.

CHAIR VIGIL: The motion is to approve both items, D. 2 and D. 3.

COMMISSIONER ANAYA: Second.

CHAIR VIGIL: And the second agrees with that. Any further discussion?

The motion to approve items XIII. D. 2 and 3 passed by unanimous [5-0] voice vote.

CHAIR VIGIL: Roman - thank you, Dr. Wust. Roman, there was a request to move item F 1, based on the information we're going to receive on that project before item E 1. Is that still on the table?

MR. ABEYTA: Madam Chair, yes. Due to time, I would like to go to the mid-year budget presentation now and then we'll visit item E 1 right after that. Then we could handle 1 and 2 under F if there is time after that. But I would like to get at least those two taken care of today.

CHAIR VIGIL: Okay. So we're actually going to hear item F 3. Fiscal year 2007 mid-year budget presentation?

MR. ABEYTA: Yes.

CHAIR VIGIL: I'm hearing a request for a five-minute break.

[The Commission recessed from 6:15 to 6:25.]

XIII. F. Financial Department

3. Financial Audit Report for Fiscal Year 2006 [Exhibit 8: Budget Report]

CHAIR VIGIL: Are you ready?

TERESA MARTINEZ (Finance Director): I'm ready and I'll try to make this short and sweet. The first slide that you have in front of you is just a summary of the entire budget, which is at \$157.3 million. And it breaks it down by the different categories. Revenue funds of \$5.6 million, operating funds of \$99.4 million, capital of \$42.5 and debt service funds of \$9.9 million, operating being the largest portion of that pie, is further broken down on the next slide which indicates what portion of the general fund and what portion is road fund, indigent fund, EMS/healthcare, and jail operations. Below that information is a slide that kind of gives a red flag, green flag, yellow flag.

The flags are broken down by categories of cash, revenue and expense. Now, the general fund, with regard to cash and revenue is looking well with a green flag, indicating that we are at-budget or over-budget in various areas. Now, expenditure has a yellow flag because we are constantly monitoring the expenditures. The jail operations fund has actually been given a green flag by our budget director which shows that a lot of improvements have been made at the facility. Revenue is coming in higher and expenditures appear that by year-end we'll be under budget. So jail is looking very good at this point.

EMS and indigent healthcare funds obviously have a red flag for the cash category because there is limited cash balance in those two funds, as well as revenue has a yellow fund for the EMS/healthcare and indigent has a green flag, meaning that they're in the middle of the road, if you will. Now, EMS/healthcare on the expense side has a red flag and that will be explained a little bit later with regard to the sole community provider requirements.

Road fund is given a cautionary yellow across the board. It has a low level of cash balance and that is the only reason.

The general fund on the next slide is further broken down to show what makes up that \$46.3 million, and it's important to recognize that employees account for 2/3 of the recurring expense in general fund. Just below that we've indicated the budgeted County employees to show how the County has grown from 564 employees in FY2005 to 842 in FY2007. And the reason for that is we assumed operation of both the youth facility and the adult facility, and then the additional changes that have been made this fiscal year thus far. So the County currently has 842 employees.

The next slide will break down the County's main revenue, property tax collection. And what it does is it shows you of the property tax collections, what portion is dedicated to the general fund. What portion is dedicated to bond requirements, and what portions goes to the valuation fund. So you can see that we are at \$27.4 million in FY06 and have budgeted \$29.1 million in FY07 to cover the general fund budget.

The next slide is simply informational and shows the property tax collections are driven by the payment schedules, simply showing that a good chunk of money comes in in December, then you'll see the collections rising again in April-May.

The next slide is showing that we have become more dependent on gross receipts tax. We've gone from primarily a property tax collecting County to becoming dependent or more dependent if you will on gross receipts tax. You'll see that in FY2008, based on forecasts they will be the same at \$41 million.

The next slide shows what drives the gross receipts tax and it just points out that the major markets are tourism – so tourism is becoming more important to the County, as well as the construction industry.

The next slide will lend itself to your comments made with regard to capital outlay and our prioritizing of projects. This will show you that capital projects funds, if you will, total \$42.5 million for the County. Of that, \$20 million is general obligation bonds. State special appropriations total \$10.5 million and capital outlay GRT \$9 million. The slide within the screen or within the page breaks down by the different categories whether it's GOB, state special appropriations or road project funds and capital outlay GRT. What has been spent this far, with the darker green, what has been encumbered thus far with the lighter green, and then the blue area is the planned area.

So based on this slide, the following couple of pages will detail information by water and roads as well as open space. The next two pages basically summarize for you the different GOB series and the purpose of those series by category, whether it be roads, water and wastewater or emergency. The 1997 series was \$10.5 million and the purposes are broken down: \$4 million for roads, \$5.5 for water, and \$1 million for emergency. We have spent \$9.2 million and have a balance of \$1.2 million on that.

For the 2001 series we had a total of \$8.5 million with the purposed being broken down by: public safety/fire facilities for \$4.5 million, and public works purposes for \$4 million. Of that we have spent \$4.8 million. And of the remaining balance, \$2 million will go towards the Public Works facility and \$9 million will go towards solid waste transfer stations.

The 2005 sale of \$20 million was \$10 million for water and \$10 million for public works. Of that \$10 million for public works, \$11.5 million was reauthorized for fire to be made up to public works at the next sale. So of these total \$20 million we have spent \$9.7 million and have planned expenditures for the remaining \$10 million.

So what we've attempted to do is show the balances of bonds as well as capital outlay GRT on the next slide, showing that we have a total available revenue, if you will, between GRT and between bonds and future sales of \$69.1 million. The big question here

is Buckman. If Buckman, then most of the funding within the bonds as well as the capital outlay GRT will go towards the County's portion for that project.

If not Buckman, the breakdown of projects is an attempt at that first priority of projects that potentially could be slated for GRT as well as bonds. The first two boxes, if you will, identifying County projects and regional projects are projects specifically dedicated for use by the capital outlay GRT, and the remaining down below would then go towards the Buckman Diversion project, possible payment for the Aamodt settlement. And then the next three projects are listed as what if, in the event that there is no legislative appropriation and identifying that we had marked those as priorities for this legislative session.

So all of this is a list that can be worked with, if you will, but it's a first shot at attempting to prioritize projects.

So we've followed this same format for the road category as well as for the open space category.

MR. ABEYTA: And Madam Chair, if I may at this point interject that these are, like I said, the projects that staff is aware of and has on the list. Now, if the Commission is not in agreement with these projects or wants to make changes then I would need to know that so we could have either a study session to do that or I can bring the list forward to another BCC so that we can get the list right. But right now, this is what's on staff's - this is what staff, based on the information we've had, the plans that have been approved in the past, the direction we've gotten, these are our projects. So I want the Commission to - like I said, it doesn't have to be done today, but if these aren't the projects we need to have a discussion about what those projects are going to be.

COMMISSIONER ANAYA: What page are you on, Roman?

MR. ABEYTA: I'm just starting with the water projects slide. The water projects, for County projects, we've got a La Cienega loop water line that's going to cost \$2 million, and then put another \$2 million towards acquisition of private wells, for a total of \$4 million. For regional projects we've identified the Valle Vista wastewater system at \$5 million. An Eldorado wastewater system at \$60 million. Cuatro Villas wastewater, \$5 million, La Cienega wastewater at \$1.4 million. Chimayo wastewater at \$1.4 million, and Chimayo Mutual Domestic Water System improvements at \$1.2 million for a total of \$74 million.

Then we're setting aside \$24 million for the Buckman Diversion, \$15 million for the Aamodt settlement, another \$3 million for a well program, \$1.6 million for Canonicito/Eldorado project, and the \$1 million that you just acted on for the Pojoaque wastewater.

COMMISSIONER ANAYA: Madam Chair.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: I know this is probably not the time but maybe we can do a work study session and talk about it, but I'd like to help out the Edgewood area for their wastewater treatment. But that's something we can talk about.

COMMISSIONER CAMPOS: I have a quick question, Madam Chair.

CHAIR VIGIL: Commissioner Campos.

COMMISSIONER CAMPOS: Where did the figure of \$60 million come up for the Eldorado wastewater system? They have a sanitation district. They already have their own district. They have their own mechanism to raise money. Why did we plug that in?

MS. MARTINEZ: Madam Chair, Commissioner Campos, I think the total cost for the wastewater treatment would be \$60 million. If we partnered with the association it would be somewhere in the neighborhood of \$30 million.

COMMISSIONER CAMPOS: I guess – they already have a district. They take care of their own business as far as water and wastewater.

DR. WUST: Madam Chair, Commissioner Campos, actually they serve – the numbers would depend on if it's a joint project, but there's a large area, a part of Eldorado – the greater Eldorado area, which includes other subdivisions besides Eldorado that aren't in the district. The welled area is a good example. About a quarter of Eldorado proper is in the welled area and not even in the district. Not served by any water system. So there's a total of probably around 3,000 homes out there on septic tanks and it's more than just the water and sanitation district. That's why we looked at this. If the Commission thought it was a high enough priority as a regional project the County could do it all on its own. But the most efficient way and the best way to do it is to partner with the water and sanitation district as a joint regional project.

That's why it's in there, because that's an important area that has a lot of septic tanks but it's not all covered by the district.

COMMISSIONER CAMPOS: Has the Commission ever really discussed this issue, these numbers on Eldorado wastewater?

DR. WUST: Madam Chair, Commissioner Campos, no, we haven't. But when we went forward on this I was just asked to look at areas that could be conducive to County regional wastewater systems. I believe you were one of the ones that asked for priority on that. This is an area that just happens to be a good area for a regional wastewater treatment plant and a need for it right now.

COMMISSIONER CAMPOS: Okay.

MR. ABEYTA: Madam Chair, this is a starting point it sounds like then and we will have to have a larger discussion, but this is what we've got so far that we know of and so we will have a follow-up discussion with the Board in the next month or two. Steve was pointing out to me now that Buckman, that amount probably is going to go up from what it is now. So like I said, the purpose of this was so that you guys saw what we were looking at and now that it's out there as a starting point we'll follow up with a discussion with the Commission where we allocate where this money is going to go to, better define this list.

CHAIR VIGIL: This has got to be hypothetical, because I see Chimayo mutual domestic well system improvements and I can't see why that mutual domestic well

is in more need than a Canoncito mutual domestic well or the Agua Fria mutual domestic well has their need of improvements. And perhaps they haven't come to us or we haven't had an ear to them. I don't know what the situation is, but to designate these particular wastewater systems, first of all does not express a prioritization that we have gone through at all. So I do think a work study session is needed and I think it's needed soon, and I think we as Commissioners should be advocates for wastewater systems within all of the areas that we represent and perhaps we could come and advocate and look at a prioritization from our advocacy role in terms of needs, safety, health issues, those kinds of things.

For example, I think it's more important that we deal with acquisition of wells than we do a loop water line. I don't even know that I've had any part of that discussion. Commissioner Montoya.

COMMISSIONER MONTOYA: Madam Chair, taking your cue, Chimayo does need both of those, the water and the wastewater. I think - and those are actually real figures from what we've been given by the mutual domestic water association. But again, and I mentioned it earlier during the Pojoaque discussion, we haven't prioritized, we haven't discussed, we haven't done anything. So we're long overdue to make that happen. I'll be there.

MR. ABEYTA: And Madam Chair, I think that explains why there's so much blue on the first page where we show that there's very little expended or encumbered. There's very little green in some of these, and this is part of the reason why is because we're not all on the same page. It's apparent we need to do that and we will. With the exception of the state appropriations, because that's already been dictated to us by the state legislature, but you could expect that number to grow within the next 60 days.

COMMISSIONER SULLIVAN: Madam Chair.

CHAIR VIGIL: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Just a quick comment to point out that that total is \$122.6 million of projects that I think the staff has just identified as the ones that have been in front of us at one time or another. The available funding with all of our capital outlay GRT and GO bond series is only \$69 million, on the left side of the page. So all those projects aren't going to get funded. And there will be phasing and there will be other projects, like Edgewood, like Agua Fria, that we'll need to consider and where they are in the timing sequence. I think that's also important. When you prioritize projects, it's not just prioritization on the basis of , oh, it would nice to have something here, something there. It's really where are they in the do-ability sequence? Do they have their easements? Do they have matching funds? Do they have water rights if they need them? Do they have community support? A mechanism for maintenance? All these issues.

So when we prioritize, I don't think we just want to have five districts arm-wrestling with each other. We really want to say what's the readiness to proceed of each of these projects? If an Agua Fria project is more ready to proceed than an Eldorado project, I'm going to favor us moving forward with an Agua Fria project and getting rid of that money

fast, getting it back to the public where it produces some benefit. So I think when we get ready for that, Roman, we really need to have a column that says readiness to proceed, and if they're not, what's the problem? Is it legal? Is there right-of-way and is there public support issues? And then we can really sit down and say, okay, now we've got a list of potentially viable projects and then we've got a second tier of somewhat more future projects. That's the way I'd do it anyway.

COMMISSIONER MONTOYA: Or we could divvy it up one-fifth.

COMMISSIONER SULLIVAN: Sure. I'll take the one-fifth of the \$122 million, and you guys get the \$69 million.

CHAIR VIGIL: Anything further, Teresa?

MS. MARTINEZ: I'd just like to say that these projects were taken from ICIP, and also on the Buckman, I think on the financial planning, we were looking at \$5 million for last fiscal year, \$20 million for the current year, and looking at another commitment of \$21 million in FY08. So it's probably going to be double that. So just a heads-up.

MR. ABEYTA: Madam Chair, before we get off this subject, there is the road and funding projects slide also that I'd like to bring to the Commission's attention. The proposed projects of the Public Works facility, we have a subtotal of \$6.3 million. Then we've got County road projects, County Road 42, County Road 55, which is Gold Mine Road, South Meadows Road, County Road 55-A, County Road 70, Encantado Road, and other road projects. Again, we can do the same thing at this study session. We could look at roads in more detail and make sure that we have the appropriate roads identified.

CHAIR VIGIL: And Roman, are these totals the full amount required to complete the projects? Because I'm looking at South Meadows Road and I see \$346,000, yet it's my understanding that a bridge needs to be a part of that project, and that would be an additional \$2 million. Is that correct?

MR. ABEYTA: That's my understanding. So I don't know if this would cover all of the road costs. We will do more research.

CHAIR VIGIL: Is that the case for all the other roads?

MR. ABEYTA: I don't know, Madam Chair. We'll have to look into that.

MS. MARTINEZ: Okay, I'll move to the adult facility slide. This one is to show you a quick comparison of the population numbers broken down by Department of Corrections, other county and tribal, City of Santa Fe, and Santa Fe County. I also want to note that in July of 2005 we had 366 Santa Fe County inmates and in July of FY07 that number was 257. So our budget director is very happy that the revenue-generating population is higher than we anticipated, so that's good.

And then also the breakdown below just shows the budget by category and the forecast and the variants, indicating that we will come in under budget. The medical is a little bit high. We did have one or two expensive cases if you will. One incident in particular for an attempted suicide. But we think we will live within the budget.

The next slide breaks down the sole community provider program issues that the

County is facing. What it does is basically tells you that we received \$4.5 million in GRT from indigent and \$4.5 million in EMS. Of the indigent \$4.5 million, \$2.3 million must go to Medicaid. And the remaining GRT totaling \$6.7 million is then submitted to Human Services Department and in turn the federal government matches your sole community provider portion. So the issue here is that the County has revenue net to the current year and the base for the current year is \$7.4 million. So we will be tapping our cash balance to make the current year requirements.

The project base for FY08 is \$9.4 million. And we're sitting here looking at GRT revenue of \$6.8 million and maybe \$7 million with a conservative growth factor of three percent. So the issue is the payment requirement is going beyond the County's means to meet the requirement, as well as even considering a supplemental. So this is probably the most important issue in the whole presentation.

And the next slide breaks down by year the payment made by the County and then the return on the MOA.

COMMISSIONER MONTOYA: Madam Chair.

CHAIR VIGIL: Commissioner Montoya.

COMMISSIONER MONTOYA: What's the jail enterprise fund again?

MS. MARTINEZ: That would be for the adult facility.

COMMISSIONER MONTOYA: Okay.

CHAIR VIGIL: Any questions thus far? Fiscal year 2006 did not include \$662,000 self-funding? Does that mean that all the other fiscal years that we've entered into this agreement did?

MS. MARTINEZ: I think fiscal year 2006 was the first year that we faced the self-funding issue. So the HSD paid \$1.25 million supplemental. That's part of that.

CHAIR VIGIL: Oh, okay. That's correct. Okay. Please continue, unless there are questions on any item so far.

MS. MARTINEZ: The next slide is a quick summary for you of what has been expended thus far on the snow emergency removal. I don't think this is final. We're going to work with HR to ensure that we've captured all of the salaries and benefits costs. The largest portion of this was attributed to the fact that the County purchased a Unimog for \$231,000, and that was to replace a current inventory that was no longer functioning and the rest is broken down by either the Public Works staff, fire labor staff, as well as agreements with private snow removal for the rental of equipment.

CHAIR VIGIL: Okay.

MS. MARTINEZ: The next slide is informational. This is something new that Paul put in his budget book this year that basically breaks down the dollars by program - service delivery if you will, so the categories are public safety, public services, County roads, environmental services, physical infrastructure and County administration.

CHAIR VIGIL: Any questions thus far? Continue, Teresa.

MS. MARTINEZ: Okay, the next slide breaks down - what we're looking at for next fiscal year in terms of just baseline increases. Our sources are estimated at

\$37.2 million, which is an increase of \$2.5 million from the prior year. Our uses for just being for the recurring – in this fiscal year that need to be maintained in next fiscal year, total of \$2.9. Those uses include the COLA increase, the annual impact of FTE increases that occurred in FY07, the standard three percent escalation of non-personnel costs, and we witnessed an increase in our law enforcement liability insurance and our workers' compensation insurance above what was budgeted. And then also the addition of the rent of the Bokum building. So right off the bat, the point we're trying to make here is our demands are higher than our sources, based on baseline.

MR. ABEYTA: And Madam Chair, if I may, under law enforcement liability insurance and workers' compensation insurance, we have met with the Association of Counties for the purpose of helping us establish benchmarks so that our risk division then could work towards meeting those benchmarks because we need to get a control on these rising costs. And we think we can do that with in-house training, things like that. If we don't get control over the costs then what we may do is allocate a certain budget to each department and if they come in over what's been allocated to them for insurance then we take it from somewhere else in their budget. We don't want to have to go there but some departments are better than others when it comes to risk and safety, but we are going to put an emphasis on that this next year so we can get control over these costs.

CHAIR VIGIL: Thank you.

COMMISSIONER MONTOYA: Madam Chair.

CHAIR VIGIL: Commissioner Montoya.

COMMISSIONER MONTOYA: Does this take into account any increase in medical insurance?

MS. MARTINEZ: It would just be three percent across the board.

COMMISSIONER MONTOYA: So that's where that's accounted for. So if it goes up by 22 percent like my corporations did then we're like way –

MS. MARTINEZ: We'll be looking for that.

COMMISSIONER MONTOYA: Then you hope that the others don't go up.

MS. MARTINEZ: Right.

COMMISSIONER MONTOYA: Okay. Thank you.

MS. MARTINEZ: The next slide shows service requests beyond the baseline impact for FY2008 and it includes the Eldorado seniors' program, the matching funds for Teen Court, the employee development program, the Española Water Basin funding, and then we also included on here our salaries and benefits rolling list that has been placed on hold temporarily. So these are positions that we were looking to fill and will probably still need. So that totals \$848,000, just initially looking at the budget for next year.

The next slide wants to point out that there are state appropriations budgeted for these projects listed and we are now looking at what is the future cost or impact to Santa Fe County to maintain them or operate programs if so required.

MR. ABEYTA: And Madam Chair, regarding the slide for the baseline,

specifically the salaries and benefits, the staff rolling list, that is something else that we will talk with the Commission about before we commit to those. One thing that we are looking at now is a reorganization of the County and in addition to that and the strategic plan we're doing, these positions on this rolling list may change, just depending on what we identify our priorities are going to be over this next year or two.

One thing that comes to mind right off the bat is projects. We've all talked about the number of projects that we have that we keep getting. I don't know if that translates into an additional FTE or not but that's something we're going to look at. In regards to projects, during the interim, between this session and next year's session we are going to talk with the delegation about the problems we're having in projects and our shortfalls, and maybe we can get an allocation every time they allocate. And you and I have spoken about this, Madam Chair, every time they allocate money for a specific project maybe they will set aside some money for administering that project, like a certain percentage. And maybe FTEs could be funded with that.

So again, we'll have a discussion with the Commission on this rolling list when we talk about reorganization and we talk about priorities, and so this list could change but it is based on what we talked about last year.

MS. MARTINEZ: The last slide is just informational with regard to the mid-year reviews that are going on right now and the budget schedule by department. And I'll stand for any questions.

CHAIR VIGIL: Questions?

COMMISSIONER ANAYA: Do we have a motion?

CHAIR VIGIL: Actually, this is just an update, is it not?

MS. MARTINEZ: Right. It's informational.

CHAIR VIGIL: Informational.

COMMISSIONER SULLIVAN: It's a nice job, Madam Chair. It's good.

MS. MARTINEZ: Thanks to Paul Griffin and all his hard work. All the staff and especially Paul.

COMMISSIONER SULLIVAN: It's very clear.

COMMISSIONER MONTOYA: Madam Chair, I'd like to request that we get a monthly update on the budgets. I feel like it's kind of a floating thing out there that I'd like to get a better grasp on and having the information more frequently would make me feel better, so that I know where we're at financially.

MS. MARTINEZ: We can do that. Okay.

COMMISSIONER MONTOYA: It doesn't have to be this explicit. Just real simple.

MS. MARTINEZ: A summary.

COMMISSIONER MONTOYA: A spreadsheet. Yes

MR. ABEYTA: Madam Chair, Commissioner Montoya, we're working on something like that for the Manager's office. I'll run that by the Commission to see if you like that format that we use and then from there I'll get together from the Finance Director

and we'll generate those reports for every department and provide it to you once a month. But we'll use the Manager's as kind of the example to make sure that we're not giving you too much information or if we're missing anything we can get that. So we'll use that as the example and then once I get clear direction from the Commission we'll generate those monthly reports. Based on that format.

CHAIR VIGIL: Okay. Any further questions?

COMMISSIONER SULLIVAN: Just a quickie, Madam Chair. On the sole community provider slide, where you have the little yellow highlight there that says SFC wants \$1.5 million more. Are you highlighting the difference in the \$6.7 million available and the \$7.3 million that we committed already?

MS. MARTINEZ: Right.

COMMISSIONER SULLIVAN: In the sole community provider. So we're in the red.

MS. MARTINEZ: In the current year.

COMMISSIONER SULLIVAN: In the current year by half a mil.

MS. MARTINEZ: Exactly.

COMMISSIONER SULLIVAN: And then you estimated in the upcoming year, the request is \$9.4 million and you estimated \$6.8 to \$7 mil is what we could realistically expect.

MS. MARTINEZ: That's correct. Yes.

CHAIR VIGIL: Any further questions?

COMMISSIONER MONTOYA: Madam Chair, in terms of the snow emergency costs, where did those come from?

MS. MARTINEZ: Contingency.

COMMISSIONER MONTOYA: Contingency.

MS. MARTINEZ: For the most part. Yes.

COMMISSIONER SULLIVAN: Come from God.

MS. MARTINEZ: The money tree.

COMMISSIONER SULLIVAN: From the sky.

COMMISSIONER MONTOYA: So how did that impact our contingency fund?

MS. MARTINEZ: That was what we estimated. So it didn't come in greater than what we thought and we will attempt to claim reimbursement, although I don't know we will get it. The biggest purchase was the Unimog. That's something we'll add to our inventory, so minus the Unimog it may not be sufficient enough or substantial for us to reimburse us, but we will try.

CHAIR VIGIL: Any further questions? Seeing, hearing none, let's move on.

XIII. E. Health & Human Services Department

1. Approval of Sole Community Provider Funding for FY-2008 for Española Hospital, Holy Cross Hospital, Los Alamos Medical Center and St. Vincent Regional Medical Center

STEVE SHEPHERD (HHS Director): Madam Chair, Commissioners, this is a fairly standard request you see every year. What we've done is we've taken the amounts for the four hospitals, used a four percent index or increase and came up with the numbers that you see. Now, since the time we had to turn this in and today Holy Cross Hospital has not submitted a request, so my recommendation is not to even consider funding a request for them if they were to turn them in.

CHAIR VIGIL: Does that mean if they came in for a future request we could reconsider it?

MR. SHEPHERD: You could reconsider it.

CHAIR VIGIL: If it's within the deadline.

MR. SHEPHERD: As long as the state allowed us to, I suppose. What they're going to do is go down to whatever their base would be with us. But we tried to contact them a number of times and just got no response.

For 2008 we showed what we thought was eligible. Total for the four hospitals was \$9.422 million and change. Now with the presentation that Teresa just made, I'm not real sure what to recommend to you.

CHAIR VIGIL: Is that it?

MR. SHEPHERD: That's pretty much what I've got.

COMMISSIONER ANAYA: Steve, so you're saying that instead of the \$9.276 that St. Vincent's is asking, the number that Teresa is putting in there is \$6.7.

MR. SHEPHERD: Yes. I went ahead and - assuming you funded Española Hospital, Los Alamos Hospital, what would be left of the \$6.8 million I believe, would be \$6,660,057 for match. Which would translate into \$23,1173,476, totally. And that's using the state percentages I was given by the Human Services Department. That's what would be left over using those numbers.

COMMISSIONER ANAYA: And that's excluding Holy Cross.

MR. SHEPHERD: Correct. That's scratching out Holy Cross.

COMMISSIONER ANAYA: Thank you, Madam Chair.

COMMISSIONER MONTROYA: Where are those numbers? Is it in our packet?

MR. SHEPHERD: Using the \$6.8 million number, that's how the numbers flesh out, assuming that you gave Española and Los Alamos Medical Center their match commitments.

CHAIR VIGIL: Commissioner Montoya, anything further at this time?

COMMISSIONER MONTROYA: No.

CHAIR VIGIL: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Madam Chair, I think we need to get the sole community provider process moving because as we heard this morning at the indigent board meeting we have some deadlines to deal with. This is the money that we have in the two GRT funds. We don't have the reserve slush fund anymore that we had several years ago. That's been depleted. I think we need to move forward with what we can realistically move forward with and if we see additional money that becomes available we then have the opportunity in the supplemental to add that to the mix.

CHAIR VIGIL: Are there any questions specifically of Steve? If not I'd like to go on to Alex Valdez from St. Vincent's Hospital.

ALEX VALDEZ: Thank you, Madam Chair and members of the Commission. I know it's been a very long day for all of you and I appreciate all of the difficult and challenging issues that all of you confront.

St. Vincent is seeking approximately \$9.2 million in match for sole community provider funding for this coming fiscal year. This next federal fiscal year begins in October. The County makes payments to sole community provider for the match on a quarterly basis. That means that its first payment is due October and then it follows with another one in January and it follows accordingly so that its last County payment of its match is not due until July of 2008. That's approximately 18 months from now when that last payment is due.

The reason that I point out the payment time frame in which the County makes that match is that we have approximately 18 months to figure out this type of issue and I must ask the County to submit a letter to the Human Services Department indicating that the County will be able to make that \$9.2 million match on behalf of St. Vincent.

When we look at some of the figures that we have presented, and I'm going to go to this exhibit that you reviewed earlier that contains the two - I'll call them buckets of money. One being the indigent gross receipts tax and the other being the EMS/Health gross receipts tax. Under the silo titled indigent gross receipts tax it indicates there that you are paying approximately \$2.3 million to state Medicaid out of your indigent gross receipts tax leaving \$2.2 million for sole community provider funding. I believe that the County has the authority to be able to enact a 1/16 gross receipts tax that would pay that amount to County supported Medicaid.

Of course it's a question of whether the County Commissioners desire to impose a 1/16 gross receipts tax, but currently you are making that payment out of your indigent gross receipts tax to County supported Medicaid, when in fact by imposition of that 1/16 that you have authority to do you would be able to come up with that \$2.3 million through that 1/16 to make that payment. If you came up with that \$2.3 million by imposition of that 1/16 that would then free up the \$2.3 million in the indigent fund that could go into that sole community provider fund and with that \$2.3 million, that with the County is presenting that it has, \$6.7 million, with that \$2.3 million we would have the match for sole community provider for St. Vincent for this fiscal year. But it would take the County over the next several months to decide whether it would want to impose that 1/16 gross

receipts tax.

On the second page of the sole community provider discussion that you have in the packet, under FY2007 budget, it shows a difference of \$596,000, I believe. Our figures out of St. Vincent, and I would have to challenge this and ask that we work on it, our figures indicate that under the MOA Santa Fe County - when you compare the MOA to the sole community provider fund as you do in this chart, if we're looking at FY2007, Santa Fe County comes out in the black by approximately \$14,270. So from our figures we believe we have a significant discrepancy in terms of the impact of that amount.

So I would ask that we take a look at that to assure that our figures are in sync with one another so that we can all understand what the net impact of comparing sole community provider to MOA is. From our perspective right now under the MOA, looking at those same line items that go to support County programs, the County is to the good by approximately \$14,270.

Another argument that I would make in this respect, following this same line of reasoning, is that for all intents and purposes over the course of the year, as in this current federal fiscal year, over the course of the year based on this own document if we correct those figures it will show that Santa Fe County, whatever it puts up in terms of match, when you look at the MOA and what St. Vincent contributes to the County, the County is the benefactor of being able to access that MOA. We'll sit down and look at it from a quarterly perspective. We can sit down and look at it from a monthly perspective, but at the end of the day, as a result of this relationship, Santa Fe County benefits as a result of this relationship.

A few other points that I would like to make: As a result of that MOA, not only are there County programs that are funded but there are significant community contributions that St. Vincent makes. The total amount that will be affected if we accept the County figure of \$6.7 million is going to be an impact of approximately \$10 million to St. Vincent when you look at the leverage that we will lose. That's a budget decrease for next fiscal year of \$10 million. That type of impact is going to affect our MOA. It's going to affect our relationship with the County and the monies that we put into the County. It's going to affect our ability to be able to recruit additional physicians to this community. It's going to affect our ability to continue with the programs that we have that we currently offer and St. Vincent offers a broad scope of program. It's going to affect our ability to serve all, as we currently do, that are indigent, without question. And if you were to look at what type of impact, if you were to focus only on employees, a \$10 million impact if you looked at employees equates to about 250 employees.

So I appreciate the condition that we all find ourselves in. I appreciate the condition that the County finds itself in. But the County does have a solution available to it if it wishes to exercise that. It has the authority to impose a 1/16 gross receipts tax that will help us get through this issue until we are absolutely able to get to a state level as best as I can tell, and have state government help us to figure this out. Unfortunately, I don't know whether we're going to be able to get far this session. There's talk about a memorial for

the interim so that HSD can bring the Association of Counties and the Hospital and Health Systems Association together so we can see if we can't craft a more lasting type resolution to this problem.

But right now as I look at it I just have to ask that this County, with the arguments that I put forth, go ahead and agree to a \$9.2 million match for sole community provider. I think I've given a number of different arguments that can help us in this process. We've got the element of time. We've got the element of gross receipts tax imposition at 1/16. We've got a significant amount of program that is going to be affected negatively if we cannot pull this off. We have an interim with the legislature. We have a need to get the Association of Counties to the table for a statewide solution. There's just a lot here that can take place to benefit us for the long haul. I know how difficult all of this is but I just have to bring reality home as best as I can. Unfortunately, every time I come here I have to do that. That's where we find ourselves.

I think we are able to clarify that number, by the way, on that second page that I referred to FY2007.

CHAIR VIGIL: The \$14,270?

MS. MARTINEZ: Madam Chair, Commissioners, I will work with Paul on that. The only thing I can attribute that to is maybe a timing issue. We're in a July to June fiscal year and they're on the federal fiscal year. I will look at this. When I add up to the entire MOA it does come to \$7.4 million. So I will follow up on this and see why there's a difference. On the second side, if you look at FY2007, it should be \$7.4 million. The budget amount is \$7.2. The SCP for FY07 is \$7.4 million and Mr. Valdez is saying that we are to the positive of \$14,000, and my only comment to this could be a timing issue between the different fiscal years but I will go back and look at the numbers quarterly. The entire MOA does total \$7.4 million.

CHAIR VIGIL: Questions? I have Commissioner Sullivan, then Commissioner Anaya.

COMMISSIONER SULLIVAN: Just quickly, I think that what our problem is here is that we - just two years ago on our base funding were at \$6.1 million. Last year our base funding was \$7.4 million and we're half a million short of what we actually have. So we're operating - when I say last year it's actually this current year. We're operating now at that level. What's being requested here is we now - and that was a big jump, from \$6.1 to \$7.3 million on base funding. We're now being asked to provide a match that would be \$9.4 million. So we're jumping in one year from \$7.3 to \$9.4. So that's a 25 percent increase. I would hope that St. Vincent has not had expense increases of 25 percent in one year, or is projecting expense increases of 25 percent in one year, even if we had the money.

MR. VALDEZ: Madam Chair, Commissioner Sullivan, the only place that we've seen significant increases is really in the MOA. That has jumped up to \$7.4 million. So we're seeing these two elements rise in that fashion. The MOA took a significant jump in this current fiscal year. Part of this also can be attributed of course to the supplemental,

but as I indicated this morning, I know that the County has received a letter from the Human Services Department but St. Vincent's - we're going to have a committee hearing tomorrow morning, in fact, on our legislative request for \$3.7 million, \$1.2 million of which will go to pay back the Human Services Department for that which they provided to us for this last supplemental. So I'm attempting to make that issue whole through the state without having to see the County deal with that issue with the state.

CHAIR VIGIL: Does that bill actually allocate that funding to Santa Fe County?

MR. VALDEZ: Yes, Madam Chair. The intent is to allocate the funding to Santa Fe County for match for FY07 and FT08 to be paid to the Human Services Department.

CHAIR VIGIL: Wasn't the funding that the state department gave for the match that was not for FY08 -

MR. VALDEZ: It was for FY07, Madam Chair, and that's why this legislative request is for two fiscal years, for both FY07 and FY08. So that \$1.2 of the \$3.7 million can be used for FY07 and the remaining \$2.5 can be used for supplemental in FY08.

CHAIR VIGIL: How much was the letter of demand that we got, Steve Ross? What was the total of dollars requested from the letter of demand?

MR. ROSS: Madam Chair, it was in the vicinity of \$1.2 million.

MR. VALDEZ: It should be approximately \$1.2 million, Madam Chair.

CHAIR VIGIL: so you're trying to make it a wash.

MR. VALDEZ: I'm trying to see that the state pay that instead of the County coming up with it. Like I said, we'll have our first hearing tomorrow.

COMMISSIONER SULLIVAN: Madam Chair, just to finish. The point I was making was that I can't think that that increase is due to the MOA. The \$7.4 million in the current year generated \$26 million for St. Vincent. If we go to \$9.4 they would be up to \$33 million. So \$26 to \$33 million is seven million dollars. We haven't had a \$7 million change in the MOA. So a 25 percent increase in operating costs in one year is pretty surprising I think for any business, a hospital or any business. So I'm not sure - I think what we're dealing with here is not what actual costs are at any facility. What we're dealing with here is the maximum that's available through federal funding and I guess on the one hand we're fortunate that the federal funding allows the hospital to go up 25 percent in one year. On the other hand we're not fortunate in that we can't track that 25 percent increase. We don't have gross receipts tax that come in at a 25 percent increase per year. Our gross receipts tax come in at maybe a three to four percent increase per year.

So that's the issue. The well is dry. Now, we need to work with St. Vincent to come up with solutions. I personally, given the situation that we are in with the jail and other issues, don't think the 1/16 route is the route to go. But I think there are other alternatives, other solutions that can come in and help make up this 25 percent one-year jump. But I think it's unfair to ask the County to continually be matching a 25 percent

increase with a four percent GRT increase. We just find ourselves in that position. I think we need to move forward, as I said before, with what we have, and while we're doing that we can keep working on finding more, but I'm concerned that the GRT - we have some other significant needs that are coming forward, particularly with regard to the jail that we may need to utilize for another GRT.

CHAIR VIGIL: Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, thank you. In about another 35 minutes we'll have been here for 12 hours straight. Non-stop. I'm tired. The numbers are not making sense to me. But I know that I want to help St. Vincent's Hospital in terms of providing them their funding. And I would ask is this important? Do we need to act on it right now? And if not, if I could just get Steve Ross' attention here for just a second and I would like to ask Steve Ross, is there any way - and Steve Shepherd - is there any way that we can sit down with St. Vincent and our legislators and try to figure this out so that we can help St. Vincent's and move on? Steve?

MR. ROSS: Madam Chair, Commissioner Anaya, we have until February 15th to act on this particular matter so there is some time to continue to look at options.

COMMISSIONER ANAYA: I would like to see that that happen and look at the options. I agree with Commissioner Sullivan. I don't want to go with the 1/16 percent right now. I think there are things that we can do as you mentioned, working together, to come up with a solution. Thank you, Madam Chair.

CHAIR VIGIL: Further questions, comments? Commissioner Campos.

COMMISSIONER CAMPOS: Mr. Abeyta, what are your thoughts after the presentation from St. Vincent?

MR. ABEYTA: Madam Chair, Commissioner Campos, we obviously need to continue to work. The only option is that 1/16 that I can see, but I don't know if we want to do that as a County or not. It's ultimately your decision but that's the only option that I can see. My fear, if we go to the state is they're going to say, you have that 1/16; impose that. I don't object to going to the state. I think we should in the next few days talk to them, but that's the first thing that they look at. They look at if we're done with our taxing authority and they're going to see that and my fear is they're going to say to do that.

COMMISSIONER CAMPOS: You said you were concerned about enacting the 1/16. Is it because we have the jail issue, we may have to raise GRT for the jail, or is that the competing need?

MR. ABEYTA: There is the jail issue. We're doing better with the jail but we're still not out of the dark. If you look at our budget it's eating up a majority of our budget is the jail alone. And like I said, we're trying to get those costs under control but I don't see that in the foreseeable future.

COMMISSIONER CAMPOS: What would 1/16 raise?

MR. ABEYTA: About \$2.3 million, \$2 million.

COMMISSIONER CAMPOS: Would this require an election?

MR. ABEYTA: I don't know what it would require. I'm not sure.

COMMISSIONER CAMPOS: No election?

MR. ROSS: I don't think it requires an election.

COMMISSIONER CAMPOS: It's a negative referendum.

COMMISSIONER MONTROYA: You could do it either way.

COMMISSIONER CAMPOS: It's the Commission option? So it could be by negative referendum.

MR. ABEYTA: The problem here, obviously, is we have till the 15th to make a decision, yes or no. We need to let Mr. Valdez know what it's going to be. We have one more Commission meeting before that, on the 13th so we can still continue to talk but at the 13th we need to make a decision what we're going to do, what our contribution is going to be.

COMMISSIONER CAMPOS: Mr. Valdez, it looks like there is no support for that 1/16. What do we do?

MR. VALDEZ: Madam Chair, if I could address that 1/16 just a little more to see if we have clarity. And I may be incorrect, but this is my understanding of the 1/16. The state provided the authority to the counties to enact a 1/16 gross receipts tax for county-supported Medicaid. So that 1/16 is very narrow in terms of its use. It's my understanding that Santa Fe County has not enacted that 1/16 for that very narrow use of county-supported Medicaid and instead Santa Fe County is using the indigent fund for that purpose. It's not another 1/16 for jail or for roads or for whatever it may be, it's very narrow in focus for purposes of county-supported Medicaid. And that's the 1/16 that I refer to.

I believe the County has the authority, it has the statutory authority. It has the ability to do it by I guess negative referendum where it can decide to do that sitting as a body. It will go for the intended purpose with the statutory intent being to help fund Medicaid and it will free up exactly the amount from the indigent fund that we need to make up that difference.

COMMISSIONER CAMPOS: I understand that argument but what I'm saying is it doesn't look like you have a lot of support on the Commission for doing that, for enacting a 1/16 GRT. Just listening to comments today I don't hear a lot of support for that. What alternatives do we have? Just go to the state? Is that it?

MR. VALDEZ: Madam Chair, Commissioner Campos, it's difficult to figure out where those alternatives are. We do know that we also need to negotiate a memorandum of agreement. St. Vincent's saw its contribution increase significantly. There are probably some additional county health related programs that St. Vincent will be able to continue to fund. That is always a discussion that we are able to have. And then we also have - and I don't know what the significance of this opportunity is. I can't weigh that, but we do have the benefit of some time between now and the 13th and the ability to at least have further conversation with the legislature, but I don't know what the end result of that is. I do know what the impact is if we're not able to pull this off, and that is -

COMMISSIONER CAMPOS: I understand the argument, I'm just

wondering what alternatives we have. You've made that argument well.

MR. VALDEZ: Those are the arguments that we have, Commissioner. Those are the options we have. The Commission does not necessarily need to take a vote today. It can postpone to the 13th. Time always helps in one regard or another and we will take full advantage of that opportunity.

CHAIR VIGIL: Commissioner Montoya.

COMMISSIONER MONTOYA: Madam Chair, we kind of went through this when we had the meeting with our state reps and it was suggested by Representative Peter Wirth that we impose that gross receipts tax. The taxing authority, it's kind of one of those – it's a good thing or it's a bad thing, depending on where you're sitting for us. We've already done gross receipts taxes and to do another one here, essentially what the legislature has done, instead of them doing it, they've given us the authority to do it so they don't have to do it. So it's kind of like a punt. When in doubt, punt.

But the thing that I've mentioned to Alex and I mentioned at that meeting also is that we are – this is a band-aid approach to a gaping wound that is going to continue to get worse and worse and worse. I don't see that enacting that gross receipts is going to free up anything. It will plug the gap and then next year as Commissioner Sullivan has pointed out we're going to be at the same situation looking at \$10-point-something, \$11-point-something, and then what? The benefit I guess we're getting out of the MOA now will diminish because we'll probably have to take funding from somewhere and it could be those programs. Maybe not. But it's a situation of now, having to take from Peter to give to Paul.

So I don't know, other than through some legislative action which we've discussed and that's not going to help for this year, but we're at the point now where personally, and I've told Alex, I can't support going with another gross receipts tax at this point.

MR. VALDEZ: Madam Chair, Commissioner Montoya, I have had that conversation with Commissioner Montoya on this point and we are trying to figure out a solution that will take us out of this room, because it's clear that this program is growing rapidly and it's becoming more complex in that respect. At the end of the day I think it is going to take a legislative solution because we're not the only county in this situation any longer. There are more and more counties finding themselves in this situation.

The challenge that we've had being able to go forward at this point is the counties are at a different point of realization as to how significant this problem is. For us, I think we have a much clearer understanding than many others. Second, the Association of Counties isn't at the level that we're able to have this conversation and get the Association of Counties to say, All right, we need to punt back to the state and the state needs to figure out a statewide solution to this problem. So we need to work with the Association of Counties so that they understand that this program in many respects has probably outgrown the ability of a county to continue to deal with it as it needs to be dealt with.

I appreciate Commissioner Sullivan's comment also about the rate of growth of this program and I say that with complete sincerity, Commissioner. I appreciate that. On the

downside of this conversation we have Physicians Medical Center getting ready to open up in about six weeks. We have that projected three to seven million dollar net impact in its first year of operation. So I have that burning candle coming to St. Vincent from the other end also. And I will do everything I can possibly do to get as much money as I can into that hospital to weather whatever storm may be on the horizon for that hospital. Thank you, Madam Chair and members of the Commission.

CHAIR VIGIL: Any further questions or discussion? Steve, did you want to add something?

MR. SHEPHERD: Madam Chair, yes, I did want to add something. I think it sounds like we want to put the St. Vincent discussion off to the 13th. I'd appreciate it if we could go ahead and deal with Española and Los Alamos hospitals so that we can get them their letters and make sure they've got time to get them in.

COMMISSIONER MONTOYA: So moved.

CHAIR VIGIL: Motion to enter into agreements with Española and Los Alamos Medical Center. Is there a second?

COMMISSIONER SULLIVAN: Second.

CHAIR VIGIL: Second. Any discussion on that motion?

The motion to approve sole community funding for Española Hospital and Los Alamos Medical Center passed by unanimous [5-0] voice vote.

CHAIR VIGIL: I have a question for you real quick. The 1/16 gross receipts tax is for Medicaid purposes.

MR. SHEPHERD: That's correct.

CHAIR VIGIL: I guess I don't have a clarity and Alex, you might need to clarify this for me too. I thought I heard you say that we're using the indigent fund for Medicaid and yet indigent clients do not qualify for Medicaid. Could you clarify that for me?

MR. SHEPHERD: Traditionally, Santa Fe County has used the indigent fund to pay their county-supported Medicaid obligation to the state. It's just never changed.

CHAIR VIGIL: Oh, okay. This isn't the reimbursement part of the indigent fund. This is the Medicaid match.

MR. SHEPHERD: Right. Correct.

CHAIR VIGIL: Thank you. Any further discussion? It looks like there's a consensus to continue discussions with this, visit several options and perhaps make a decision on the February 13th meeting. Do I hear any opposition to that? Hearing, seeing none, that's how we will proceed.

XIII. F. Finance Department

- 1. Resolution No. 2007-33. A Resolution Requesting to Create an Indigent Services Fund (223) and an EMS Hospital Fund (234) and Transfer Appropriate Revenues and Budgeted Expenses to Separate the Funds in Which MOA Revenue with St. Vincent's Hospital is Received from the Funds in Which Sole Community Provider Payments are Made to Satisfy Federal Requirements**

MS. MARTINEZ: Madam Chair, Commissioners, this is something that's been in the works, if you will, in terms of a planning process for at least a year. I think that the recent visit from CMS - it's time to do it, so it will just have a clearer line of MOA activity versus our requirements for sole community provider payments.

COMMISSIONER SULLIVAN: So moved.

COMMISSIONER MONTOYA: Second.

CHAIR VIGIL: Motion, second. Any discussion?

The motion to approve Resolution 2007-33 passed by unanimous [5-0] voice vote.

XIII. F. 2. Request Acknowledgement and Acceptance of the Santa Fe County Financial Audit Report for Fiscal Year 2006

MS. MARTINEZ: Madam Chair, members of the Commission, I'll summarize this real quick. Bottom line, we got a clean opinion for the audit, which is what we want. We were able to clear up a material weakness finding with regard to our affordable housing mortgages and we also cleared up a finding on arbitrage. Now, we've had some repeat offenders that we are currently working on and I'll summarize them very quickly. Receivables have been an issue in the past and they'll continue to be an issue, so what we've done is we've increased our accounts receivable staff by dedicating a supervisor to that and we're going to target the grant billing, the water receivable, the ambulance receivable and the jail receivable to clearly determine available receivable and will they materialize or a reclassification of bad debt. So that's where we are with that.

And on the road billing projects, we've already met with members of the Public Works staff and we're moving forward to have claims in by the end of March, worst scenario, and bring that receivable down as well. So that's in the works.

The enterprise fund accounting has grown in its complexity and that's something that is a long-term goal and we're currently working on that. We've also hired a new position for this very specific reason so we hope to make some progress this year. It probably will take another fiscal year before we can follow their recommendations on that.

And quickly, we have some cash control issues. We have new purchasing

procedures in place. The thresholds, hopefully, will help that cause. We've also gone back to the accounts payable supervisor to help with some of the issues on the A/P paying late fees, insufficient documentation, that type of stuff. And we had some signature authority issues on bank accounts. As soon as that was brought to our attention we updated all signature authorities on all our bank accounts, so that should be rectified. And we're putting a process into place where we revisit those annually in case there is changes in staffing at the Treasurer's level or the chair, different things like that.

We received a finding last year for the \$10 Christmas gift to the inmates. We did not do that this year so that was rectified and we still have collateralization issues this year so we're putting in a process where our monthly reconciliation, we review our collateralization with investments and then insure that the sweep of those funds is done timely to avoid that.

We had one issue where sufficient deductions were not done for a PERA retired elected official so we are currently working with PERA on that issue and hope to have a payment to them by the end of the fiscal year. And that's my quick summary.

CHAIR VIGIL: Thanks, Teresa. Are there any questions? Commissioner Sullivan.

COMMISSIONER SULLIVAN: Just quickly, I seem to recall or see more procurement exceptions and findings this year than I saw before and that may be because we're taken over the jail and we're having to deal with so many of these emergency procurements. When I see procurement issues I bring them up out of the Consent Calendar. We just need to be more vigilant on procurement and I'm not sure where we're falling down there. I know that's not the Finance issue; it's a procurement issue. So that's a red flag that I saw. I saw what I think was the same finding last year in the Treasurer's office that the Treasurer's employees have the ability through their computers to make adjustments without an audit trail in the adjustments and correct me if I'm wrong but I think that was the same finding as last year.

MS. MARTINEZ: Madam Chair, Commissioner Sullivan, you are correct and we are currently working with the Treasurer to move towards a cash register setup and that would prevent the ability to go back and forth, because I think our visits with the software company led to the fact that we couldn't adjust their authority to avoid that audit trail.

COMMISSIONER SULLIVAN: But we had a year to do that, and I'm not, again, pointing the finger at you as much as I am at the Treasurer's office that that's a non-dollar item. That's just you have to get in there and have an audit trail. I'm sensing that we get these findings and some of them are dealt with and others are forgotten until Barraclough and Associates comes up again and says, oh, by the way, here they are again.

Now, others have been taken care of, such as the fund for the employee - the employee benefit fund. So I'm not saying we've disregarded all of the findings. We've I believe cleaned that up, have we not? Employee benefits?

MS. MARTINEZ: Yes and no. They still have a comment where they'd like

to see a non-profit entity manage that. So that's something that I'll need to discuss.

COMMISSIONER SULLIVAN: You need to work on that. But if there's anything I can emphasize it's we're getting into more and more procurement issues and some are small and some are just surprising that we were that far off the track in payments on contracts and things like that. So I think this is a wake-up call. We need to do whatever you feel we need to do to - and I know the Commission will support you - to keep this in line.

MS. MARTINEZ: Thank you.

CHAIR VIGIL: Teresa, do you agree that there's more procurement issues being brought up?

MS. MARTINEZ: There was, particularly on the jail. That increased the workload two-fold, I know especially for A/P, and that was the reason for adding staff to that unit so that we could do a more thorough audit prior to payment. And we're looking at doing cross-training Countywide to deal with the staff turnover issues and to educate those administrators throughout the field, if you will, as to the do's and don'ts. So some of them I think we can fix fairly quickly, and I think if we can continue to work with procurement we can get there.

CHAIR VIGIL: Thanks. Any further questions? Do we need action on this?

COMMISSIONER MONTOYA: Move for approval.

COMMISSIONER ANAYA: Second.

CHAIR VIGIL: Do we need to?

MS. MARTINEZ: Yes.

COMMISSIONER MONTOYA: Move for acceptance.

The motion to accept the FY06 audit report passed by unanimous [5-0] voice vote.

XIII. G. Human Resources Department

2. Approval of Information Technology Policy

CHAIR VIGIL: If you could just highlight the changes and requests.

MR. SALAZAR: Madam Chair, members of the Commission, in short summary, the IT Division of the Human Resources office drafted this amendment focusing on the need for a more definitive policy as it relates to County Internet use. The previous policy was very broad, deciding County equipment was to be used for County business only, and we felt the need to go farther into that and further define that. The role of the amendment in the policy we believe will serve as a valuable tool in one, advising the employees on the importance and responsibility they're undertaking when they request use of this type of equipment, and number two, it takes necessary steps in assuring that employees are going to follow the rules and they are clearly noted in the policy.

COMMISSIONER MONTOYA: Madam Chair.

CHAIR VIGIL: Commissioner Montoya.

COMMISSIONER MONTOYA: Steve, did you get a chance, or staff, to review this policy?

MR. ROSS: Madam Chair, Commissioner Montoya, I looked it over. This is part of a broader effort that we're currently engaged in to improve and modernize the human resource policy book. This isn't the be-all, end-all policy. Obviously, it's got some problems but it will do while we complete the process of putting that new document together which should be done in a month or so.

COMMISSIONER MONTOYA: Okay.

MR. ROSS: So this will plug the gaps. It's not the clearest policy in the world. It kind of contradicts itself, but to have a policy on the ground and in place that clearly prohibits certain kinds of behaviors it's an improvement, definite improvement.

COMMISSIONER MONTOYA: If a policy doesn't contradict itself it's not a good policy.

MR. ROSS: That's right.

COMMISSIONER MONTOYA: Madam Chair, move for approval.

CHAIR VIGIL: Motion. Is there a second?

COMMISSIONER CAMPOS: Second.

CHAIR VIGIL: Motion and second. Commissioner Sullivan.

COMMISSIONER SULLIVAN: In looking at it I was unclear as to how it applies to Commissioners who are also County employees, or other elected officials. It indicates that the County employees are supposed to sign a form which says they won't use County computers for personal use. Now, I guess the only problem I have with that is I have a County computer, a laptop that goes with me, goes home and I get on my own e-mail address, I get my work things coming over on my e-mail address. I have my County e-mail forwarded to me on my e-mail address, and I get constituent requests on it.

So if one is to go through my computer you'll see a variety of things stuck on there that just come through when I'm using the County computer as opposed to my computer at work. I try to pull everything off the webmail but when I don't do that it may come through on the County computer because it's all the same e-mail address. And I don't have an office here in the County, so I don't have a separate computer and an office or a secretary to filter those or anything.

So how does this policy apply in that situation?

MR. ABEYTA: Madam Chair, Commissioner Sullivan, one, we're not sure whether or not it applies to County Commissioners, but if it did, we've got under item A that County IT resources shall not be used for anything other than official County business unless otherwise specifically allowed by the County Manager.

COMMISSIONER SULLIVAN: You may not know what kind of trash - it's amazing the junk that comes over and you can't stop it. The spam filter catches a lot of it but I'm just concerned that if I don't use my County computer then I'm not going to be

able to respond to constituent requests quickly, particularly when I'm on the road and if someone says let me have your County computer and goes through every e-mail in your County computer there are going to be things on there that are not County business. And I can't stop them from coming in. I can't filter County business versus other business or spam. And I'm a little nervous about being cast in the same situation. Either that or I guess I just don't use the County computer and ask you to provide some staff that could handle that for me.

MR. ABEYTA: Madam Chair, what I would suggest is that you approve this with the condition or the direction to staff to add language in here regarding elected official use specifically. And we could put some language in there that allows elected officials to use the computer for personal business.

COMMISSIONER SULLIVAN: Yes. I think a lot of the things that are in there, we don't want elected officials going around using County computers for pornography or anything like that. So that's - I'm perfectly willing to do that, but this is a pretty strict policy, which is good.

MR. ABEYTA: Right. It was geared for the employees and not the elected officials, so if we could work on some language where we could put that in there. Some things would apply and some won't, obviously.

CHAIR VIGIL: I actually did not think, nor do I think it applies to the Commission to the extent that we all have personal computers and personal e-mail addresses and get both County and personal business on both addresses. I have a personal computer but I'm hooked up to the Santa Fe County address. But I think since the spam quarantine opportunity has come forth and I cleaned my spam, I do have an easier time not getting through with so much spam. But I don't think that we should exempt elected officials. If employees are to submit a handwritten statement that requires them to not use County computers for anything but County business, I think that's strictly applicable to the workplace or to the computer that's issued by the County.

I think for elected officials, the language that the County Manager states is sufficient, with the County Manager's permission. Because I know there's also the issue or Internet usage and I need the Internet for my research. I would need the County Manager's permission to have it not only on my computer here at work but my personal computer is required. So I think the language is sufficient, Commissioner Sullivan.

COMMISSIONER CAMPOS: What about your palm, for example? If you have palm and you have to have two palms, one for the County and for your own. It doesn't make sense. But the computers, if this is the policy, maybe we should just return the County computers, use our own personal computers for both County work and our personal. That really cleans it up.

COMMISSIONER SULLIVAN: Maybe, but don't e-mail me. If you want to contact me and I'm on my business computer and you want to talk to me about County business, walk up the street and make an appointment. It's a much - I can respond to County staff requests much faster on the computer, but my business computer is my

business. If we can't afford a computer for County Commissioners but we can afford trips to New York and Hawaii, I'm not sure where our priorities are. I'm not comfortable with the policy as it's written as it applied to elected officials. I think we could develop another policy, a similar policy that applies to elected officials, but I'm just concerned that we're opening ourselves up to needless requests for our computers to become public documents and scrutinized. That's my feeling.

CHAIR VIGIL: Me thinks thou doest protest too much.

COMMISSIONER SULLIVAN: I'll turn it in. What the heck?

COMMISSIONER CAMPOS: Turn it in.

COMMISSIONER SULLIVAN: If we feel that's the way that we need to deal and treat County Commissioners and elected officials then that's what we'll do.

MR. ABEYTA: Madam Chair, the intention was for County employees and we didn't have elected officials in mind when we drafted up this policy.

COMMISSIONER CAMPOS: It's hard to distinguish. I feel uncomfortable with you having to have two categories of how you use equipment. I understand for example the palms is the simplest thing. You can't have two palms. Look at one for the County stuff, look over here for your business. You've got to coordinate your calendar, right? So turn in your palms, telephones.

COMMISSIONER SULLIVAN: If you put down a meeting for your Hands Across Culture on your County palm pilot, you're in violation of the ordinance, of the regulation. And if the newspaper requests a copy of your palm pilot and can go through it and see if there's personal stuff on it, which is silly and can be easily avoided I think by crafting of the policy.

CHAIR VIGIL: Could we table this and allow staff to go back and reconsider the issues that were brought forth and come forward with some recommendations? I don't think I agree with Commissioner Sullivan. I don't think it's that strict but if you all would like to mull over those issues and come forth.

COMMISSIONER MONTOYA: Madam Chair, it's for employees.

COMMISSIONER SULLIVAN: I get a check from the County every two weeks. I'm an employee. I get healthcare.

COMMISSIONER MONTOYA: You were just elected by the constituents.

COMMISSIONER SULLIVAN: I'm an elected official but I'm - aren't I an employee, Mr. Ross? If we're not employees then that solves the issue. Are we employees of the County?

MR. ROSS: Madam Chair, you're both employees and elected officials. We have other sample policies that we could share with you. I have one that I drafted years ago. It's probably still good and it may be less scary than this one. We can try that out on you and we can talk this up among staff and see how we can resolve some of these concerns.

MR. ABEYTA: I would ask then that this be tabled, Madam Chair, and we bring it back.

COMMISSIONER SULLIVAN: Move to table.
CHAIR VIGIL: Motion to table. Is there a second?
COMMISSIONER CAMPOS: Second.
CHAIR VIGIL: Motion to table and second.

The motion to table the IT policy passed by unanimous [5-0] voice vote.

CHAIR VIGIL: Thank you for the work on this and the one particular compliment I want to make is I know this is a critical area of concern for employees, especially since our employee base is enlarged and I really appreciate the work being done towards monitoring this. The problems we get into are very foreseeable. Thank you.

XIII. H. Matters from the County Manager

1. Discussion and Request for Direction Requesting Federal Lobbying Services

MR. ABEYTA: Madam Chair, under item number 1, regarding the federal lobbying services, I am recommending that we do not hire a federal lobbyist at this time and the reason why is because myself and Steven Ulibarri, our public information officer has been in contact with some lobbyists. We've also talked with Congressman Udall's office, and what's becoming apparent is that we really need to develop a strategy for the County. We need to identify what areas we currently seek federal funding from, what areas we would like to see federal funding for, and then based on that, put out an RFP for a lobbyist, have them look at our strategy in the area where we think federal funding - we could go after, and then based on that, they lobbyist then would try to go out and one, identify funding sources for different areas, and then try to get the funding for us.

What's become apparent is I think the reason we haven't had success in the past is because we don't have a strategy. We never clearly defined for federal lobbying firms what funding sources we would like to obtain, and also what's out there. We don't even know ourselves what is out there.

The other thing is we would need to get our requests in now in February and I think it's too late. But, with that said, we will want to pursue a federal lobbyist in July with the new budget. And between now and then we will have our strategy put together. We may even work with somebody under a small contract, a small amount, to help us identify federal funding sources that we can go after. But right now, what's become apparent, again, not only speaking with our delegation but also lobbyists themselves, the County really doesn't have a strategy and we should develop one. Some have even offered to help us develop that strategy between now and the next fiscal year. Then once we do have a strategy in place then it would make more sense to invest in a federal lobbyist to go out and give them clear direction: Go seek funding for this, this, this, and this. So that's my

recommendation at this time.

COMMISSIONER SULLIVAN: Questions, comments, from the Commission?

COMMISSIONER ANAYA: Sounds good.

COMMISSIONER MONTOYA: Sounds good to me.

COMMISSIONER SULLIVAN: Sounds good to me.

COMMISSIONER MONTOYA: We have direction.

COMMISSIONER SULLIVAN: Commissioner Campos? It sounds good to Commissioner Campos. Okay. Thank you, Roman.

XIII. H. 2. Updates on Various Issues

MR. ABEYTA: Mr. Chairman, the last thing I have under Updates on Various Issues is we are going to start providing to the Commission a monthly job posting report. Every month we will provide you a list of current job postings that we have and that way if the Commission sees that there's positions that you know are vacant or that maybe we have funded and you don't see that the job has been posted, you could then call and ask for an update on certain positions. So this is a report we'll be generating once a month and I have the current job postings for you now as of January 29, 2007.

COMMISSIONER CAMPOS: Is that a big problem, Mr. Abeyta?

MR. ABEYTA: It's a problem - it's something I've asked the Human Resources Department for because the only way I know of what's opening, for example, is if I go look at the board. The board isn't always updated and Commissioner Montoya actually and I have talked about something like this so that the Commission is up to date.

COMMISSIONER CAMPOS: So you need the information so you can copy us the information you receive without any additional burdens.

MR. ABEYTA: Exactly. Plus it also helps Human Resources get organized themselves and they have an idea of what's posted and what's not. Now this is different than a vacancy report. We're also going to work on getting you a vacancy report every month. And the difference is some of the positions on the vacancy report may not have funding or aren't ready to be posted but if we get both then we can compare the two and see, okay, what's going to happen with this position? How come it hasn't been posted? So we'll provide these once a month.

And like I said, it's going to help me because the only way we know about what's open is if we go look at the board or go look at the Internet and that's not always kept up to day. So you'll be getting these once a month.

COMMISSIONER SULLIVAN: Any other questions?

COMMISSIONER CAMPOS: Not on my computer.

MR. ABEYTA: We'll give you a hard copy. That's all I have.

COMMISSIONER SULLIVAN: Thank you, Roman. Do we have, Mr.

Ross, anything pressing that we need to do executive session for?

XIII. I. Matters from the County Attorney

1. Executive session

- a. Discussion of pending or threatened litigation**
- c. Discussion of possible purchase, acquisition or disposal of real property or water rights**

MR. ROSS: Mr. Chairman, I'm afraid we have three pressing matters, but we'll try and keep them as brief as possible. They're under the categories of pending or threatened litigation, and discussion of the purchase, acquisition of real property or water rights.

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

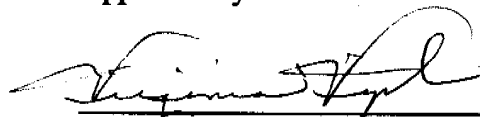
[The Commission met in executive session from 8:05 to 8:35.]

Commissioner Campos moved to come out of executive session having discussed only the matters outlined in the agenda, and Commissioner Anaya seconded. The motion passed by unanimous [3-0] voice vote. [Commissioners Sullivan and Montoya were not present for this action.]

XIV. ADJOURNMENT

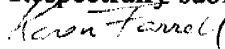
Chair Vigil declared this meeting adjourned at approximately 8:35 p.m.

Approved by:



Board of County Commissioners
Virginia Vigil, Chair

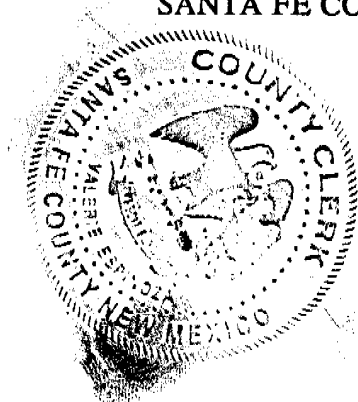
Respectfully submitted:

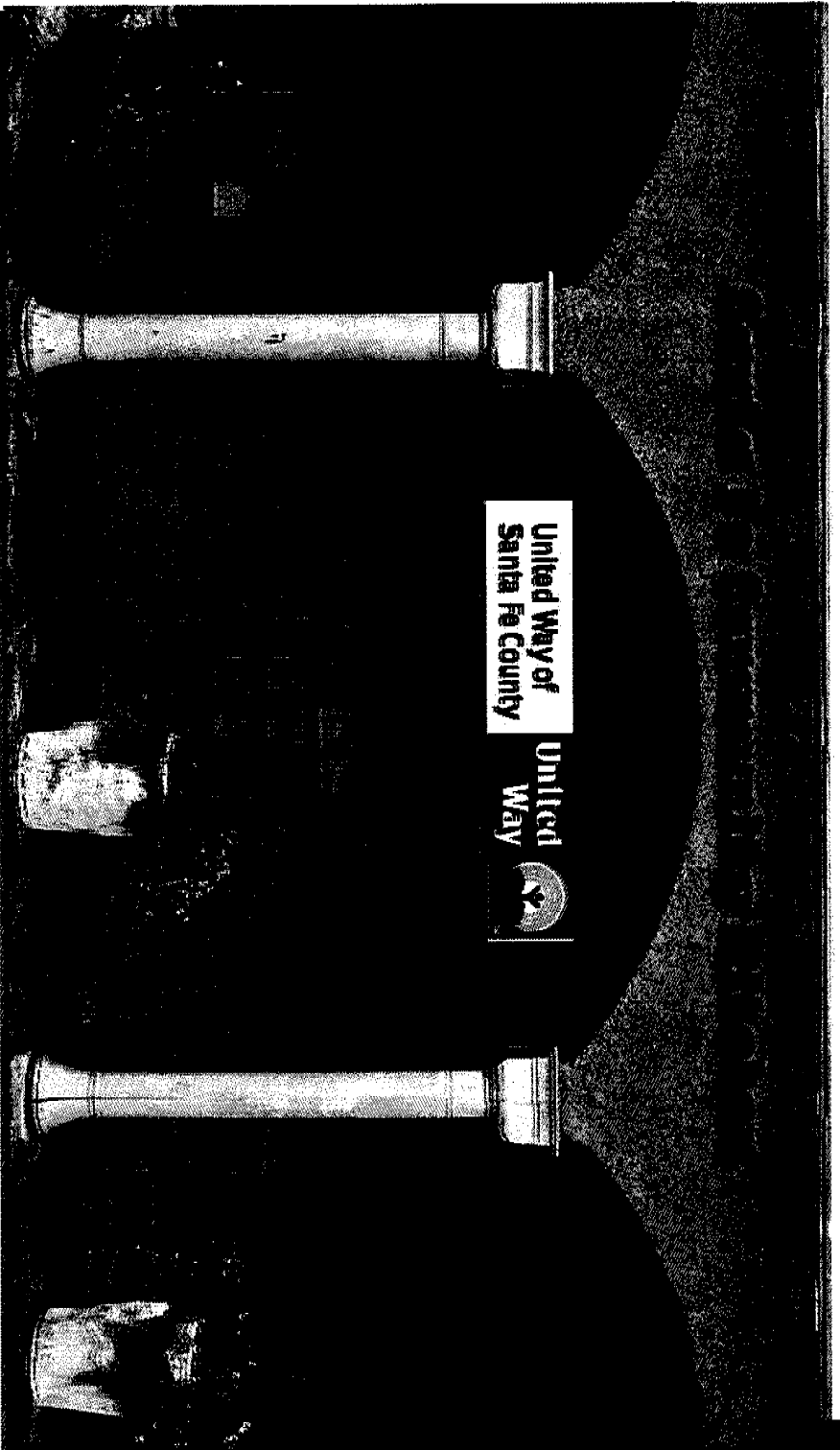

Karen Farrell, Wordswork
227 E. Palace Avenue
Santa Fe, NM 87501

ATTEST TO:



VALERIE ESPINOZA
SANTA FE COUNTY CLERK





**Santa Fe Community Kitchen
Business/Project Plan
for a Licensed Commercial Kitchen**

**United Way of Santa Fe County
30 January 2007**

NEW MICRO ENTREPRISES

Friends & family have placed orders

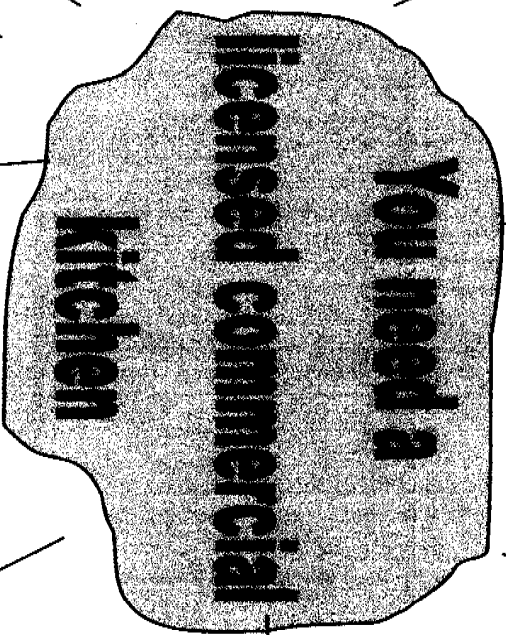
You see a potential market but cannot afford a licensed kitchen

You continue to prepare for friends & family

You have a fantabulous recipe!

Retail sources for raw food materials are expensive

There are no facilities for packaging your food product



You are an excellent cook but you don't have business skills

You don't have enough capital to start your food business

You sell cakes & pastries to neighbors & family for additional income

After working in the restaurant business for many years, you are ready to launch your catering business

Low wages as a restaurant cook cannot support your family

You work in the restaurant & food industry

You have limited skills but need the job

WORKFORCE DEVELOPMENT

SANTA FE COUNTY

Products and Services

Santa Fe Community Kitchen



**Affordable
Access to a
Licensed
Commercial
Kitchen**



**Affordable Bilingual
Courses in
Culinary Arts and
Food Production**



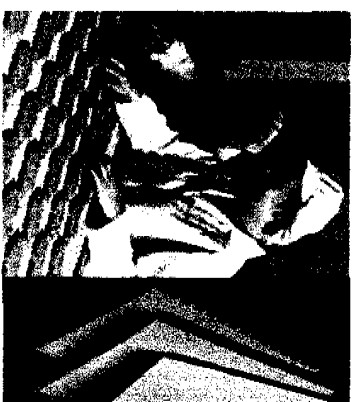
**Marketing,
Distribution, &
Accounting
Services**



**Bulk Food
and Food
Production
Materials
Purchasing**



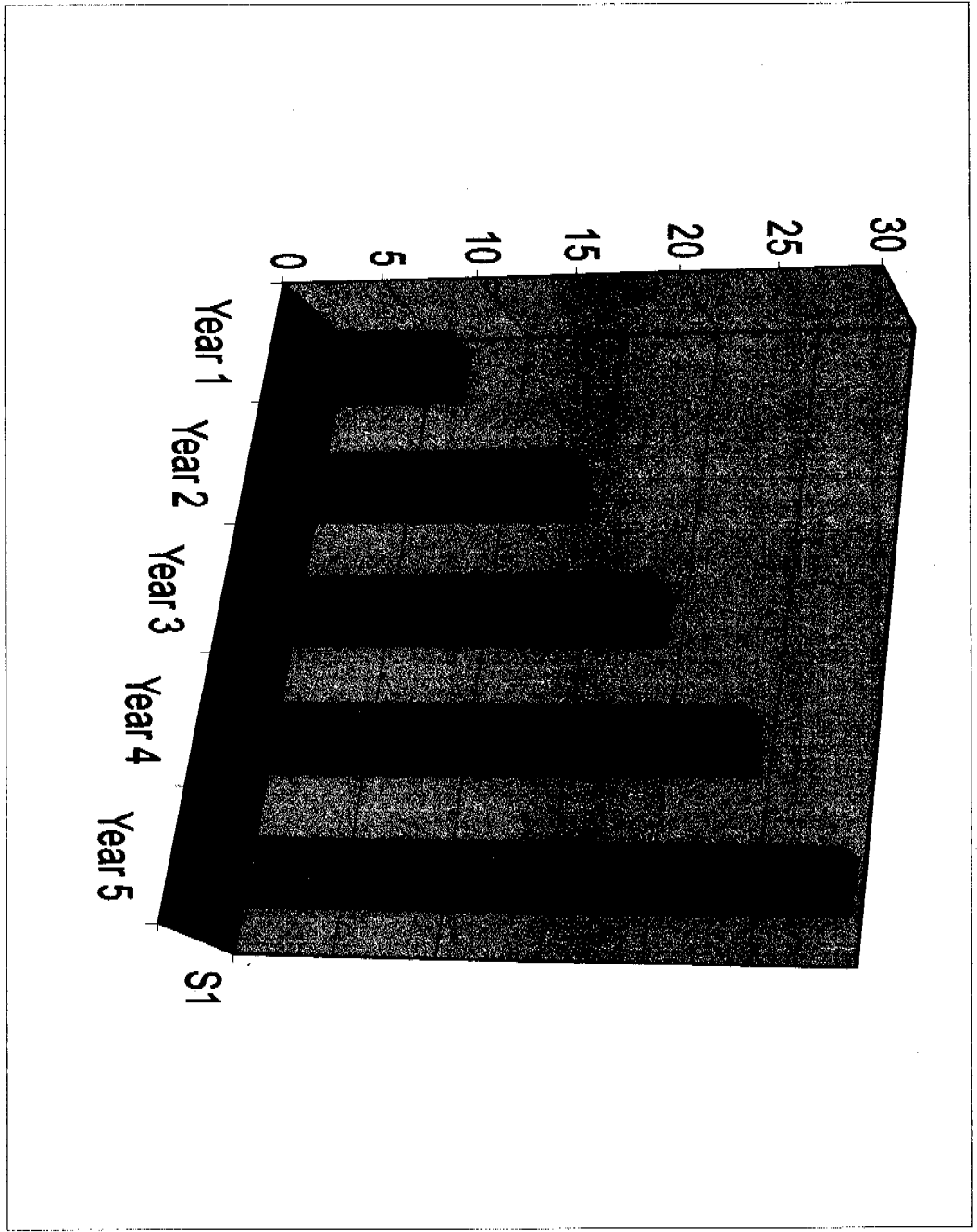
**Food
Production
Incubation
Programs
in partnership
with
Business
Incubators**



**Co-publish
Bilingual
manuals/trainings
on
food production
culinary arts
and small business**

Target Clients per Year Usage of Kitchen

Santa Fe Community Kitchen

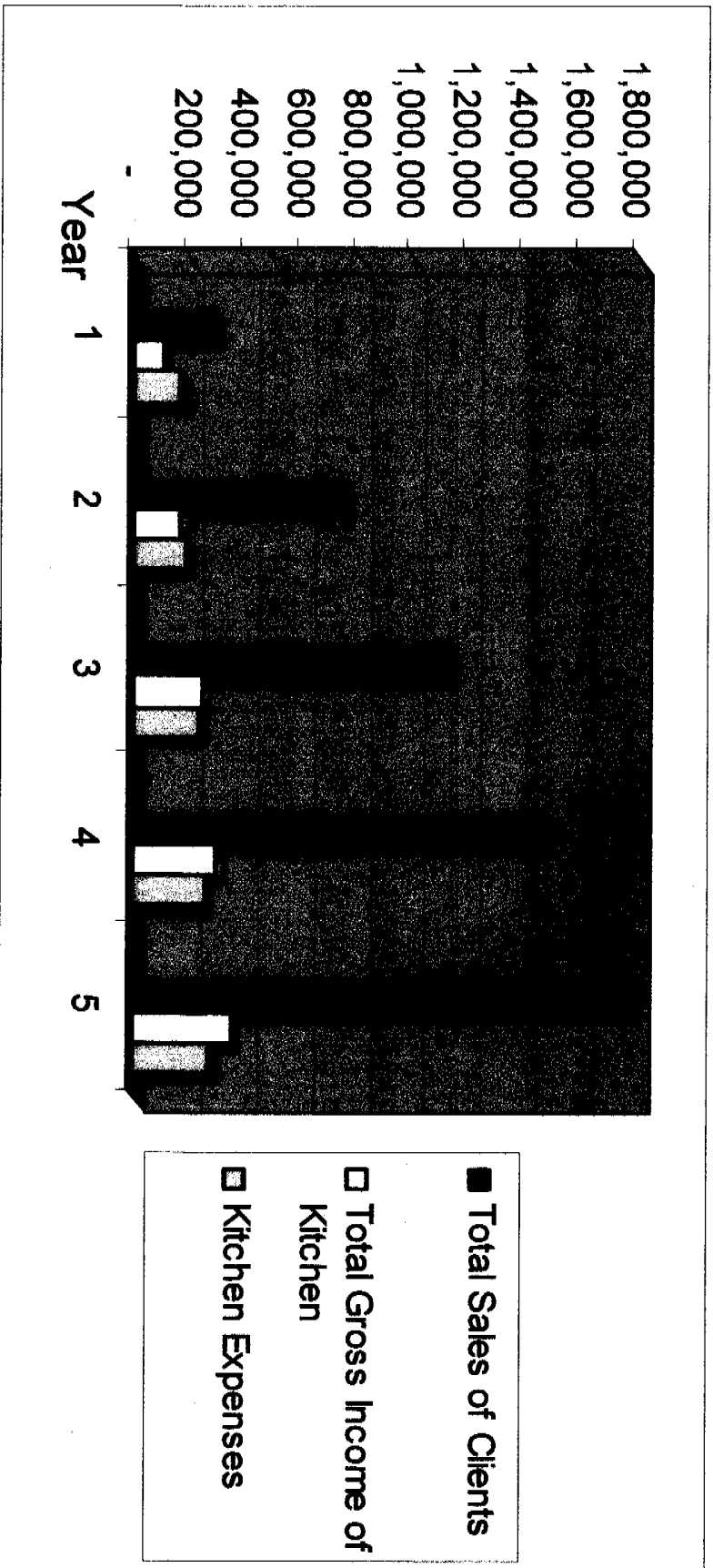


Target Clients Per Year

Year 1	8
Year 2	15
Year 3	20
Year 4	25
Year 5	30

Total Gross Income Projection

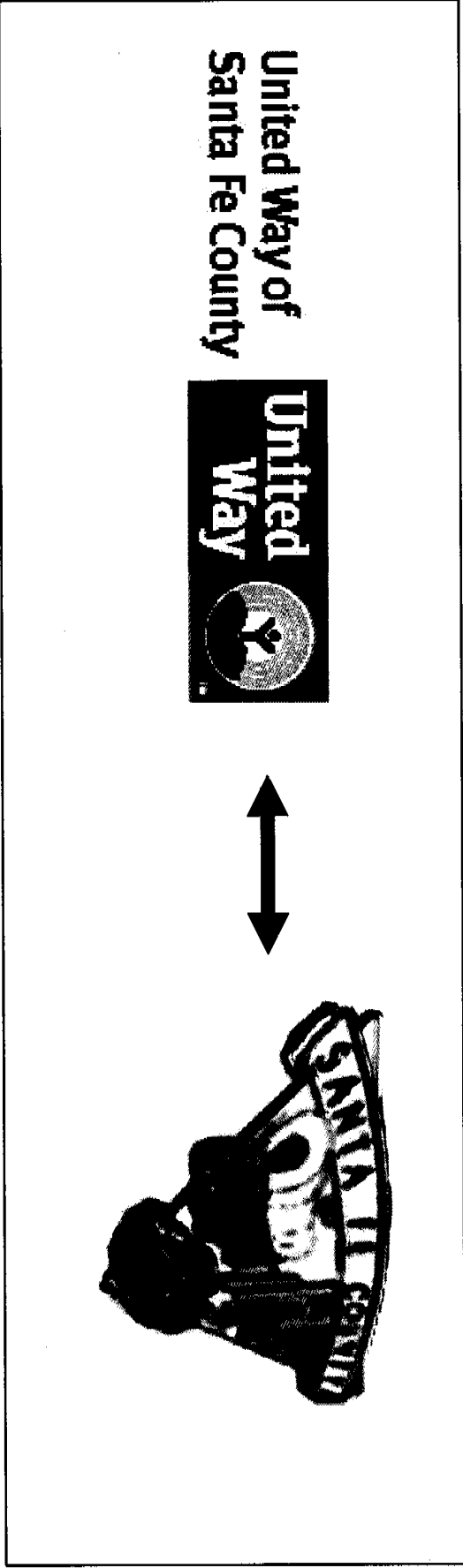
Santa Fe Community Kitchen



- Total Sales of Clients
- Total Gross Income of Kitchen
 - Kitchen Rental Fees
 - 10% business service fees
 - Classroom rental Fees
 - Special Events
- Kitchen Expenses

EDA Applicant Eligibility

Eligible applicants for EDA investment assistance include a State, city, county, or other political subdivision of a State, including a special purpose unit of a State or local government engaged in economic or infrastructure development activities, or a consortium of such political subdivision, an institution of higher education or a consortium of institutions of higher education, an Economic Development District organization, a private or public nonprofit organization or association, including a faith-based non-profit organization, acting in cooperation with officials of a political subdivision of a State, or an Indian Tribe, or a consortium of Indian Tribes. Individuals, companies, corporations, and associations organized for profit are not eligible.



Partners

Santa Fe Community Kitchen

EDUCATION

Culinary Arts Department
Santa Fe Community College

BUSINESS DEVELOPMENT

Tax Help Santa Fe

Food Production Program
NMSU County Extension Program

SCORE
(Service Corps of Retired Executives)

Cooking with Kids

Small Business Development Center
Santa Fe Econ Dev Inc. (SFEDI)

DISTRIBUTION & BULK PURCHASE

Santa Fe Farmers Market

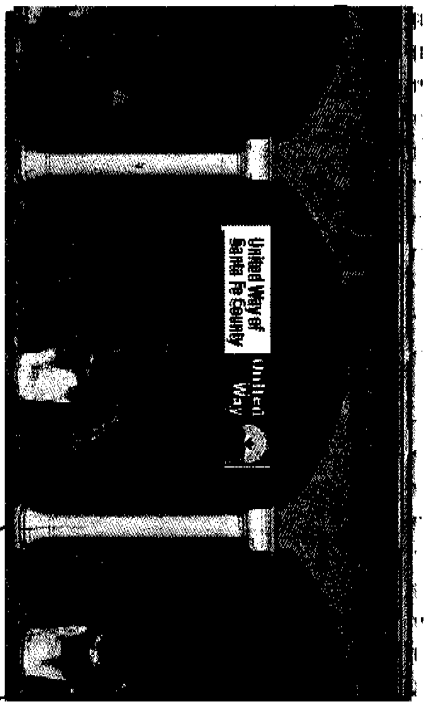
LOANS

ACCION
New Mexico

Taos Economic Development Corporation
Española Kitchen-Incubator

NOT FOR PROFIT
Food Depot

New Mexico Community Loan & Development Fund



North Central Regional Transit District

Santa Fe County
Commission Meeting

Monday, 3/26/07
Santa Fe County Board of Commissioners
3:00 PM
Santa Fe, NM

History of Regional Transit Districts in New Mexico

- In 2002, Governor Bill Richardson signed into law the Regional Transit District Act. This legislation authorized the creation of regional transit districts in the State of New Mexico.
- In 2004, Governor Richardson signed legislation that allowed City and County Governments, that were members of a Regional Transit District, to go to the voters for approval of an increase of up to 1/4 of one percent in Gross Receipt Taxes to fund transportation services.
- In September 2004, the North Central RTD joined with the New Mexico Transportation Commission.
- This event was historic because it was the first RTD in New Mexico to be established and the first in the country to have tribal and local governments participating in the formation.

Current Service Area of NCRTD

Three Counties

County of Bernalillo

County of Sandoval

County of Santa Fe

Two Cities

City of Santa Fe

City of Espanola

Why NCRTD?

It creates Regional Multi-Government Partnerships

Allows tribal, state, and local governments to form a true Regional Transit Connection with existing local transit systems

- Allows for expanded transit services to **UN-SERVED** areas
- Reduces traffic congestion and air pollution around Northern NM communities

Benefits for Santa Fe County in being a member of the NCRTD?

NCRTD will be managing the 70 day Statewide contract award implemented in April 2007. Santa Fe County is the only NCRTD applicant for the 2007 contract award.

NCRTD applied for 2007 funding for the 2007 contract award. The requirements for the award are:

- NCRTD must be approved by the Statewide Contract Award
- NCRTD must be approved by the Statewide Contract Award
- NCRTD must be approved by the Statewide Contract Award

Los Alamos GRT

Partner Resolutions

Cooperative Agreements

Benefit to Santa Fe County

- NCRTD will be managing the 70 day Statewide contract award implemented in April 2007. Santa Fe County is the only NCRTD applicant for the 2007 contract award.
- NCRTD applied for 2007 funding for the 2007 contract award. The requirements for the award are:
- NCRTD must be approved by the Statewide Contract Award
- NCRTD must be approved by the Statewide Contract Award
- NCRTD must be approved by the Statewide Contract Award

NCRTD Staff

Jack Valencia, Transit Project Manager

Linda Trujillo, Regional Coordinator

Elaine Trujillo, Development Director

Current Board Members

<i>Los Alamos County</i>	<i>Orlando Contreras</i>
Jim West, Board Chairman	2010 Santa Fe Avenue, Santa Fe, NM 87505
<i>City of Española</i>	<i>Johnnie L. Garcia</i>
Alfred Herrera	1000 N. 1st St., Española, NM 87505
<i>Rio Arriba County</i>	<i>Thomas Cantelmo</i>
Thomas Cantelmo	1000 N. 1st St., Española, NM 87505
<i>Proprietor, The Mill</i>	<i>Mark A. Lucero</i>
Mark A. Lucero	2931 Rufina Drive, Santa Fe, NM 87507

Contact Information

Josette Lucero, Executive Director
North Central Regional Transit District
 2931 Rufina Drive
 Santa Fe, NM 87507
 505-670-0682



SHC CLERK RECORDED 03/07/2007

*Investing in
Northern New Mexico's Future*

*A Plan for Economic Equity, Self Sufficiency
And Sustainability*



*City of Española
January 2007
Joseph M. Maestas, Mayor*





CITY OF ESPAÑOLA

Subject: Investing in Northern New Mexico's Future January 2007

Dear Fellow Government Official:

The purpose of this initiative is to strategically invest a portion of State general fund revenues attributed to additional gross receipts taxes from the new Los Alamos National Security (LANS) contract. The investment period coincides with the initial LANS contract period of seven years. The overall mission of this act coincides with the Federal mission established in the mid-1990s when the Los Alamos National Lab underwent significant downsizing. The mission is to diversify the economy and create high-wage job opportunities of impacted communities that collectively represent the LANS employment base and whose economies rely heavily on the laboratory's budget. Federal funding and support for this mission was provided in the late 1990s but has since been eliminated.

Despite the lab's presence in the region for over 60 years, significant socioeconomic disparities exist within the region and continue to grow. Lab job cuts will continue to significantly impact a regional economy that continues to be unstable. This initiative represents the State of New Mexico's first, significant effort to truly begin building a new, diversified economy in Northern New Mexico that will serve to address these disparities, stimulate private sector investment, and serve as a catalyst for re-establishing the Federal funding and support that existed in the 1990s.

Enclosed is:

- A Briefing Paper: "Investing in Northern New Mexico's Future: A Plan for Economic Equity, Self-Sufficiency, & Sustainability";
- A compilation of regional, priority projects could be funded through this initiative.
- A slide presentation on this initiative.
- Resolutions passed by the New Mexico Municipal League and the City of Española in support of this initiative. The City of Santa Fe resolution of support is pending committee and council action.

I'm sure you will agree that this is the beginning of a bold, regional initiative that will continue into the future and bring economic stability and sustainability to this region. Your support is needed for the successful passage of enabling legislation that will make this investment a reality. New Mexico cannot move forward while Northern New Mexico lags behind!

Sincerely,

Joseph M. Maestas

Joseph M. Maestas
Mayor

Joseph M. Maestas
Mayor

Alice D. Lucero
Mayor Pro Tem

Councilors

Danielle Durán

Rosario "Chayo" Garcia

Alfred Herrera

Cecilia Lujan

Eddie Maestas

Helen Kain-Salazar

Dennis Tim Salazar

Executive Staff

Gustavo Cordova
City Manager

Veronica Martinez
City Clerk

405 N. Paseo de Oñate
Española, NM 87532
505-747-6100 (Main)
505-747-6084 (Fax)
www.cityofespanola.org

SFC CLERK RECORDED 03/07/2007

Briefing

Paper



Investing in Northern New Mexico's Future
A Plan for Economic Equity, Self-Sufficiency, & Sustainability

Background

Over 63 years ago, the Los Alamos National Laboratory, referred to as the "Lab," was established with many Northern New Mexico residents in the immediate area serving as employees. The Regional Development Corporation (RDC) is a non-profit economic development organization, established in 1996 as a Section 3161 Community Reuse Organization (CRO) and funded by the U.S. Department of Energy (USDOE). The RDC is the successor organization to the Defense Adjustment Task Force established in 1994 to mitigate the economic impact of Los Alamos National Laboratory's 1994-1995 downsizing. Although the RDC administered millions of dollars of Federal funding in the late 1990s with Los Alamos County serving as the fiscal agent, the funding and USDOE support have been virtually eliminated.

Today, the Lab's budget of more than \$2 billion represents a significant economic engine and its total workforce of 14,899 make it the largest employer in Northern New Mexico. The economic impacts of the lab outside of Los Alamos County have not been realized. Regional, community-based initiatives associated with the Lab contract have not been very effective. The area has suffered out migration and its economy is geographically isolated from the mainstream economy. Infrastructure is vitally needed. The economy has been heavily dependent on the Lab. In fact, the Counties of Rio Arriba and Santa Fe represent almost (45%) one-half of the Lab workforce and exceeds the workforce level (44%) in Los Alamos County.

The Gaps

Despite the presence of the Lab and the billions of dollars from its budgets, the socioeconomic disparities that exist within the Lab's workforce area remain substantial and are expected to worsen. Below is a sobering comparison using key economic indicators of Rio Arriba and Los Alamos Counties, areas collectively representing 65% of the lab workforce. Ironically, Rio Arriba County has one of the lowest median family income levels and Los Alamos County has one of the highest.

Subject	Los Alamos County	Rio Arriba County
Poverty Status in 1999 (% below poverty level)	1.9%	16.6%
Unemployment Rate (2005)	2.8%	6.6%
Per Capita Personal Income (2003)	\$48,541	\$20,720
Average Wage Per Job (2004)	\$62,148	\$23,382
Educational Attainment (Census 2000): Bachelor's Degree (% pop.>25 yrs old)	24.5%	9.1%
Total Gross Receipts, CY 2004 (Professional, Scientific, & Technical Svcs)	\$171,845,213	\$16,577,046

SFC CLERK RECORDED 03/07/2007

**Change in Lab Tax Status:**

Since the University of California, an academic institution, managed the Lab it was exempt from paying gross receipts taxes (GRT). Since the Lab contract for operation was re-competed, the taxable status has changed whereby GRT must now be paid by the new team: Los Alamos National Security (LANS), comprised of Bechtel National, University of California, BWX Technologies, and Washington Group Int'l.

Prior to the change in taxable status, the Lab was paying approximately \$35 million in GRT. Under its new status, the Lab will be paying approximately \$90 million in GRT. The anticipated allocation of the total GRT is 44% (\$40M) to Los Alamos County and 56% (\$50M) to the State of New Mexico.

Job Cuts and a Fragile Economy

Recently, LANS announced a major cut in jobs (up to 600) with more expected in the future. The reason for the job cuts was to address a \$175 million budget shortfall represented by additional gross receipts taxes (\$55M), employment wages, taxes, and pension costs (\$70 M); and higher management fees (\$50M). Although the job cuts will be attributed to normal attrition, contractors, and maintenance personnel and not LANS employees; it will have a long-term, multiplier effect on the Northern New Mexico economy that may not be recoverable.

The negative impacts outside of Los Alamos County due to the new tax status of the Lab contract may be difficult to quantify since it will be difficult to identify lab contractors and GRT previously paid. Los Alamos County recently took the lead in beginning the process of assessing the GRT. Although this effort by Los Alamos County is commendable, it does not address the need for a more substantial, equitable share of the GRT revenues outside of Los Alamos County.

An Opportunity for Investment in Northern New Mexico's Future

In the 2007 State legislative session, Governor Richardson and the New Mexico State Legislature have an historic opportunity to invest, over the next seven years, an equitable share of the Lab's GRT revenues in Northern New Mexico. The Northern New Mexico economy is intertwined with the Lab and has not had the investment necessary for stability and self-sufficiency. Building an economy for Northern New Mexico that substantially closes the gaps between the "haves" and "have-nots" can only happen through such equitable, substantial, and sustained investment. The time is now to address the needs of Northern New Mexico, the Gateway of Northern New Mexico. *When Northern New Mexico moves forward, New Mexico moves forward!*

Results

A sustainable, cluster-driven economy with accelerated investment in economic foundations is a cutting edge approach that is well suited to the tri-county area. Economic foundations include marketing & distribution capacity; infrastructure, financing, research & technology; human resources, quality of life, and business climate. Re-establish Federal funding and support through the USDOE and RDC to support this mission. Stimulate venture capital investment in the new economy.

Legislative Request

New, initial legislation to allocate \$20M for needed infrastructure and \$200k for development of an economic development plan for the tri-county area. This would be the first of seven years of investment that coincides with the Lab's initial contract period. Future legislation and investment will be subject to appropriate legislative oversight. This request also includes a joint memorial requesting that the Federal legislative delegation re-establish Federal funding and support for regional economic development and economic diversification associated with reducing the economic reliance on the Lab.



Investing in Northern New Mexico's Future
Proposed Regional Projects


	Amount
Española Surface Water Project	\$12,500,000
Ohkay Owingeh Airport Expansion	\$3,500,000
Solid Waste Joint Management Authority: Recycling	\$1,700,000
Regional Public Transportation (NCRTD)	\$1,100,000
Santa Fe Municipal Airport Expansion	\$1,000,000
Tri-County Economic Development Plan	\$100,000
Fiber Optic Telecom Study	<u>\$100,000</u>
Grand Total	\$20,000,000

SFC CLERK RECORDED 03/07/2007

Slide
Presentation


Investing in Northern New Mexico's Future

A Plan for Economic Diversification, Equity, and Self-Sufficiency




Investing in Northern New Mexico's Future: Overview

- Background & Challenges
- Los Alamos Lab's New Tax Status
- Recent Lab Job Cuts
- A Bold Plan & Vision
- An Opportunity for Investment
- Legislative Strategy




Investing in Northern New Mexico's Future: Background

- Los Alamos National Labs
1946-1995
- Northern New Mexico Workforce
Los Alamos, Santa Fe, & Rio Arriba
- Lab Downsizing: 1994-1995
Defense Adjustment Task Force, DOD
 Community Research Organization, DOL
 Proposed Economic Organization
• Funding: 1994-1995, 1996-2001
- Mission: Create diverse, self-sufficient economy
- Minimal Economic Impact Outside of Los Alamos




Investing in Northern New Mexico's Future: Challenges

- Lack of Jobs
- Critical Infrastructure Needs
- Losing Our Best and Brightest
- Geographic Isolation




Investing in Northern New Mexico's Future: Challenges

- Limited Tax Base
- Lack of Venture Capital
- Need For Balance: Culture, History, & Land
- Growing Socioeconomic Disparities




Investing in Northern New Mexico's Future: "Growing Gaps"

Socioeconomic Factor	Los Alamos County	Rio Arriba County
Population (2000)	10,000	10,000
Median Household Income	\$24,000	\$18,000
Unemployment Rate (2000)	12.0%	15.0%
High School Graduation Rate (2000)	85%	80%
College Enrollment Rate (2000)	20%	15%
Median Home Value (2000)	\$120,000	\$80,000
Per Capita Income (2000)	\$10,000	\$7,000
Per Capita Income (2004)	\$12,000	\$8,000
Per Capita Income (2005)	\$13,000	\$9,000
Per Capita Income (2006)	\$14,000	\$10,000
Per Capita Income (2007)	\$15,000	\$11,000
Per Capita Income (2008)	\$16,000	\$12,000
Per Capita Income (2009)	\$17,000	\$13,000
Per Capita Income (2010)	\$18,000	\$14,000
Per Capita Income (2011)	\$19,000	\$15,000
Per Capita Income (2012)	\$20,000	\$16,000
Per Capita Income (2013)	\$21,000	\$17,000
Per Capita Income (2014)	\$22,000	\$18,000
Per Capita Income (2015)	\$23,000	\$19,000
Per Capita Income (2016)	\$24,000	\$20,000
Per Capita Income (2017)	\$25,000	\$21,000
Per Capita Income (2018)	\$26,000	\$22,000
Per Capita Income (2019)	\$27,000	\$23,000
Per Capita Income (2020)	\$28,000	\$24,000
Per Capita Income (2021)	\$29,000	\$25,000
Per Capita Income (2022)	\$30,000	\$26,000
Per Capita Income (2023)	\$31,000	\$27,000
Per Capita Income (2024)	\$32,000	\$28,000
Per Capita Income (2025)	\$33,000	\$29,000
Per Capita Income (2026)	\$34,000	\$30,000
Per Capita Income (2027)	\$35,000	\$31,000
Per Capita Income (2028)	\$36,000	\$32,000
Per Capita Income (2029)	\$37,000	\$33,000
Per Capita Income (2030)	\$38,000	\$34,000
Per Capita Income (2031)	\$39,000	\$35,000
Per Capita Income (2032)	\$40,000	\$36,000
Per Capita Income (2033)	\$41,000	\$37,000
Per Capita Income (2034)	\$42,000	\$38,000
Per Capita Income (2035)	\$43,000	\$39,000
Per Capita Income (2036)	\$44,000	\$40,000
Per Capita Income (2037)	\$45,000	\$41,000
Per Capita Income (2038)	\$46,000	\$42,000
Per Capita Income (2039)	\$47,000	\$43,000
Per Capita Income (2040)	\$48,000	\$44,000
Per Capita Income (2041)	\$49,000	\$45,000
Per Capita Income (2042)	\$50,000	\$46,000
Per Capita Income (2043)	\$51,000	\$47,000
Per Capita Income (2044)	\$52,000	\$48,000
Per Capita Income (2045)	\$53,000	\$49,000
Per Capita Income (2046)	\$54,000	\$50,000
Per Capita Income (2047)	\$55,000	\$51,000
Per Capita Income (2048)	\$56,000	\$52,000
Per Capita Income (2049)	\$57,000	\$53,000
Per Capita Income (2050)	\$58,000	\$54,000
Per Capita Income (2051)	\$59,000	\$55,000
Per Capita Income (2052)	\$60,000	\$56,000
Per Capita Income (2053)	\$61,000	\$57,000
Per Capita Income (2054)	\$62,000	\$58,000
Per Capita Income (2055)	\$63,000	\$59,000
Per Capita Income (2056)	\$64,000	\$60,000
Per Capita Income (2057)	\$65,000	\$61,000
Per Capita Income (2058)	\$66,000	\$62,000
Per Capita Income (2059)	\$67,000	\$63,000
Per Capita Income (2060)	\$68,000	\$64,000
Per Capita Income (2061)	\$69,000	\$65,000
Per Capita Income (2062)	\$70,000	\$66,000
Per Capita Income (2063)	\$71,000	\$67,000
Per Capita Income (2064)	\$72,000	\$68,000
Per Capita Income (2065)	\$73,000	\$69,000
Per Capita Income (2066)	\$74,000	\$70,000
Per Capita Income (2067)	\$75,000	\$71,000
Per Capita Income (2068)	\$76,000	\$72,000
Per Capita Income (2069)	\$77,000	\$73,000
Per Capita Income (2070)	\$78,000	\$74,000
Per Capita Income (2071)	\$79,000	\$75,000
Per Capita Income (2072)	\$80,000	\$76,000
Per Capita Income (2073)	\$81,000	\$77,000
Per Capita Income (2074)	\$82,000	\$78,000
Per Capita Income (2075)	\$83,000	\$79,000
Per Capita Income (2076)	\$84,000	\$80,000
Per Capita Income (2077)	\$85,000	\$81,000
Per Capita Income (2078)	\$86,000	\$82,000
Per Capita Income (2079)	\$87,000	\$83,000
Per Capita Income (2080)	\$88,000	\$84,000
Per Capita Income (2081)	\$89,000	\$85,000
Per Capita Income (2082)	\$90,000	\$86,000
Per Capita Income (2083)	\$91,000	\$87,000
Per Capita Income (2084)	\$92,000	\$88,000
Per Capita Income (2085)	\$93,000	\$89,000
Per Capita Income (2086)	\$94,000	\$90,000
Per Capita Income (2087)	\$95,000	\$91,000
Per Capita Income (2088)	\$96,000	\$92,000
Per Capita Income (2089)	\$97,000	\$93,000
Per Capita Income (2090)	\$98,000	\$94,000
Per Capita Income (2091)	\$99,000	\$95,000
Per Capita Income (2092)	\$100,000	\$96,000
Per Capita Income (2093)	\$101,000	\$97,000
Per Capita Income (2094)	\$102,000	\$98,000
Per Capita Income (2095)	\$103,000	\$99,000
Per Capita Income (2096)	\$104,000	\$100,000
Per Capita Income (2097)	\$105,000	\$101,000
Per Capita Income (2098)	\$106,000	\$102,000
Per Capita Income (2099)	\$107,000	\$103,000
Per Capita Income (2100)	\$108,000	\$104,000




Investing in Northern New Mexico's Future: Los Alamos Lab's New Tax Status

- Originally Tax Exempt
- Re-Competed Contract
- Change in Tax Status
 - Lost Revenues Outside of Los Alamos
 - Initial Contract Period: Seven Years
- Approx. Gross Receipts/Taxes: \$90M
 - \$40M (44%) to Los Alamos County
 - \$50M (56%) to State of New Mexico



Investing in Northern New Mexico's Future: Recent Lab Job Cuts

- Lab's Budget Shortfall: \$175M
- Job Cuts: Initially Up to 600 Jobs
 - Primarily Subcontractors
 - More Expected
- Negative Economic Impacts
- No Comprehensive Plans to Mitigate



Investing in Northern New Mexico's Future: A Bold Plan & Vision

- Create High-Wage Jobs
- Build a Sustainable Economy
- Re-establish Federal Funding & Support
- Stimulate Venture Capital Investment
- Eliminate Vulnerability of the Economy



Investing in Northern New Mexico's Future: An Opportunity for Investment

- Historic Opportunity is NOW!
 - Governor Richardson
 - State Legislature
- Invest Equitable Share of State General Fund Attributed to GRT Revenues
- Supplement LA County Revenue Sharing
- Close Gaps




Investing in Northern New Mexico's Future: Legislative Strategy

- Draft Legislation
- Continue Building Regional Support
- First of Seven-Year Investment Period
- Initial Request
 - \$200: Established Regional Priorities
 - Primarily Infrastructure
 - In County Economic Development Plan
- Future Requests
 - Based on Economic Development Plan



Investing in Northern New Mexico's Future: Initial Request for 2007

Proposed Projects	Amount
Escalante National Water Project	\$10.0M
Albany Douglas Airport Expansion	\$1.0M
Gold Avenue Joint-Maint. Authority Recycling	\$1.0M
Regional Public Transportation (RCH) Ltd.	\$1.0M
San Taabe Municipal Hospital Expansion	\$1.0M
Los Alamos County Economic Development Plan	\$0.0M
Fiber-Optic Telecom Study	\$0.0M
Grand Total	\$20M



Investing in Northern New Mexico's Future:
Initial Partners

- City of Española
- City of Santa Fe
- New Mexico Municipal League
- Northern New Mexico College
- Española Public Schools
- Rio Arriba County
- Los Alamos Study Group



*New Mexico Cannot Move Forward
While
Northern New Mexico Lags Behind!*

*Supporting
Resolutions*

New Mexico Municipal League Supporting Resolutions

**RESOLUTION NO. 2006-56
CONCERNING INVESTMENT IN NORTHERN NEW MEXICO'S FUTURE**

Whereas, the United States of America, through its agencies, has "recompeted" the contract for operation of the Los Alamos National Laboratory (the "Lab"); and

Whereas, the Request for Proposal for the Lab contract clearly sets forth a new paradigm for Lab operation and management; and

Whereas, the new management paradigm will lead to a change in the taxable status of Lab operations, possible reductions in the Lab workforce, changes in the workforce composition, and other changes which will impact the workers and economy of Northern New Mexico; and

Whereas, Los Alamos County has reached out to other communities in Northern New Mexico to seek their input and involvement on a consolidated approach to the challenges posed by the new operational paradigm; and

Whereas, the new Lab operation and management contract has taken effect on June 1, 2006; and

Whereas, the New Mexico Municipal League wishes to ensure that any negative impacts on Northern New Mexico from the changes in the operation and management of the Lab are addressed equitably and in a timely fashion; and

Whereas, the New Mexico Municipal League supports the objective of moving aggressively to broaden the economic base of stable, high paying jobs in Northern New Mexico.

Now, Therefore, Be It Resolved That the New Mexico Municipal League:

- 1.) Requests that the Governor and the New Mexico State Legislature join with affected communities in Northern New Mexico in a cooperative effort to assess the community impacts arising from the award of the new lab contract including but not limited to the impacts upon economic development, employment and tax revenues; and further, to assist in reducing any negative impacts of the award on Northern New Mexico communities.
- 2.) Supports initiatives by the affected communities to work together to develop and implement such plans, programs, and projects.

Passed, Approved and Adopted this 31st day of August, 2006 at the Town of Taos, New Mexico.

2006 Resolutions Committee



Bond Sale Results

January 30, 2007

Presented by:



6301 Uptown Blvd. NE, Suite 110
Albuquerque, NM 87110
(505) 872-5999

Issue Summary



Issue Size:	\$25,000,000
Maturity Dates:	2007-2026
Average Life:	13.658 Years
Ratings - Moody's:	2007-2012 Aa2
	2013-2026 Aaa (Aa2 Underlying)
Credit Enhancement:	MBIA
Net Interest Cost to Taxpayers:	\$15,035,593.01
Premium:	\$33,236.50
True Interest Cost:	4.391925%
Total Insurance Premium:	\$49,965.50
Estimated Tax Rate Increase:	None

Recap of Bids

\$25,000,000
Santa Fe County, New Mexico
General Obligation Bonds
Series 2007



Summary of Competitive Bids

30-Jan-07

Rating: Moody's: Aaa (underlying Aaa)

Maturity Date	Principal Amount	Bond Years	Bid No. 1 Piper Jeffrey	Bid No. 2 Morgan Stanley	Bid No. 3 Merrill Lynch	Bid No. 4 Southwest Securities	Bid No. 5 UBS Securities	Bid No. 6 J.P. Morgan	Bid No. 7 Bank of America
3/8/2007									
7/1/2007	\$400,000	125.5556	4.500%	5.000%	4.500%	5.500%	4.500%	5.000%	4.500%
7/1/2008	2,800,000	3,678,8889	5.000%	5.000%	5.000%	5.500%	4.500%	5.000%	4.000%
7/1/2008	500,000	1,156,9444	4.500%	5.500%	4.000%	5.500%	4.000%	5.000%	5.000%
7/1/2010	500,000	1,656,9444	4.250%	5.000%	4.000%	5.500%	4.000%	5.000%	5.000%
7/1/2011	250,000	1,078,4722	4.250%	5.000%	4.000%	5.500%	4.000%	4.500%	5.000%
7/1/2012	250,000	1,328,4722	4.250%	5.000%	4.000%	5.500%	4.000%	4.500%	5.000%
7/1/2013	250,000	1,578,4722	4.000%	5.000%	4.000%	5.500%	4.000%	4.500%	5.000%
7/1/2014	250,000	1,828,4722	4.000%	5.000%	4.000%	5.500%	4.000%	4.500%	5.000%
7/1/2015	500,000	4,156,9444	4.000%	4.000%	4.000%	4.000%	5.000%	4.500%	5.000%
7/1/2016	750,000	6,985,4167	4.000%	4.000%	5.250%	4.000%	5.000%	4.500%	5.000%
7/1/2017	750,000	7,735,4167	4.000%	4.000%	4.000%	4.000%	4.500%	4.500%	4.000%
7/1/2018	750,000	8,485,4167	4.000%	4.000%	4.000%	4.000%	4.250%	4.250%	4.000%
7/1/2019	750,000	9,235,4167	4.000%	4.000%	4.250%	4.000%	4.000%	4.250%	4.000%
7/1/2020	750,000	9,985,4167	4.125%	4.375%	4.125%	4.100%	4.125%	4.375%	4.000%
7/1/2021	750,000	10,735,4167	4.125%	4.250%	4.125%	4.250%	4.375%	4.375%	4.125%
7/1/2022	1,400,000	21,439,4444	4.375%	4.375%	4.375%	4.375%	4.250%	4.375%	4.375%
7/1/2023	1,400,000	22,839,4444	4.500%	4.250%	4.500%	4.250%	4.500%	4.500%	4.500%
7/1/2024	1,450,000	25,105,1389	4.500%	4.250%	4.250%	4.250%	4.500%	4.500%	4.500%
7/1/2025	1,450,000	26,555,1389	4.500%	4.250%	4.250%	4.250%	4.500%	4.500%	4.500%
7/1/2026	9,100,000	175,756,3889	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%	4.500%

Gross Interest Cost:	\$15,068,829.51	\$14,997,708.85	\$15,055,354.17	\$15,026,625.35	\$15,267,609.72	\$15,301,214.24	\$15,201,315.80
Plus Premium:	\$33,236.50	\$0.00	\$30,495.50	\$19,750.00	\$164,922.50	\$195,890.00	\$117,395.50
Net Interest Cost:	\$15,035,593.01	\$14,997,708.85	\$15,024,858.67	\$15,006,875.35	\$15,102,687.22	\$15,105,324.24	\$15,083,920.30

True Interest Cost:
 Credit Enhancement:

	4.3919%	4.3922%	4.3938%	4.3967%	4.4017%	4.4019%	4.4021%
MBA	MBA	MBA	N/A	MBA	MBA	MBA	MBA



Recap of Bids Continued

\$25,000,000
Santa Fe County, New Mexico
General Obligation Bonds
Series 2007



Summary of Competitive Bids

30-Jan-07

Rating: Moody's: Aaa (underlying Aaa)

Maturity Date	Principal Amount	Bond Years	Bid No. 8 Payer Sealy & Co.	Bid No. 9 LaSalle Financial	Bid No. 10 Well's Fargo Brokerage	Bid No. 11 First Trust Portfolios	Bid No. 12 RBC Capital Markets	Bid No. 13 Stephens Inc
3/8/2007								
7/1/2007	\$400,000	125.5556	4.000%	4.125%	4.000%	5.000%	4.000%	4.000%
7/1/2008	2,800,000	3,678.9899	4.000%	5.500%	4.000%	4.000%	4.500%	4.500%
7/1/2009	500,000	1,156.9444	4.000%	4.250%	4.000%	4.000%	4.000%	4.000%
7/1/2010	500,000	1,656.9444	4.000%	4.250%	4.250%	4.000%	4.000%	4.000%
7/1/2011	250,000	1,078.4722	4.000%	4.250%	4.250%	4.000%	4.000%	4.000%
7/1/2012	250,000	1,328.4722	5.000%	4.125%	4.250%	4.000%	4.000%	4.000%
7/1/2013	250,000	1,578.4722	5.000%	4.125%	4.250%	5.000%	4.000%	4.000%
7/1/2014	250,000	1,828.4722	5.000%	4.125%	5.000%	5.000%	4.000%	4.000%
7/1/2015	500,000	4,156.9444	5.000%	4.125%	5.000%	4.000%	4.000%	4.000%
7/1/2016	750,000	6,985.4167	5.000%	4.125%	5.000%	4.000%	4.000%	4.000%
7/1/2017	750,000	7,735.4167	5.000%	5.000%	4.000%	4.250%	4.000%	4.000%
7/1/2018	750,000	8,485.4167	4.250%	4.125%	4.250%	4.250%	4.250%	4.000%
7/1/2019	750,000	9,235.4167	4.250%	4.125%	4.250%	4.250%	4.250%	4.000%
7/1/2020	750,000	9,985.4167	4.375%	4.200%	4.375%	4.250%	4.375%	4.000%
7/1/2021	750,000	10,735.4167	4.375%	4.250%	4.375%	4.250%	4.375%	4.125%
7/1/2022	1,400,000	21,439.4444	4.375%	4.250%	4.375%	4.500%	4.375%	4.250%
7/1/2023	1,400,000	22,839.4444	4.400%	4.250%	4.500%	4.500%	4.500%	4.250%
7/1/2024	1,450,000	25,105.1389	4.400%	4.500%	4.500%	4.500%	4.500%	4.250%
7/1/2025	1,450,000	26,555.1389	4.400%	4.500%	4.500%	4.500%	4.500%	4.250%
7/1/2026	9,100,000	175,756.3899	4.500%	4.500%	4.500%	4.500%	4.500%	5.000%
Gross Interest Cost:			\$15,273,204.79	\$15,136,902.43	\$15,241,673.26	\$15,167,134.38	\$15,149,305.56	\$15,687,114.41
Plus Premium:			\$170,437.50	\$56,088.50	\$121,998.00	\$55,898.50	\$31,912.50	\$20,561.50
Net Interest Cost:			\$15,102,767.29	\$15,080,833.93	\$15,119,675.26	\$15,111,235.88	\$15,117,393.06	\$15,486,532.91

True Interest Cost:
 Credit Enhancement:

	MBA	MBA	MBA	CFG	MBA	AUBAC
4.4031%	4.4084%	4.4090%	4.4107%	4.4154%	4.4864%	



Net Debt Service Schedule



Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
07/01/2007	400,000.00	4.500%	348,142.01	748,142.01	748,142.01
07/01/2008	2,800,000.00	5.000%	1,091,125.00	3,891,125.00	3,891,125.00
07/01/2009	500,000.00	4.500%	951,125.00	1,451,125.00	1,451,125.00
07/01/2010	500,000.00	4.250%	928,625.00	1,428,625.00	1,428,625.00
07/01/2011	250,000.00	4.250%	907,375.00	1,157,375.00	1,157,375.00
07/01/2012	250,000.00	4.250%	896,750.00	1,146,750.00	1,146,750.00
07/01/2013	250,000.00	4.000%	886,125.00	1,136,125.00	1,136,125.00
07/01/2014	250,000.00	4.000%	876,125.00	1,126,125.00	1,126,125.00
07/01/2015	500,000.00	4.000%	866,125.00	1,366,125.00	1,366,125.00
07/01/2016	750,000.00	4.000%	846,125.00	1,596,125.00	1,596,125.00
07/01/2017	750,000.00	4.000%	816,125.00	1,566,125.00	1,566,125.00
07/01/2018	750,000.00	4.000%	786,125.00	1,536,125.00	1,536,125.00
07/01/2019	750,000.00	4.000%	756,125.00	1,506,125.00	1,506,125.00
07/01/2020	750,000.00	4.125%	726,125.00	1,476,125.00	1,476,125.00
07/01/2021	750,000.00	4.125%	695,187.50	1,445,187.50	1,445,187.50
07/01/2022	1,400,000.00	4.375%	664,250.00	2,064,250.00	2,064,250.00
07/01/2023	1,400,000.00	4.500%	603,000.00	2,003,000.00	2,003,000.00
07/01/2024	1,450,000.00	4.500%	540,000.00	1,990,000.00	1,990,000.00
07/01/2025	1,450,000.00	4.500%	474,750.00	1,924,750.00	1,924,750.00
07/01/2026	9,100,000.00	4.500%	409,500.00	9,509,500.00	9,509,500.00
Total	\$25,000,000.00	-	\$15,068,829.51	\$40,068,829.51	\$40,068,829.51



Outstanding and Proposed G.O. Debt



Series 2007A				Series 2007B				Total GO Debt Service			
Date	Principal	Coupon	Interest	Total	Principal	Coupon	Interest	Total	Principal	Interest	Total
2007	400,000	4.500%	348,142	748,142					6,420,000	2,531,024	8,951,024
2008	2,800,000	5.000%	1,091,125	3,891,125	550,000	5.000%	1,000,000	1,550,000	6,575,000	3,977,548	10,552,548
2010	500,000	4.250%	928,625	1,428,625	500,000	5.000%	947,500	1,447,500	4,250,000	3,462,108	7,712,108
2011	250,000	4.250%	907,375	1,157,375	500,000	5.000%	922,500	1,422,500	4,145,000	3,269,468	7,414,468
2012	250,000	4.250%	896,750	1,146,750	500,000	5.000%	897,500	1,397,500	4,280,000	3,066,951	7,386,951
2013	250,000	4.000%	886,125	1,136,125	500,000	5.000%	872,500	1,372,500	4,430,000	2,896,744	7,326,744
2015	500,000	4.000%	866,125	1,366,125	500,000	5.000%	822,500	1,322,500	4,355,000	2,555,313	6,910,313
2016	750,000	4.000%	846,125	1,586,125	500,000	5.000%	797,500	1,297,500	4,720,000	2,362,663	7,082,663
2017	750,000	4.000%	816,125	1,566,125	750,000	5.000%	772,500	1,522,500	5,155,000	2,129,075	7,284,075
2018	750,000	4.000%	786,125	1,536,125	750,000	5.000%	735,000	1,465,000	4,555,000	1,897,488	6,452,488
2020	750,000	4.125%	726,125	1,476,125	1,250,000	5.000%	660,000	1,910,000	2,750,000	1,650,625	4,400,625
2021	750,000	4.125%	695,188	1,445,188	1,250,000	5.000%	597,500	1,847,500	3,250,000	1,526,438	4,776,438
2022	1,400,000	4.375%	664,250	2,064,250	1,250,000	5.000%	535,000	1,785,000	3,900,000	1,379,875	5,279,875
2023	1,400,000	4.500%	603,000	2,003,000	1,250,000	5.000%	472,500	1,722,500	3,900,000	1,203,000	5,103,000
2025	1,450,000	4.500%	474,750	1,924,750	2,000,000	5.000%	310,000	2,310,000	3,900,000	804,438	4,704,438
2026	9,100,000	4.500%	409,500	9,509,500	2,000,000	5.000%	210,000	2,210,000	11,100,000	619,500	11,719,500
2027					2,200,000	5.000%	110,000	2,310,000	2,200,000	110,000	2,310,000
2028											
Total	\$25,000,000		\$15,068,830	\$40,068,830	\$20,000,000		\$13,590,000	\$33,590,000	\$95,275,000	\$44,626,795	\$139,901,795



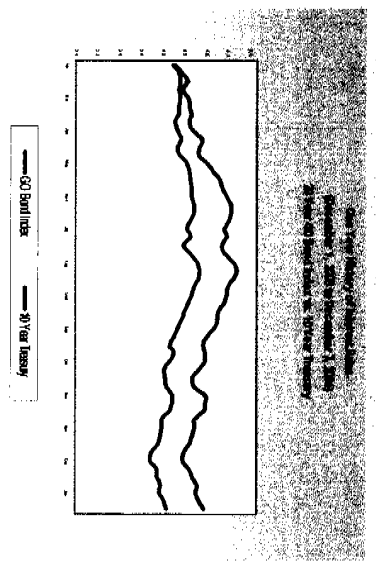
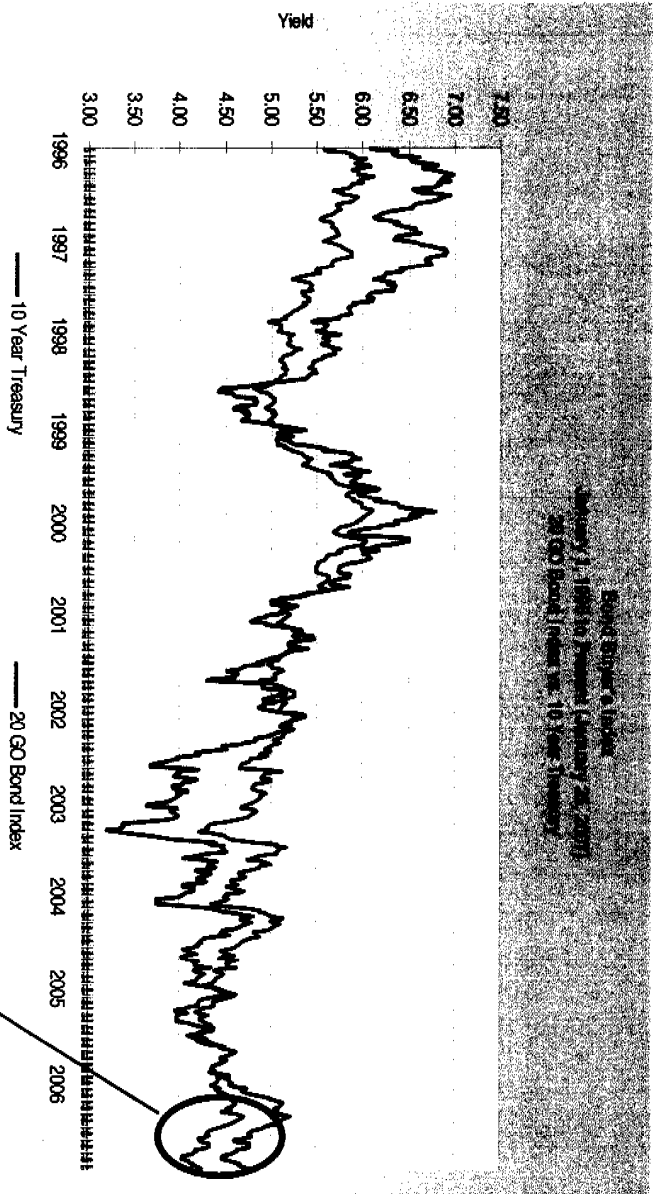
Outstanding and Proposed G.O. Debt

Series 2008

Date	Existing Debt	Principal	Coupon	Interest	Total	Total Debt
2008	\$10,552,548					\$10,552,548
2009	8,365,304	1,800,000	5.000%	947,917	2,747,917	11,113,220
2010	7,712,108	1,600,000	5.000%	1,535,000	3,135,000	10,847,108
2011	7,414,468	1,000,000	5.000%	1,455,000	2,455,000	9,869,468
2013	7,326,744	1,000,000	5.000%	1,355,000	2,355,000	9,681,744
2014	6,466,738	1,000,000	5.000%	1,305,000	2,305,000	8,771,738
2015	6,910,313	1,000,000	5.000%	1,255,000	2,255,000	9,165,313
2016	7,082,663	1,000,000	5.000%	1,205,000	2,205,000	9,287,663
2018	6,452,488	2,500,000	5.000%	1,055,000	3,555,000	10,007,488
2019	3,998,125	3,250,000	5.000%	930,000	4,180,000	8,178,125
2020	4,400,625	3,000,000	5.000%	767,500	3,767,500	8,168,125
2021	4,776,438	3,000,000	5.000%	617,500	3,617,500	8,393,938
2023	5,103,000	3,000,000	5.000%	317,500	3,317,500	8,420,500
2024	5,724,375	3,350,000	5.000%	167,500	3,517,500	9,241,875
2025	4,704,438					4,704,438
2026	11,719,500					11,719,500
2028	-					-
Total	\$130,950,771	\$32,500,000		\$15,940,417	\$48,440,417	\$179,391,188



Historical Interest Rate Chart





Moody's Investors Service Rating Report

Moody's Rating Criteria

INVESTMENT GRADE



Aaa

Highest possible rating - principal and interest payments considered very secure.

Aa1/Aa2/Aa3

High quality - differs from highest rating only in the degree of protection provided bondholders.

A1/A2/A3

Good ability to pay principal and interest although more susceptible to adverse effects due to changing conditions.

Baa1/Baa2/Baa3

Adequate ability to make principal and interest payments -- adverse changes are more likely to affect the ability to service debt.

Moody's Rating Criteria

MOODY'S ASSIGNS Aa2 RATING TO SANTA FE COUNTY (NM) \$25 MILLION GO BONDS, SERIES 2007A

RATING AFFIRMATION AFFECTS \$75.3 MILLION IN PARTY DEBT, INCLUDING CURRENT ISSUE

Santa Fe (County of) NM
Primary & Secondary Education
New Mexico

Moody's Rating

Issue	Rating
General Obligation Bonds, Series 2007A	Aa2
Sale Amount	\$25,000,000
Expected Sale Date	01/30/07
Rating Description	General Obligation Unlimited Tax

General Obligation Bonds, Series 2007A	Aa2
Sale Amount	\$25,000,000
Expected Sale Date	01/30/07
Rating Description	General Obligation Unlimited Tax

NEW YORK, January 26, 2007 -- Moody's Investors Service has assigned a Aa2 rating to Santa Fe County's (NM) upcoming sale of \$25 million General Obligation Bonds, Series 2007A. Concurrently, Moody's affirms the Aa2 rating on \$50.3 million in outstanding party debt. The high-level rating is indicative of the County's large and diverse tax base supported by fairly affluent individuals; a multi-year trend of solid financial operations; and a low debt burden. Proceeds from the sale of the Bonds will be used to construct a new court house. The Bonds are secured by the County's full faith and credit and are general obligations of the County payable from ad valorem taxes to be levied, without limitation as to rate or amount, against all taxable property within the County.

HIGH-END RESIDENTIAL AND RETAIL DEVELOPMENT FUEL TAX BASE GROWTH

Located in north central New Mexico, Santa Fe County encompasses 1,909 square miles. Officials believe only 50% of the County's land area is developed, leaving ample availability for future growth. The City of Santa Fe is home to the state capital and 10,000 state and federal government jobs, offering stability in the economy. In addition, Santa Fe has historically served as an upscale, resort community and second-home destination for individuals all over the southwestern portion of the United States. Due to the socioeconomic mix of the majority of individuals living within the County, the 2000 Census per capita income of \$23,594 surpassed the states, equaling 137% of the state and 109% of the nation.



Moody's Rating Criteria



Officials report high-end residential construction continues in the County with sale prices as high as \$4 million. In addition, expansion of large retail establishments and restaurants is underway to serve a growing population. New development and healthy reappraisal of existing properties has boosted the County's assessed valuation a significant 8.4% annually over the past five years to \$5.4 billion in fiscal 2007, resulting from a sizable full value of \$16.4 billion. The growth in fiscal 2007 represents a notable 10.6% increase over the prior year. Officials indicate that of the \$517 million added to the tax roll in fiscal 2007, approximately 58% resulted from new construction value primarily from ongoing home construction and retail expansion. Going forward, officials conservatively project the assessed valuation will grow annually at 7.5% for the next three years and at 5.0% thereafter. Moody's believes new and planned development will continue to result in the County's assessed value expanding at favorable rates.

SOLID FINANCIAL OPERATIONS BOLSTERED BY AMPLE RESERVES

Despite a one-time draw on the reserve at fiscal year-end 2002 to finance capital expenditures, the County has historically added to the general fund balance annually. Between fiscal years 2001 and 2006, the County's general fund reserve has grown from \$18.6 million (50.3% of general fund revenues) to an ample \$27.6 million (60.4% of general fund revenues). The reserve level far exceeds the state requirement that County's maintain 3/12ths of operations in reserve. Officials attribute the increases to conservative budgeting practices and growing operating resources derived from a larger assessed valuation. For fiscal 2007, officials expect the reserve will remain stable or improve slightly at fiscal year-end. However, the County could designate a portion of the reserves for future capital improvements. The general fund continued to subsidize the jail facility in fiscal 2006 by about \$6 million, which is a decline from the \$7.5 million transferred during fiscal 2005. Officials anticipate further transfers to the jail facility in future years, but believe the amounts will decline. Operating revenues in fiscal 2006 were primarily derived from property taxes and gross receipt taxes (74.8%) and charges for service (3.1.0%). Moody's believes the County's financial position will remain solid over the medium term as officials maintain their commitment to prudent fiscal practices. The favorable financial position is a key component of the County's high quality Aa2 rating.

MODEST DEBT POSITION EXPECTED TO REMAIN DESPITE PLANNED CAPITAL PROJECTS

Inclusive of the current issue, the County's direct and overall debt ratios are modest at 0.5% and 1.0%, respectively, both expressed as a percent of the County's full valuation. The current issue comprises the entire \$25 million bond authorization approved by voters in November 2006. The County still has \$52.5 million in unissued authorized debt from a \$72.15 million bond election approved by voters in November 2004 for roads, water projects and fire safety.

Moody's Rating Criteria



The County will exhaust the remaining \$52.5 million in two installments slated for late 2007 and 2008. Furthermore, officials estimate future bond elections will be scheduled every four years beginning with an election for approximately \$23 million in 2008. Subsequent bond authorization requests would be structured so as to not require a debt service tax rate above 1.87%. Although the principal repayment has slowed, it remains above average with 57% retired in ten years. Despite the planned additional debt, Moody's believes the County's debt position will remain favorable given that even in the unlikely event of zero growth in assessed values, the issuance of the \$52.5 million in authorized debt would only increase the debt ratios to 0.8% direct and 1.4% overall.

KEY STATISTICS:

- Estimated Population: 140,855
- 2007 Full Value: \$16.4 billion
- Full Value per Capita: \$116,282
- 2000 Census Per Capita Income: \$23,594 (137% of State)
- Direct Debt Ratio: 0.5%
- Overall Debt Ratio: 1.0%
- Payout of Principal (10 years): 57%
- FY 2006 General Fund Balance: \$27.6 million (60.4% of general fund revenues)
- Post Sale Parity Debt Outstanding: \$75 million

ANALYSTS:

Mireya Loewe, Analyst, Public Finance Group, Moody's Investors Service
Kristin Burton, Backup Analyst, Public Finance Group, Moody's Investors Service

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Research Clients: (212) 553-1653



EXCERPT FROM A REGULAR MEETING
OF THE BOARD OF COMMISSIONERS
SANTA FE COUNTY

The Board of County Commissioners (the "Board"), as the governing body of Santa Fe County, State of New Mexico (the "County"), met in regular session in full conformity with law and the rules and regulations of the Board at the County Administration Building, 102 Grant Avenue, Santa Fe, New Mexico, being the regular meeting place of the Board, on Tuesday, January 30, 2007, at the hour of 1:00 p.m. Upon roll call, the following members were found to be present:

PRESENT:

Chairperson: Virginia Vigil

Members: Paul Campos
Harry Montoya
Jack Sullivan
Mike Anaya

ABSENT: None

ALSO PRESENT: Roman Abeyta, County Manager
Valerie Espinoza, County Clerk
Steve Ross, County Attorney
Joseph Gutierrez, Project Facilities
Management Department Director

The Chairperson announced that the Board would take action awarding the Santa Fe County, New Mexico General Obligation Bonds, Series 2007A, in the amount of \$25,000,000 (the "Bonds") in conformity with the Notice of Bond Sale published by the Board on January 22, 2007.

Board Member _____ thereupon moved that the Board accept the bid of Piper Jaffray- Minneapolis, MN, for the purchase of the Bonds, being the best bid received for the Bonds.

The bid is as follows:

Maturity Date (July 1)	Principal Amount	Interest Rate
2007	\$ 400,000	4.500%
2008	2,800,000	5.000%
2009	500,000	4.500%
2010	500,000	4.250%
2011	250,000	4.250%
2012	250,000	4.250%
2103	250,000	4.000%
2014	250,000	4.000%
2015	500,000	4.000%
2106	750,000	4.000%
2017	750,000	4.000%
2018	750,000	4.000%
2109	750,000	4.000%
2020	750,000	4.125%
2021	750,000	4.125%
2022	1,400,000	4.375%
2023	1,400,000	4.500%
2024	1,450,000	4.500%
2025	1,450,000	4.500%
2026	9,100,000	4.500%

The motion was duly seconded by Board Member _____ and
unanimously carried.

Board Member _____ thereupon introduced and Board Member
_____ moved the adoption of the following resolution:

SANTA FE COUNTY, NEW MEXICO

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF SANTA FE COUNTY, NEW MEXICO GENERAL OBLIGATION BONDS, SERIES 2007A, IN THE PRINCIPAL AMOUNT OF \$25,000,000, PAYABLE FROM AD VALOREM TAXES LEVIED ON ALL TAXABLE PROPERTY WITHIN THE COUNTY; PROVIDING FOR THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION AND THE METHOD OF, AND SECURITY FOR, PAYMENT; AND PROVIDING FOR OTHER DETAILS CONCERNING THE BONDS.

WHEREAS, at a general obligation bond election duly called and held for Santa Fe County, State of New Mexico, (the "County") on the day of November 7, 2006, the electors of the County authorized the Board of Commissioners of Santa Fe County (the "Board") to contract bonded indebtedness on behalf of the County and upon the credit thereof by issuing general obligation bonds of the County to secure funds for the following purpose in the following amount:

<u>Purpose</u>	<u>Amount Authorized At Election</u>	<u>Amount Previously Issued</u>	<u>Amount to be Issued</u>
to acquire real property for, and construct, design, equip, improve and furnish a District Courthouse and related parking facilities in Santa Fe	\$25,000,000	\$-0-	\$25,000,000

WHEREAS, the Board has received and publicly opened sealed bids for the purchase of the Bonds and the Board has accepted the bid and awarded the Bonds to Piper Jaffray- Minneapolis, MN, the best bidder for the Bonds; and

WHEREAS, the Board has determined and does hereby determine that the Bonds shall be issued at this time under the authority of the New Mexico Constitution and

applicable law as hereinafter set forth, and desires to fix the form and details of the Bonds and to provide for the levy of taxes for the payment of the principal of and interest on the Bonds; and

WHEREAS, the net effective interest rate on the Bonds is not more than ten percent (10%); and

WHEREAS, no action or suit has been commenced by any person or corporation contesting the validity of any of the proceedings directed toward the issuance and sale of the Bonds heretofore taken by the Board and the officers of the County.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF SANTA FE COUNTY, NEW MEXICO AS FOLLOWS:

Section 1. All actions heretofore taken by the Board and the officers and employees of the County directed toward the issuance and sale of the Bonds to secure funds for the purposes stated above be, and the same hereby are, ratified, approved and confirmed, including establishing optional redemption features for the Bonds as set forth in the Notice of Bond Sale published on behalf of the Board on January 11, 2007, and awarding the Bonds in the amount of \$25,000,000 to Piper Jaffray- Minneapolis, MN (the "Purchaser").

Section 2.

A. In order to provide funds for the purposes stated above, the Board, on behalf of the County and upon the full faith and credit thereof, shall issue the County's general obligation bonds maturing and bearing interest as follows:

Maturity Date (July 1)	Principal Amount	Interest Rate
2007	\$ 400,000	4.500%
2008	2,800,000	5.000%
2009	500,000	4.500%
2010	500,000	4.250%
2011	250,000	4.250%
2012	250,000	4.250%
2103	250,000	4.000%
2014	250,000	4.000%
2015	500,000	4.000%
2106	750,000	4.000%
2017	750,000	4.000%
2018	750,000	4.000%
2109	750,000	4.000%
2020	750,000	4.125%
2021	750,000	4.125%
2022	1,400,000	4.375%
2023	1,400,000	4.500%
2024	1,450,000	4.500%
2025	1,450,000	4.500%
2026	9,100,000	4.500%

B. The Bonds shall be dated the date of their delivery (herein the "Series Date"), will be issued in one series and shall consist of bonds numbered consecutively from R-1 upward, issuable in the denomination of \$5,000 each or integral multiples thereof (provided that no individual bond will be issued for more than one maturity); shall bear interest from the Series Date to maturity at the rates per annum set forth above for the Bonds, payable to the registered owner thereof, or registered assigns, on July 1, 2007, and semiannually thereafter on January 1 and July 1 in each year in which the Bonds are outstanding and shall mature on July 1 of each year set forth above.

C. Bonds which are reissued upon transfer, exchange or other replacement shall bear interest from the most recent interest payment date to which

interest has been fully paid or provided for in full or, if no interest has been paid, from the Series Date.

D. The principal of and interest on the Bonds due at maturity shall be payable to the registered owner thereof, as shown on the registration books kept by the Santa Fe County Treasurer as the registrar/paying agent (the "Registrar/Paying Agent") for the Bonds, upon maturity and upon presentation and surrender thereof at the principal office of the Registrar/Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by the Bond until the principal thereof is paid in full. Payment of interest on the Bonds (other than at maturity) shall be made by check or draft mailed by the Registrar/Paying Agent (or by such other arrangement as may be mutually agreed to by the Registrar/Paying Agent and such registered owner), on or before each interest payment date (or, if such interest payment date is not a business day, on or before the next succeeding business day), to the registered owner thereof as of the close of business on the Record Date (defined below) at the address as it appears on the registration books kept by the Registrar/Paying Agent. All such payments shall be made in lawful money of the United States of America. The term "Record Date" as used herein with respect to any interest payment date shall mean the 15th day of the month preceding the interest payment date. The person in whose name any Bond is registered at the close of business on any Record Date with respect to any interest payment date shall be entitled to receive the interest payable thereon on such interest payment date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such interest payment date; but interest on any Bond which is not timely paid or duly provided for shall cease to

be payable as provided above and shall be payable to the person in whose name such Bond is registered at the close of business on a special record date (the "Special Record Date") fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first-class mail, to the registered owners of the Bonds as of the fifth day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest.

E. The Bonds maturing on and after July 1, 2017, are subject to prior redemption at the County's option in one or more units of principal of \$5,000 on and after July 1, 2016 in whole or in part at any time, in such order of maturities as the County may determine, for the principal amount of each \$5,000 unit of principal so redeemed plus accrued interest to the redemption date. Redemption shall be made upon prior notice mailed to each registered owner of each bond selected for redemption as shown on the registration books kept by the Registrar.

F. Notice of redemption of the Bonds will be given by the Registrar/Paying Agent by sending a copy of such notice by first-class, postage prepaid mail not less than 30 days prior to the redemption date to the address shown as of the fifth day prior to the mailing of notice on the registration books by the Registrar/Paying Agent. The County shall give the Registrar/Paying Agent notice of the Bonds to be called for redemption at least 15 days prior to the date that the Registrar/Paying Agent is required to give owners notice of redemption, which notice shall specify the Bonds and

the principal amount to be called for redemption and the applicable redemption dates. The Registrar/Paying Agent's failure to give such notice to the registered owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given. The notice will specify the number or numbers and maturity date or dates of the Bonds to be redeemed (if less than all are to be redeemed) the principal amount of any Bond to be redeemed in part, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon each Bond or part thereof to be redeemed, at the office of the Registrar/Paying Agent, the principal amount thereof to be redeemed plus accrued interest, if any, to the redemption date; and that from and after such date interest will cease to accrue on the principal amount redeemed. Such notice may be a conditional notice of redemption and the amount of money required to redeem the Bonds called for redemption need not be on deposit with the Registrar/Paying Agent at the time notice of redemption is given. If notice is given in the manner provided above, the Bond or Bonds or part thereof called for redemption will become due and payable on the redemption date designated and, if an amount of money sufficient to redeem all Bonds called for redemption is on deposit with the Registrar/Paying Agent on the redemption date, the Bonds or part thereof to be redeemed shall be deemed to be not outstanding and will cease to bear or accrue interest from and after such redemption date. Upon presentation of a Bond to be redeemed at the office of the Registrar/Paying Agent on or after the redemption date, the Registrar/Paying Agent will pay such Bond, or portion thereof called for redemption.

Section 3. The Bonds were authorized at a general obligation bond election duly called and held within the County on November 7, 2006. The Bonds shall constitute the general obligation bonds of the County, payable from general ad valorem taxes in amounts sufficient to meet the semi-annual payments of interest and annual payments of principal on the Bonds maturing in each year. The full faith and credit of the County shall be, and hereby is, irrevocably pledged to the payment of the principal of and interest on the Bonds.

Section 4. The Bonds shall bear the manual or facsimile signature of the Chairperson of the Board and shall be attested by the manual or facsimile signature of the Santa Fe County Clerk. The Bonds shall be authenticated by the manual signature of an authorized officer of the Registrar/Paying Agent. The Bonds bearing the signatures or facsimile signatures of the officers in office at the time of the signing thereof shall be the valid and binding obligations of the County, notwithstanding that, before the delivery of the Bonds and payment therefor, or before the issuance thereof upon transfer or exchange, any or all of the persons whose signatures appear on the Bonds shall have ceased to fill their respective offices. The Chairperson of the Board and the County Clerk shall, by the execution of a signature certificate pertaining to the Bonds, adopt as and for their respective signatures the facsimiles thereof appearing on the Bonds; and, at the time of the execution of the signature certificate, the Chairperson and County Clerk may each adopt as and for his or her facsimile signature the facsimile signature of his or her predecessor in office in the event that such facsimile signature appears upon any of the Bonds. If required for execution of the Bonds, the Chairperson of the Board and the County Clerk, pursuant to Sections 6-9-1 through 6-9-6, NMSA 1978, shall each

forthwith file his or her manual signature, certified by him or her under oath, with the Secretary of State of New Mexico, provided that such filing shall not be necessary for any officer where any previous filing shall have application to the Bonds.

No Bond shall be valid or obligatory for any purpose unless the certificate of authentication, substantially in the form hereinafter provided, has been duly executed by the Registrar/Paying Agent. The Registrar/Paying Agent's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer of the Registrar/Paying Agent, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 5.

A. Books for the registration and transfer of the Bonds shall be kept by the Registrar/Paying Agent, which is hereby appointed by the County as registrar and as paying agent for the Bonds. Upon the surrender for transfer of any Bond at the principal office of the Registrar/Paying Agent, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver, not more than three business days after receipt of the Bond to be transferred, in the name of the transferee or transferees, a new Bond or Bonds in fully registered form of the same aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the principal office of the Registrar/Paying Agent for an equal aggregate principal amount of Bonds of other authorized denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver, not

more than three business days after receipt of the Bond to be exchanged, a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment by the owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

B. The person in whose name any Bond shall be registered on the registration books kept by the Registrar/Paying Agent, shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of overdue interest as is provided in Section 2 hereof; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative, but such registration may be changed upon transfer of such Bond in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

C. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar/Paying Agent shall, upon receipt of the mutilated Bond and such evidence, information or indemnity relating thereto as it may reasonably require and as may be required by law, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding.

If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar/Paying Agent may pay such Bond in lieu of replacement.

D. The officers of the County are authorized to deliver to the Registrar/Paying Agent fully executed but unauthenticated Bonds in such quantities as may be convenient to be held in custody by the Registrar/Paying Agent pending use as herein provided.

E. Whenever any Bond shall be surrendered to the Registrar/Paying Agent upon payment thereof, or to the Registrar/Paying Agent for transfer, exchange or replacement as provided herein, such Bond shall be promptly cancelled by the Registrar/Paying Agent, and counterparts of a certificate of such cancellation shall be furnished by the Registrar/Paying Agent to the County.

F. Notwithstanding the above provisions of this Section, the Bonds may be issued or registered, in whole or in part, in book-entry form from time to time with no physical distribution of bond certificates made to the public, with the Depository Trust Company of New York, New York (the "Depository"), acting as securities depository for the Bonds. A single certificate for each maturity date of the Bonds issued in book-entry form will be delivered to the Depository and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in authorized denominations, with transfer of ownership effected on the books of the Depository and its participants (the "Participants"). As a condition to delivery of the Bonds in book-entry form, the Purchaser will, immediately after acceptance of delivery thereof, deposit, or cause to be deposited, the Bond certificates with the Depository, registered in the name of the Depository or its nominee. Principal, premium, if any, and interest will be paid to the

Depository or its nominee as the registered owner of the Bonds. The transfer of principal, premium, if any, and interest payments to Participants will be the responsibility of the Depository; the transfer of principal, premium, if any, and interest payments to the beneficial owners of the Bonds (the "Beneficial Owners") will be the responsibility of Participants and other nominees of Beneficial Owners maintaining a relationship with Participants (the "Indirect Participants"). The County will not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Depository, Participants or Indirect Participants.

If (i) the Bonds are not eligible for the services of the Depository, (ii) the Depository determines to discontinue providing its services with respect to the Bonds, or (iii) the County determines that a continuation of the system of book-entry transfers through the Depository ceases to be beneficial to the County or the Beneficial Owners, the County will either identify another similar depository to perform such functions or certificates for the Bonds will be delivered to the Beneficial Owners or their nominees, and the Beneficial Owners or their nominees, upon authentication of Bonds and registration of those Bonds in the Beneficial Owners' or nominees' names, will become the owners of the Bonds for all purposes. In that event, the County shall mail an appropriate notice to the Depository for notification to Participants, Indirect Participants and Beneficial Owners of the substitute Depository or the issuance of bond certificates to Beneficial Owners or their nominees, as applicable.

Officers of the County are authorized to sign agreements with the Depository relating to the matters set forth in this Section.

Notwithstanding any other provision of this Resolution, so long as all of the Bonds are registered in the name of the Depository or its nominee, all payments of principal, premium, if any, and interest on the Bonds, and all notices with respect to the Bonds, shall be made and given by the Registrar/Paying Agent to the Depository as provided in this Resolution and by the Depository to its Participants or Indirect Participants and notices to the Beneficial Owners of the Bonds in the manner provided in an agreement or letter of the County to the Depository.

Section 6. If the Registrar/Paying Agent initially appointed hereunder shall resign, or if the County shall reasonably determine that the Registrar/Paying Agent has become incapable of fulfilling its duties hereunder, the County may, upon notice mailed to each registered owner of the Bonds at the address last shown on the registration books, appoint a successor Registrar/Paying Agent. Every such successor Registrar/Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareholders equity (e.g., capital stock, surplus and undivided profits), however denominated, of not less than \$10,000,000.

Section 7. Subject to the registration provisions hereof, the Bonds hereby authorized shall be fully negotiable and shall have all the qualities of negotiable paper, and the registered owner or owners thereof shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code.

Section 8. The Bonds shall be in substantially the following form:

[Remainder of Page Intentionally Left Blank]

[Form of Bond]

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF NEW MEXICO
SANTA FE COUNTY, NEW MEXICO
GENERAL OBLIGATION BONDS
SERIES 2007A

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Series Date</u>	<u>CUSIP</u>
_____ % per annum	July 1, 20____	March 8, 2007	_____

The Board of Commissioners (the "Board") on the faith, credit and behalf of Santa Fe County, New Mexico (the "County"), for value received, hereby promises to pay to the registered owner named above, or registered assigns, the principal amount hereof on the Maturity Date and to pay interest on the principal amount at the Interest Rate on July 1, 2007, and thereafter on January 1 and July 1 of each year (the "Interest Payment Date") from the Series Date to its maturity. The principal of the bonds of the series of which this is one (the "Bonds") and interest due at maturity shall be payable to the registered owner thereof as shown on the registration books kept by the Santa Fe County Treasurer as registrar/paying agent (the County Treasurer and any successor thereto, the "Registrar/Paying Agent") for the Bonds, upon maturity and upon presentation and surrender thereof at the principal office of the Registrar/Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by the Bond until the principal thereof is paid in full. Payment of interest on the Bonds (other than at maturity) shall be made by check or draft mailed by the Registrar/Paying Agent (or by such other arrangement as may be mutually agreed to by the Registrar/Paying Agent and such registered owner), on or before each Interest Payment Date (or, if such Interest Payment Date is not a business day, on or before the next succeeding business day), to the registered owner thereof as of the close of business on the Record Date (defined below) at his or her address as it appears on the registration books kept by the Registrar/Paying Agent. All such payments shall be made in lawful money of the United States of America. The term "Record Date" as used herein with respect to any Interest Payment Date shall mean the 15th day of the month preceding the Interest Payment Date. The person in whose name any Bond is registered at the close of business on any Record Date with respect to any Interest

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Payment Date shall be entitled to receive the interest payable thereon on such Interest Payment Date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date; but interest on any Bond which is not timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name such Bond is registered at the close of business on a special record date (the "Special Record Date") fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first-class mail, to the registered owners of the Bonds as of the fifth day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest. If the Bonds are issued in book-entry only form, an authorized officer of the County and the applicable securities depository may make other arrangements for the payments on the Bonds.

The Bonds are fully registered and are issuable in denominations of \$5,000 and any integral multiple thereof (provided that no individual bond may be issued for more than one maturity).

The series of Bonds of which this bond is one is limited to the total principal amount of \$25,000,000 of like tenor except as to number, denomination, maturity date, and interest rate, issued by Santa Fe County, New Mexico for the purpose of securing funds for acquiring real property for, and constructing, designing, equipping, improving and furnishing a District Courthouse and related parking facilities in Santa Fe.

The Bonds are issued under the authority of and in full conformity with the Constitution and laws of the State of New Mexico (particularly Sections 4-49-1 *et seq.*, NMSA 1978, and acts amendatory and supplemental thereto), and pursuant to the resolution of the Board authorizing the publication of a notice of sale of the Bonds and duly adopted on December 12, 2006 (the "Notice of Sale Resolution") and the resolution of the Board awarding the Bonds to the best bidder therefore and duly adopted on January 30, 2007 (the "Award Resolution" and, together with the Notice of Sale Resolution, the "Bond Resolution").

The Bonds maturing on and after July 1, 2017, are subject to prior redemption at the County's option in one or more units of principal of \$5,000 on and after July 1, 2016 in whole or in part at any time, in such order of maturities as the County may determine, for the principal amount of each \$5,000 unit of principal so redeemed plus accrued interest to the redemption date. Redemption shall be made upon prior notice mailed to each registered owner of each bond selected for redemption as shown on the registration books kept by the Registrar.

The Registrar/Paying Agent will maintain the books of the County for the registration of ownership of the Bonds. Upon the surrender for transfer of any Bond at the principal office of the Registrar/Paying Agent, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney

duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver, not more than three business days after receipt of the Bond to be transferred, in the name of the transferee or transferees, a new Bond or Bonds in fully registered form of the same aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the principal office of the Registrar/Paying Agent for an equal aggregate principal amount of Bonds of other authorized denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver, not more than three business days after receipt of the Bond to be exchanged, a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment by the owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

The person in whose name any Bond shall be registered on the registration books kept by the Registrar/Paying Agent shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of overdue interest; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative, but such registration may be changed upon transfer of such Bond in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar/Paying Agent shall, upon receipt of the mutilated Bond and such evidence, information or indemnity relating thereto as the Registrar/Paying Agent may reasonably require and as may be required by law, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar/Paying Agent may pay such Bond in lieu of replacement.

For the punctual payment of the principal of and interest on this bond as aforesaid and for the levy and collection of taxes in accordance with the statutes authorizing the issuance of this bond, the full faith and credit of the County is hereby irrevocably pledged. The Board has, by the Bond Resolution, ordered the creation of an interest and sinking fund for the payment of the Bonds. Such fund is to be held in trust for the benefit of the owner or owners of the Bonds.

It is hereby certified, recited and warranted that all the requirements of law have been complied with by the proper officials of the County in the issuance of this bond; that the total indebtedness of the County, including that of this bond, does not exceed any

limit of indebtedness prescribed by the Constitution or laws of the State of New Mexico; that issuance of this bond was duly authorized by the legally qualified voters of the County at an election held on November 7, 2006; that provision has been made for the levy and collection of annual taxes sufficient to pay the principal of and the interest on this bond when the same become due. This bond shall not be valid or obligatory for any purpose until the Registrar/Paying Agent shall have manually signed the certificate of authentication hereon.

SFC CLERK RECORDED 03/07/2007

IN TESTIMONY WHEREOF, the Board of Commissioners of Santa Fe County, New Mexico constituting the governing board of the County, has caused this bond to be signed and executed with the manual or facsimile signature of the Chairperson of the Board and subscribed and attested with the manual or facsimile signature of the Santa Fe County Clerk, all as of the Series Date.

Virginia Vigil, , Chairperson
Board of County Commissioners
Santa Fe County, New Mexico

Attest:

Valerie Espinoza
Santa Fe County Clerk

SFC CLERK RECORDED 03/07/2007

[Form of Certificate of Authentication]

This bond is one of the Bonds described in the Bond Resolution and has been duly registered on the registration books kept by the undersigned as Registrar/Paying Agent for the Bonds.

Date of Authentication
and Registration: _____

Santa Fe County Treasurer,
as Registrar/Paying Agent

By: _____
Victor Montoya

[End of Form of Certificate of Authentication]

[Form of Assignment]

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto _____ whose social security or tax identification number is _____ the within bond and irrevocably constitutes and appoints _____ attorney to transfer such bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ Address: _____

Signature Guaranteed:

NOTE: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

[End of Form of Assignment]

[End of Form of Bond]

Section 9. When the Bonds have been duly executed and authenticated, they shall be delivered to the lawful purchaser thereof named in Section 1 of this Resolution. The funds realized from the sale of the Bonds shall be applied solely to the specified purpose for the Bonds (provided that any accrued interest shall be used to pay principal of and interest on the Bonds), but the purchaser of the Bonds shall in no manner be responsible for the application of or disposal by the County, or any of its officers, of any of the funds derived from the sale thereof.

Section 10. There shall be levied on all taxable property within the County, at the time and in the manner provided by law, in addition to all other taxes, direct annual ad valorem taxes sufficient to pay the principal of and interest accruing on the Bonds promptly as the same shall become due. This Resolution is hereby declared to be the certificate of the Board, as to the amount of taxes necessary to be levied for the purposes herein stated and said taxes shall be certified, levied and extended upon the tax rolls and collected in the same manner, at the same time and subject to the same penalties as general state and county taxes are certified, levied and collected. The taxes, when collected, shall be kept by the County in the County's interest and sinking fund for the County's general obligation bonds to be to be used solely for the purpose of paying the principal of and interest on the County's general obligation bonds as the same become due or mature; provided that nothing herein contained shall be so construed as to prevent the application of any other funds belonging to the County and available for that purpose, to the payment of the Bonds or the interest thereon, as the same become due and upon such payment the levy or levies of tax provided for in this Section may thereupon to that extent be diminished. If the taxes herein provided for shall not be levied or collected in

time to pay the interest on or principal of the Bonds as the same become due or mature, then such interest or principal shall be paid from any other funds belonging to the County, which funds may be reimbursed from the taxes herein provided for when the same are collected.

Section 11. The Chairperson, County Clerk and other officers of the County are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including without limiting the generality of the foregoing, the printing of the Bonds and the execution of such certificates as may be required by the Purchaser relating to the signing of the Bonds, the tenure and identity of County officials, the receipt of the purchase price of the Bonds from the Purchaser and the absence of litigation, pending or threatened, if in accordance with the facts, affecting the validity thereof and the absence and existence of factors affecting the exclusion of interest on the Bonds from gross income for federal income tax purposes.

In order to assist the Purchaser in complying with Securities and Exchange Commission Rule 15c2-12(b)(5), at the time of delivery of the Bonds, the County will undertake, pursuant to a written continuing disclosure agreement, to provide annual financial information and notices of certain material events.

Section 12. The County covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). The Chairperson of the Board, the Santa Fe County Treasurer and any other officer of the County having responsibility for the issuance of the Bonds shall give an appropriate certificate of the County, for inclusion in

the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the County regarding the amount and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Bonds.

The County covenants that it (a) will take or cause to be taken such actions which may be required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or permit to be taken any actions which would adversely affect that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purpose of the borrowing, (ii) restrict the yield, as required, on investment property acquired with those proceeds, (iii) make timely rebate payments, if required, to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Chairperson, Treasurer and other appropriate officers are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications, as may be appropriate to assure such exclusion of that interest.

Section 13. Any Bond and the interest thereon shall be deemed to be paid, retired, and no longer outstanding (a "Defeased Bond") hereunder when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity, upon redemption, or other) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption), or (ii) shall have been provided for on or before such due date by

irrevocably depositing with or making available to a qualified depository for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Government Obligations which mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment (as verified by a certified or registered public accountant), and when proper arrangements have been made by the County with a qualified depository for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of the ad valorem taxes herein levied and pledged as provided in this ordinance, and such principal and interest shall be payable solely from such money or Government Obligations.

Any moneys so deposited with the qualified depository may, at the written direction of the County, also be invested and re-invested in Government Obligations, maturing in the amounts and times required to make payments when due on the Defeased Bonds, and all income from such Government Obligations received by the qualified depository which is not required for the payment of the Defeased Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the County for use in accordance with law. The term "Government Obligations" means direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America which may be United States Treasury Obligations such as its State and Local Government Series, which may be in book-entry form.

Section 14. Moneys in any fund not immediately needed may be invested as provided by state law and applicable federal statutes and regulations, provided that the Board and the County hereby covenant to the purchasers and the holders of the Bonds from time to time that the County will make no use of the proceeds of the Bonds or any funds reasonably expected to be used to pay the principal of or interest on the Bonds which will cause the Bonds to be arbitrage bonds within the meaning of Section 148 of the Code, as amended, or which would adversely affect the tax status of interest on the Bonds under the Code. This covenant is for the benefit of the purchasers and the holders of the Bonds from time to time.

Section 15. After any of the Bonds have been issued, this Resolution shall constitute a contract between the County and the holder or holders of the Bonds and shall be and remain irrevocable and unalterable until the Bonds and the interest thereon shall have been fully paid, satisfied and discharged, defeased or until such payment has been duly provided for.

Section 16. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 17 The following notice shall be published one time in a newspaper having general circulation in the County as soon as is practicable following the adoption hereof:

held on January 9, 2007, and (ii) setting forth proposed principal amounts and maturities of the Bonds.

SFC CLERK RECORDED 03/07/2007

PASSED, ADOPTED AND APPROVED this 30th day of January, 2007.

BOARD OF COUNTY COMMISSIONERS
SANTA FE COUNTY, NEW MEXICO

By: _____
Virginia Vigil, Chairperson

ATTEST:

By: _____
Valerie Espinoza
Santa Fe County Clerk

Board Member _____ then seconded the adoption of the foregoing resolution introduced by Board Member _____.

The motion to adopt the resolution upon being put to a vote was passed and adopted on the following recorded vote:

Those Voting Aye: _____

Those Voting Nay: _____

Those Absent: _____

_____ (___) members of the Board having voted in favor of the motion, the presiding officer declared the motion carried and the resolution adopted, whereupon the Chairperson and County Clerk signed the foregoing proceedings and resolution upon the records of the minutes of the Board.

After transaction of other business not related to the bond issue, the Board, upon motion duly made, seconded and carried, adjourned the meeting.

BOARD OF COUNTY COMMISSIONERS
SANTA FE COUNTY, NEW MEXICO

By: _____
Virginia Vigil, Chairperson

ATTEST:

By: _____
Valerie Espinoza
Santa Fe County Clerk

EXHIBIT "A"

Affidavit of Publication of
Notice of Sale and Meeting

SANTA FE COUNTY

Resolution No. 2007-

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**A RESOLUTION
RETROACTIVELY DONATED SURPLUS FIRE DEPARTMENT RESCUE
EQUIPMENT TO
OTHER FIRE DEPARTMENTS IN NEW MEXICO**

WHEREAS, NMSA 1978, section 13-6-2 authorizes the donation of old or outdated property to other fire departments upon written determination that the donation should be made ;
and

WHEREAS, the Santa Fe County Fire Department has received new fire, rescue, EMS equipment and apparatus to replace old and outdated equipment and apparatus; and

WHEREAS, the citizens of Santa Fe County have been generous in their support of Santa Fe County Fire Department acquiring new and updated equipment and apparatus that meet the current needs and standards; and

WHEREAS, certain old fire and rescue equipment does not meet current County standards and some state and federal agency standards; and

WHEREAS, the Santa Fe County Fire Department, whenever possible, attempts to assist other fire departments in the State of New Mexico by donating old or outdated equipment and apparatus; and

WHEREAS, some rural fire departments need used fire equipment; and

WHEREAS, certain old and outdated fire and rescue equipment listed below has an estimated current resale value of less than five thousand dollars (\$5,000); and

WHEREAS, certain fire departments desire to obtain this equipment and apparatus and

1 put it to good use in service of the public safety needs of their respective communities; and

2 WHEREAS, these Fire Departments have made their requests and needs known through
3 the proper chain of command within their jurisdiction.

4 NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF
5 SANTA FE COUNTY that:

6 Section 1. The County hereby donates to the Agua Sana Volunteer Fire
7 Department, Rio Arriba County, one (1) Midland Radio 70-442BXL Base Radio (valued at
8 \$500.00)

9 PASSED, APPROVED, and ADOPTED this ____ day of _____, 2006.

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BCC CHAIRMAN

ATTEST:

Theresa Martinez

THERESA MARTINEZ, FINANCE
DIRECTOR

VALERIE ESPINOZA, COUNTY CLERK

APPROVED AS TO FORM:
Stephen C. Ross

Stan Holden

STAN HOLDEN, CHIEF

STEPHEN C. ROSS, COUNTY ATTORNEY

STAN HOLDEN, CHIEF

SANTA FE COUNTY
 FIXED ASSETS SURPLUS FORM - FISCAL YEAR 2007
 ALL OTHER ASSETS

DEPARTMENT: Fire Department
 PERSON COMPLETING THE FORM: Donna Morris
 TELEPHONE NO.: 992-3082

TAG NUMBER	DESCRIPTION OF FIXED ASSET	SERIAL NO.	REASON FOR SURPLUS	CONDITION OF FIXED ASSET	LOCATION OF FIXED ASSET	ESTIMATED VALUE
None	Midland Radio	Unknown	Obsolete	Poor	LaPueble	\$500

NOTE: Possible Reasons for Surplus: Obsolete; excessive cost to repair; and, working but not currently used by the department
 Condition of the Asset: Damaged; destroyed; working (note the condition-good, fair, or poor)

We hereby certify that the assets noted above have been examined and the information is accurate to the best of our knowledge.
 Department Director: [Signature] Date: 1/9/07

**Memorandum of Understanding
Between
The County of Santa Fe and the Pueblo of Pojoaque
For the Pojoaque Valley Wastewater Treatment Project**

This Memorandum of Understanding ("MOU") is entered into by and between the County of Santa Fe ("County"), a political subdivision of the State of New Mexico, and the Pueblo of Pojoaque ("Pueblo"), a federally recognized Indian Tribe, as of the effective date defined below.

Recitals

WHEREAS, the County and the Pueblo (sometimes collectively "the Parties"), in order to protect the health, safety and welfare of Pojoaque Valley residents and visitors, desire to cooperate in the funding, procurement, planning, permitting, design, construction, development, improvement, management, operation, maintenance, repair, and ownership of the Pojoaque Valley Wastewater Treatment Project ("the Project");

WHEREAS, the County and the Pueblo entered into that certain Memorandum of Understanding dated September 16, 2005, resolving to meet, to cooperate and to take actions necessary to address intergovernmental priorities including water and wastewater issues;

WHEREAS, early regional water and wastewater plans include the Espanola Valley and Pojoaque Valley Wastewater Master Plan dated July 1989, prepared by Molzen-Corbin & Associates, P.A., and the Jemez y Sangre Regional Water Plan dated 2003, prepared by Daniel B. Stephens & Associates, Inc.;

WHEREAS, the North Central New Mexico Water Quality Plan ("the Plan") dated May 2002, was prepared for the North Central New Mexico Economic Development District ("NCNMEDD") by ASCG, Incorporated ("ASCG"), and concluded the Pojoaque Valley region needs central wastewater collection and treatment facilities;

WHEREAS, a regional wastewater collection and treatment facility in the Pojoaque Valley ("Pojoaque Valley Wastewater Treatment Project" or "Project") will implement a critical component of the Plan;

WHEREAS, the Pueblo prepared a report entitled "Pojoaque Valley Wastewater Treatment Facility" dated January 2005 ("Project Report"), which outlines how the Project might be divided into phases so that it can be completed with the financial resources available at any particular time;

WHEREAS, the Project Report proposed that the Project be divided into three phases;

REC
CLERK RECORDED 03/07/2007

WHEREAS, PHASE I would involve the collection, treatment and re-use of wastewater from the Pojoaque Valley School District ("PVSD") (collectively, "PVSD Wastewater Project"); to implement PHASE I (Component A), the Pueblo and PVSD entered into the "Agreement For the Disposal of Wastewater From the Pojoaque Valley School District Jacona Campus to the Pueblo of Pojoaque Lift Station" ("Pojoaque-PVSD Agreement"), dated May 17, 2005; the State in 2005 appropriated \$100,000 to PVSD for the purpose of planning, designing and constructing a water and wastewater system for the Pojoaque Valley public school district in Santa Fe County, pursuant to House Bill 885, Section 19, Paragraph 69; and PVSD has completed the design and construction of PHASE I (Component A);

WHEREAS, to implement PHASES II and III, the Pueblo commissioned ASCG to conduct the "Pojoaque Regional Wastewater Facility Planning Study - Phase 1" dated June 2005, funded by the U.S. Department of Interior, which provided options for the Pueblo's wastewater collection and treatment project and related infrastructure; and the "Pojoaque Regional Wastewater Study - Phase 2" dated November 2005, funded by NCNMEDD under a Memorandum of Agreement between NCNMEDD and the Pueblo dated February 27, 2004, which expanded the PHASE I Study to include an examination of needed improvements to the existing regional wastewater treatment capability in the Pojoaque Valley so that the facility can serve non-tribal and tribal areas of East San Ildefonso, Nambe and Tesuque;

WHEREAS, for PHASE II (Component A - the Pojoaque Valley Wastewater Treatment Facility ("Facility")), the Pueblo has obtained funding in the approximate amount of \$3,600,000 from the Pueblo and \$900,000 from the State Water Trust Board 2005 monies; and the Pueblo is in the process of designing this phase;

WHEREAS, for PHASE II (Component B - effluent re-use line to Buffalo Thunder® Resort), the Pueblo obtained funding in the amount of \$1,000,000 from the Water Trust Board pursuant to 2006 legislative changes to 2002 House Bill 88a, Section 55; and the Pueblo is in the design process for this phase;

WHEREAS, for PHASE III (Component A -- Nambe Non-Tribal residents), with an estimated cost of approximately \$6,000,000, the County and the Pueblo in 2007 have made a joint application for approximately \$4,000,000 from the State of New Mexico through its State Year of the Water program; the County is seeking to use the existing State appropriation of \$1,070,000 administered through the New Mexico Environmental Department ("NMED") to plan, design, construct and improve a regional water and wastewater system to serve the Pojoaque Valley area pursuant to 2005 House Bill 885; and the County is seeking an additional \$1,000,000 of County funds;

WHEREAS, for PHASE III (Component B -- Cuyamungue Non-Tribal residents), with an estimated cost of \$4,000,000, the County and the Pueblo plan to seek funds from any available source in the near future.

WHEREAS, the County and the Pueblo desire to cooperate in the funding and procurement process for current and future appropriations related to the Pojoaque Valley Wastewater Treatment Project; and

WHEREAS, it is in the best interests of the citizens of the County and the Pueblo that the County and the Pueblo jointly undertake to fund, plan, permit, design, construct, develop, improve, manage, operate, maintain, repair, and own the Project.

NOW, THEREFORE, upon the mutual consideration described by this MOU the County and the Pueblo agree as follows:

Memorandum of Understanding

1. Scope of MOU.

- a. The purpose of this MOU is to establish guidelines for the County and Pueblo to cooperate in the funding, procurement, planning, permitting, design, construction, development, improvement, operation, maintenance and ownership of the Project.
- b. The scope of this MOU is intended to cover all aspects of all Phases of the Pojoaque Valley Wastewater Treatment Facility Project, some of which may occur concurrently and some of which have already been completed, and which are identified as follows:
 - (1) **PHASE I -- Pojoaque Valley School District Jacona Campus:**
 - (a) **Component A:**
Design and construction of a complete on-site wastewater collection system, including a lift station and an effluent line, from PVSD's Jacona campus to the Pueblo's Industrial Park Lift Station, including removal and decommissioning of the existing Jacona wastewater treatment plant and lagoon system ("Jacona Campus Component") (\$100,000 funded by 2005 House Bill 885; Construction Completed);
 - (b) **Component B:**
Design and construction of effluent re-use line from the Facility to PVSD's recreational fields (will seek funds in the future);
 - (2) **PHASE II -- Pueblo of Pojoaque Facilities:**
 - (a) **Component A:**

- Design and construction of the Pojoaque Valley Wastewater Treatment Facility ("Facility") (\$3.6 Million estimate funded by Pueblo of Pojoaque and \$1 Million funded by Water Trust Board; in design process);
- (b) **Component B:**
Design and construction of effluent re-use line from the Pueblo's Evaporative Lagoons Treatment Plant to Buffalo Thunder® Resort (\$1 Million estimate, funded by Water Trust Board; in design process);
 - (c) **Component C:**
Design and construction of effluent lines from remaining Pueblo areas to the Facility (will seek funds in the future);
- (3) **PHASE III – Non-Tribal Residents in Nambe, Cuyamungue and Jacona Areas:**
- (a) **Component A -- Nambe Non-Tribal Area (\$6 Million estimate):**
Design and construction of main trunk line, lateral lines, service lines and lift station and upgrade as needed to existing Pojoaque Pueblo facilities as needed to accommodate additional capacity from Nambe non-Tribal residents (seeking funds from 2007 legislature; \$6 Million estimate);
 - (b) **Component B -- Cuyamungue Non-Tribal Area (\$4 Million est.):**
Design and construction of main trunk line, lateral lines, service lines and lift station and upgrade to existing Pojoaque Pueblo facilities as needed to accommodate additional capacity from Cuyamungue non-Tribal residents (will seek funds in the future; \$4 Million estimate);
 - (c) **Component C -- Jacona Non-Tribal Area (\$4 Million estimate):**
Design and construction of main trunk line, lateral lines, service lines and lift station and upgrade to existing Pojoaque Pueblo facilities as needed to accommodate additional capacity from Jacona non-Tribal residents (will seek funds in the future; \$4 Million estimate);
- (4) **PHASE IV – Jacona, El Rancho, Nambe :**
- (a) **Component A:**

Design and construction of effluent lines from remaining non-Tribal residents in Jacona, El Rancho, Nambe and Pueblo areas to the Facility.

- (b) Component B:
Design and construction of a complete on-site wastewater collection system, including a lift station and effluent lines on PVSD's Pojoaque campus, and effluent lines from the PVSD's Pojoaque campus to the a lift station located on the Pueblo or to another agreed-upon location ("Pojoaque Campus Component");

2. Future Agreements.

- a. The parties hereto recognize that future agreements are necessary to implement the Project as described above. In particular, the issues of ownership, responsibility for operation and maintenance of the Project, the responsibilities of each party to contribute to the Project, and other important details have not been completely resolved, although general agreement has been reached on many important points. The parties therefore commit to addressing these details in future agreements; such future agreements may take the form of a global agreement to address these issues with respect to the entire Project, or may be partial agreements intended to address only a portion, component or Phase of the Project.
- b. Such future agreements must address ownership of the Project as a whole, or may instead address discrete ownership of elements of the Project. Such future agreements must also address the governance of the Project by the parties hereto, shall address the relationship of the parties as between the parties and as to the Project, and shall specify each parties' right to participate in Project design, planning, execution, construction, operation and maintenance.
- c. Such future agreements must address technical details of Project construction, such as procurement of the Project, design, engineering and construction of the Project, input of the parties on these details, fiscal management of construction of the Project and operation of the Project thereafter.
- d. Such future agreements must address the parties' capital contributions to the Project, and the parties' respective responsibility for contributing to the operational and maintenance expenses of the Project, each party's responsibility to contribute revenue to the Project, and application of federal, state and local grants to the Project.

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- e. Such future agreements must address the required environmental approvals and permits necessary to construct, develop, improve, operate and maintain the Project, the required archeological clearances under National Historic Preservation Act, if applicable, for Project phases on non-Pueblo owned land, other necessary permits, rights-of-way and service line agreements for Project phases on non-Pueblo owned land.
 - f. Such future agreements must address the use of treated effluent that will be created by the Project by the Parties and others.
 - o. Such future agreements must address the issue of revenue to support the Project on a long term basis, including the issues of establishing reasonable rates for the disposal and treatment of effluent by the then-operator of the Project, as appropriate.
 - p. Such future agreements may set forth the parties respective responsibilities for seeking and obtaining additional state and federal assistance for the Project and all other things deemed reasonable and necessary by the Parties to effectuate the purposes of this MOU and the Project.
5. Termination.
- a. This MOU shall be for a term of twenty (20) years or for the life of the Project, whichever is greater.
 - b. Once the Project, or any Phase or Component of the Project, is constructed, the parties recognize that termination of this MOU as to any Phase or Component already constructed is likely to endanger the public health, safety and welfare, and should be avoided unless adequate provisions are made for safe disposal of the liquid waste, the treatment and safe transportation of which is the subject of this MOU. After construction of any Phase or Component of the Project, this MOU may be terminated as to any Phase or Component already constructed only upon formal mutual agreement of the parties hereto.
 - c. Prior to expenditure of any funds dedicated to any specific Phase or Component of the Project as described in this MOU, any party's participation in this MOU may be terminated as to that Phase or Component, upon one-hundred eighty (180) days advance written notice.
 - d. In the event funds are not appropriated by the County's governing body (the Board of County Commissioners of Santa Fe County, New Mexico) to satisfy the

County's obligations as to any Phase or Component of the Project hereunder, any party shall have the option of terminating this MOU as to that Phase or Component as of the date when the County's funds become exhausted.

6. Establishment of the Project Coordination Committee.

- a. The County and the Pueblo will organize a Project Coordination Committee for the purpose of coordinating the efforts of the County, the Pueblo and the community.
- b. The Committee will meet as determined by the majority of the Committee on an as-needed basis.
- c. The Committee will be comprised of
 - (1) County technical personnel appointed by the County;
 - (2) Pueblo technical personnel appointed by the Pueblo;
 - (3) PVSD technical personnel appointed by PVSD for the Project phases related to the PVSD Wastewater Project; and
 - (4) Community representative(s) familiar with the Project appointed by the County for the Project phases related to the design and construction of effluent lines from non-Tribal areas and the Non-Tribal Collection System.
- d. The Committee shall report from time to time concerning activities addressed and issues encountered to the governing bodies and officials of the parties.

7. Ownership.

The County and the Pueblo shall cooperate to determine ownership of the various aspects of the Project and to determine the responsibility for maintaining and operating the Project, or any Phase thereof, after construction.

8. Insurance.

- a. Each party hereto shall obtain and maintain in force during the duration of this MOU a comprehensive public liability and automobile insurance policy with policy limits commensurate with each parties' exposure and sovereign immunity, but in no event not less than \$1,050,000 (combined single limit of liability per occurrence), which policy or policies shall insure against bodily injury (including death), property damage, and violations of civil rights. Said policies of insurance shall include coverage for all operations performed by the insured, use of owned, non-owned, hired automobiles, vehicles and other equipment, both on and off work, and contractual liability coverage.

- b. The County shall be responsible, during construction of various elements of the Project, for obtaining and maintaining in force a policy or policies of builder's risk insurance coverage with coverage limits appropriate to the work being performed, the cost of which shall be considered a cost attributable to the Project and may be deducted from funds used to construct the Project. In addition, the County shall require contractors of the Project to obtain and maintain in force through substantial completion of the relevant element of the Project a surety bond or bonds as required by New Mexico law, errors and omissions insurance coverage or professional liability insurance with limits commensurate to the value of the relevant element of Project, and workers' compensation insurance in amounts specified by the New Mexico Workers' Compensation Act (as amended).
- c. Each party shall name the other party as a certificate holder on each policy of insurance held by that party in satisfaction of this Section of this MOU and shall, upon demand of the other party, provide such further evidence of coverage as may be required by the other party.
- d. All policies of insurance described in this Section shall be written by companies authorized to write such insurance in New Mexico.

10. Non-Appropriation.

Nothing in this MOU shall be construed as obligating the parties in the expenditure of funds or for some future payment of funds in excess of appropriations allowed by law. The parties' obligations pursuant to this MOU are therefore contingent upon appropriation of funds by the governing body of each party. Each party's decision concerning appropriations, including decisions concerning the sufficiency of appropriations, shall be final.

11. Liability.

No party hereto shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this MOU. The County and the Pueblo each expressly do not waive its sovereign immunity from suit, and nothing in this MOU shall be construed as a general waiver of sovereign immunity by either party, and any claim arising in connection with this MOU shall be subject to the privileges and immunities of the New Mexico Tort Claims Act (as amended) with respect to the County and to governmental immunities and limitations under federal and tribal law with respect to the Pueblo. Nothing in this MOU shall be construed as a waiver, express or implied, of the sovereign immunity of the Pueblo.

12. Law.

The laws of the State of New Mexico and applicable federal law shall govern this MOU, unless otherwise provided in this MOU.

13. Environmental Standards.

The Pueblo consents to the application of the environmental standards of NMED with respect to effluent that is treated by, and discharged off, the Pueblo as part of this Project. In no event, however, does the Pueblo submit to the regulatory or jurisdictional authority of the NMED. The United States Environmental Protection Agency and the Pueblo have exclusive regulatory authority and jurisdiction over environmental matters on the Pueblo. The Pueblo retains the authority to determine, in its sole discretion, the environmental standards that otherwise apply to any portion of the Pojoaque Valley Wastewater Project that is located on the Pueblo, provided the Pueblo complies with applicable federal laws and regulations.

14. Reservation of Pueblo Rights.

The Pueblo reserves exclusive legislative, regulatory and adjudicatory jurisdiction over all aspects of the Pojoaque Valley Wastewater Project, related infrastructure, rights-of-way and service line agreements that are located on the Pueblo.

15. No Third Party Beneficiaries.

The Parties to this MOU do not and do not intend to create in the public, any member thereof, or any person, any rights whatsoever such as, but not limited to, the rights of a third-party beneficiary, or to authorize anyone not a party to this MOU to maintain a suit for any claim whatsoever pursuant to the provisions of this MOU.

16. Binding Effect.

This MOU shall be binding upon and inure to the benefit of the parties and their respective representatives, successors, and assigns.

17. Amendment.

This MOU may be amended or modified only by the written, mutual consent of the Parties.

18. Books and Records.

- a. The parties shall maintain adequate and correct books and accounts concerning the Project, the construction thereof, and the subsequent operation and maintenance thereof.
- b. The accounts prepared pursuant to the previous paragraph shall be open to inspection at any reasonable time by the parties hereto, their accountants or agents.
- c. The County shall maintain adequate and correct accounts of funds disbursed pursuant to this MOU, and these accounts shall be open to inspection during regular working hours to the parties hereto, their accountants or agents.
- d. The State Auditor of New Mexico shall have access to the accounts maintained by the parties pursuant to this MOU.

20. Notices.

Any notice, demand, request, or information authorized or related to this MOU shall be deemed to have been given if mailed (return receipt requested), hand delivered or faxed as follows:

To the County: Santa Fe County Utilities Director
Santa Fe County
205 Montezuma
Santa Fe, N.M. 87505
Phone: 986-6210
Fax: 992-8421

With a copy to: County Manager
Santa Fe County
P.O. Box 276
Santa Fe, N.M. 87504
Phone: 986-6200
Fax: 986-6362

And a copy to: County Attorney
Santa Fe County
P.O. Box 276
Santa Fe, N.M. 87504
Phone: 986-6279
Fax: 986-6362

To the Pueblo: George Rivera, Governor

Poeh Cultural Center
78 Cities of Gold Road
Santa Fe, NM 87506
Phone: 455-3334

With a copy to: Chief Legal Counsel
Legal Department
Pueblo of Pojoaque
17746 U.S. Highway 84/285
Santa Fe, NM 87506
Phone: 455-3901
Fax: 455-33363

IN WITNESS WHEREOF, each of the County of Santa Fe, New Mexico, and the Pueblo of Pojoaque has caused this MOU to be executed and delivered by its duly authorized representatives as of the date specified below.

**THE BOARD OF COUNTY COMMISSIONERS
OF SANTA FE COUNTY**

By _____
Virginia Vigil, Chair

Date: _____

Attest:

Valerie Espinoza, Santa Fe County Clerk

Date: _____

Approved as to form:

Stephen C. Ross, Santa Fe County Attorney

Date

Teresa Martinez, Finance Director

Date

 **DRAFT**

SFC CLERK RECORDED 03/07/2007

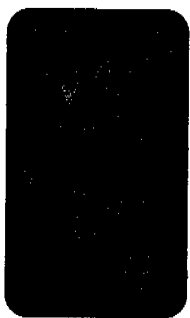
PUEBLO OF POJOAQUE:

George Rivera, Governor

Date

ATTEST:

Stephanie Crosby, Tribal Secretary



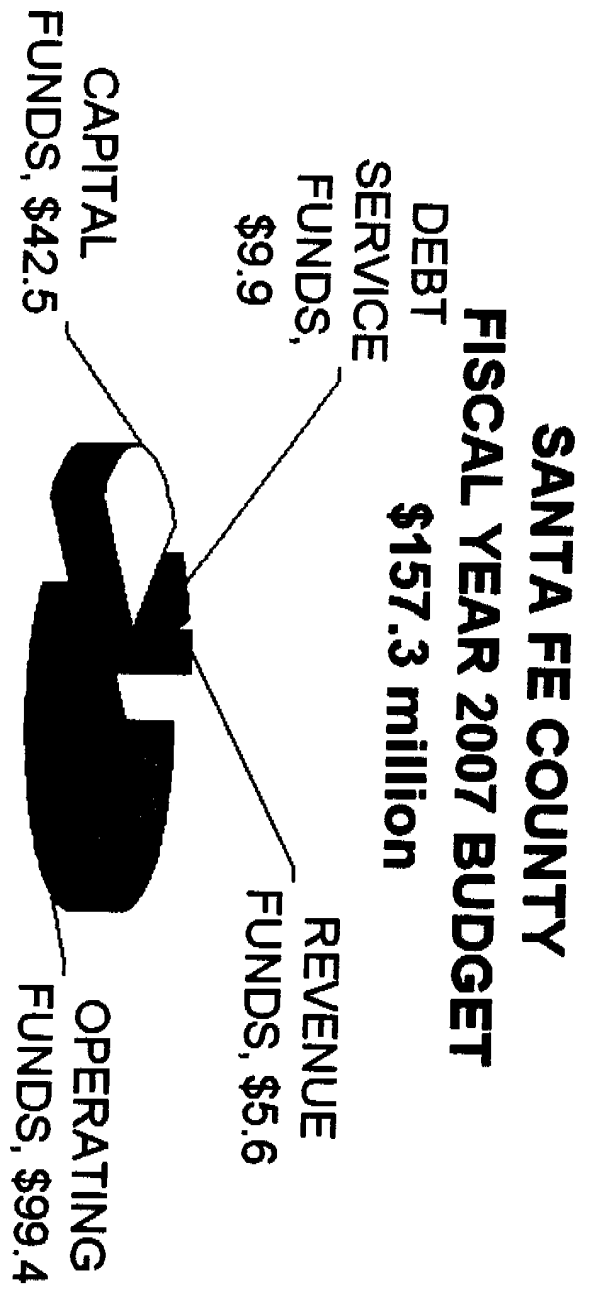
Santa Fe County



**Fiscal Year 2006 and 2007
Financial State of the County**

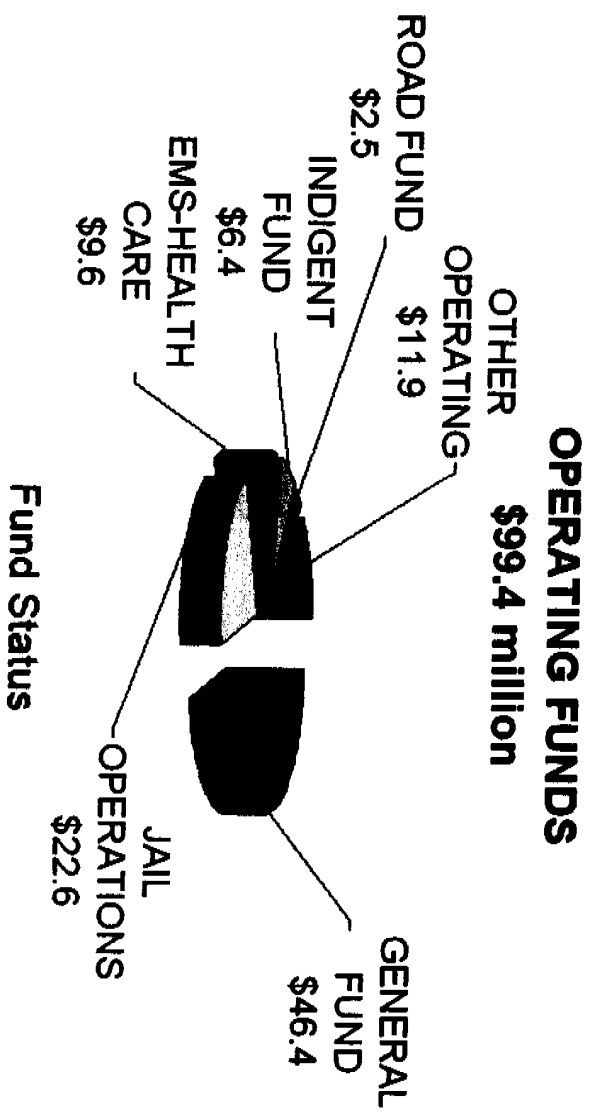
January 30, 2007

Santa Fe County
Fiscal Year 2006-2007 Financial State of the County



January 30, 2007

Santa Fe County Fiscal Year 2006-2007 Financial State of the County

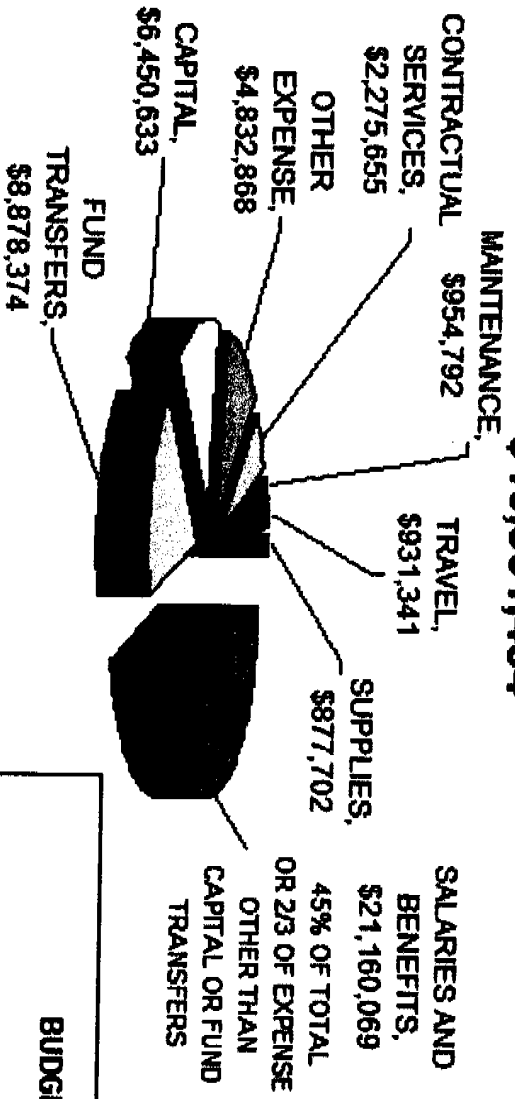


FUND	CASH	REVENUE	EXPENSE
GENERAL FUND	▲	▲	
JAIL OP. FUND	▲	▲	▲
EMS HEALTH	▲		▲
INDIGENT	▲	▲	
ROAD			

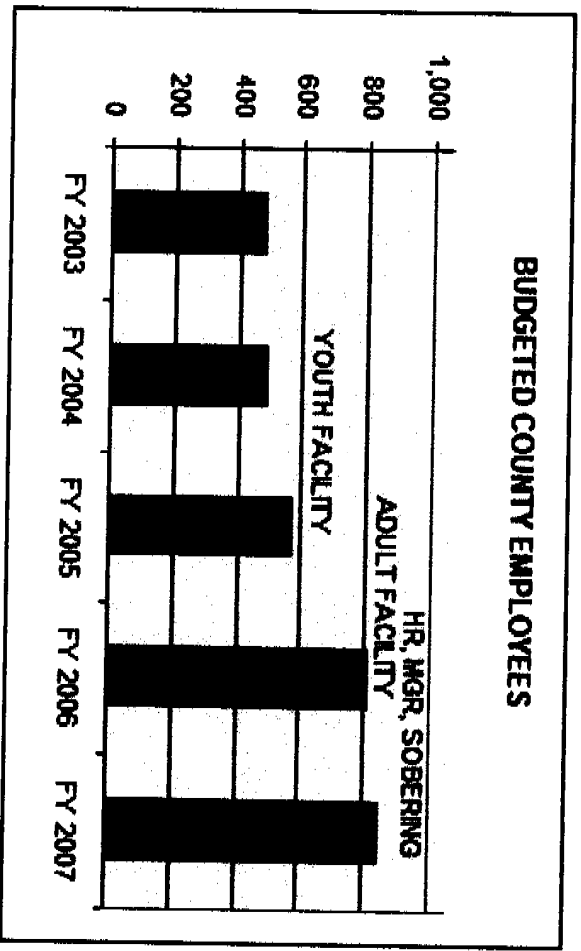
January 30, 2007

Santa Fe County Fiscal Year 2006-2007 Financial State of the County

GENERAL FUND \$46,361,434

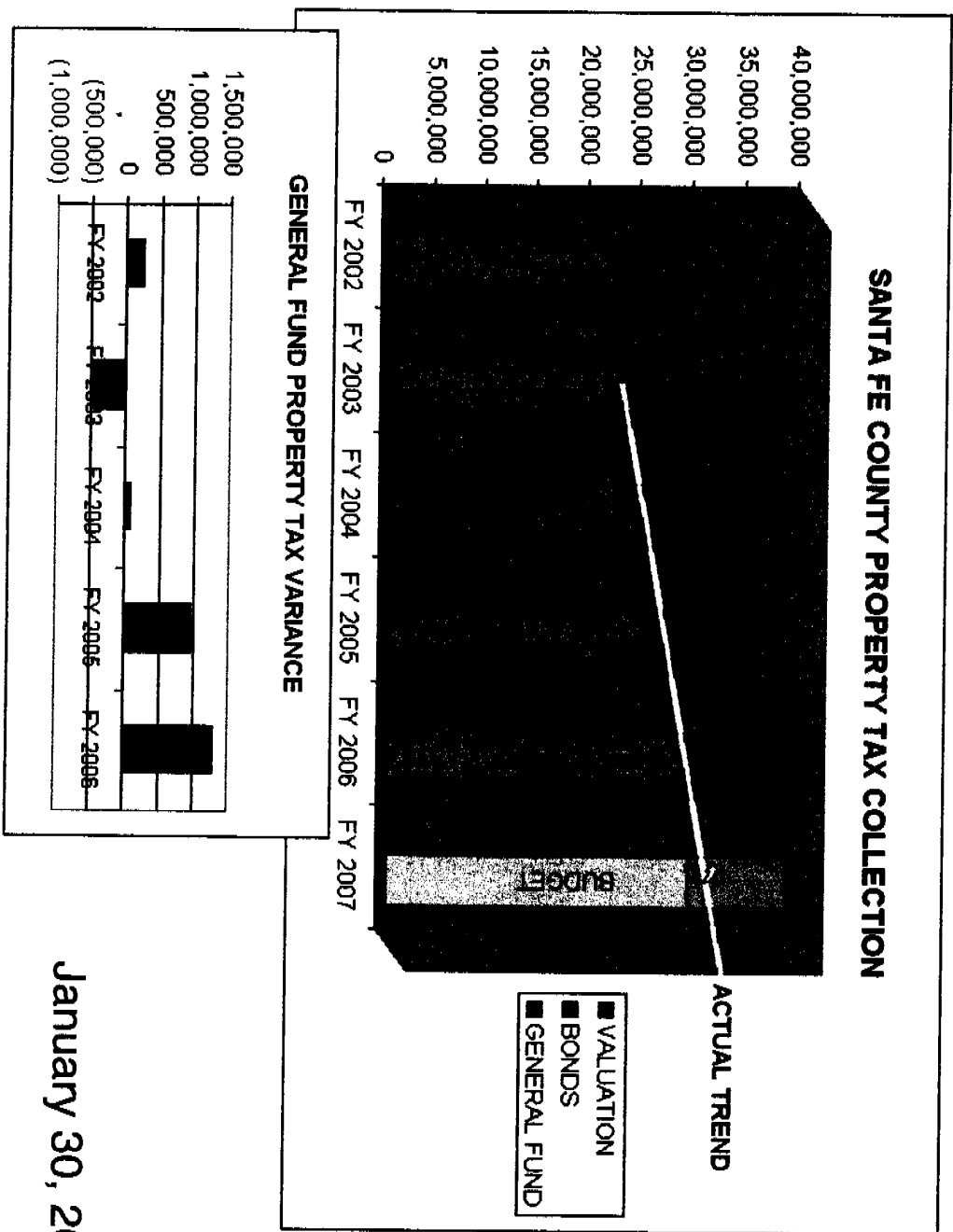


Employees
account for 2/3 of
recurring expense



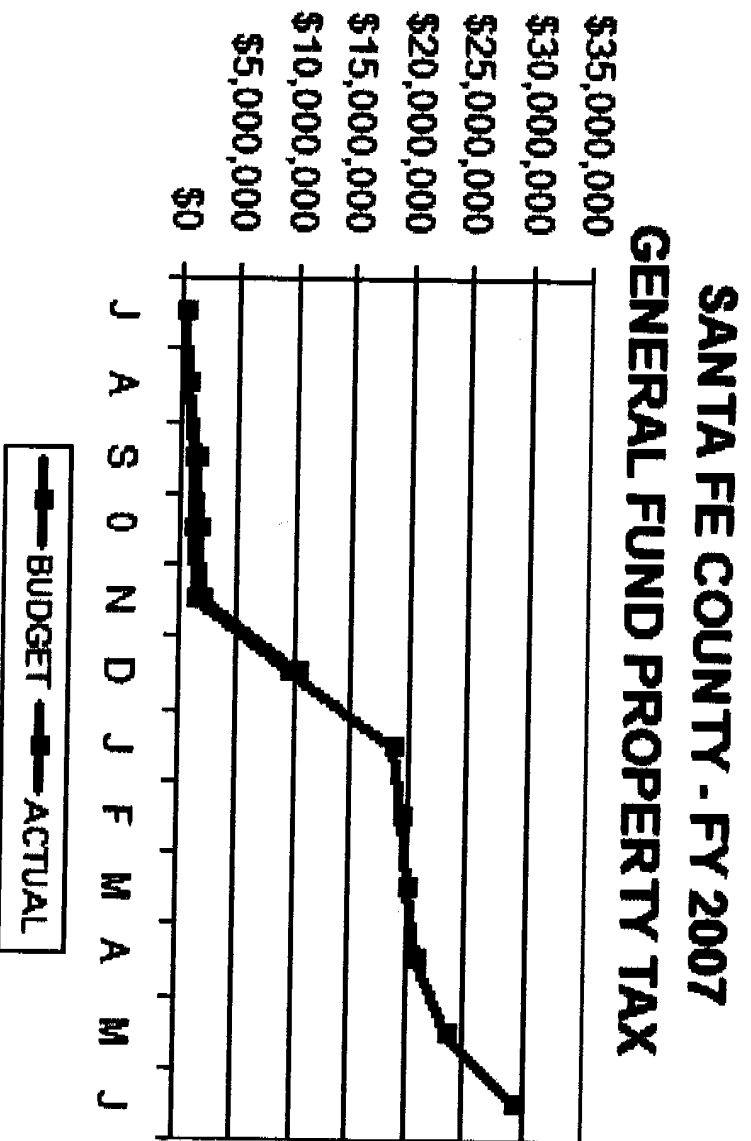
January 30, 2007

Santa Fe County Fiscal Year 2006-2007 Financial State of the County



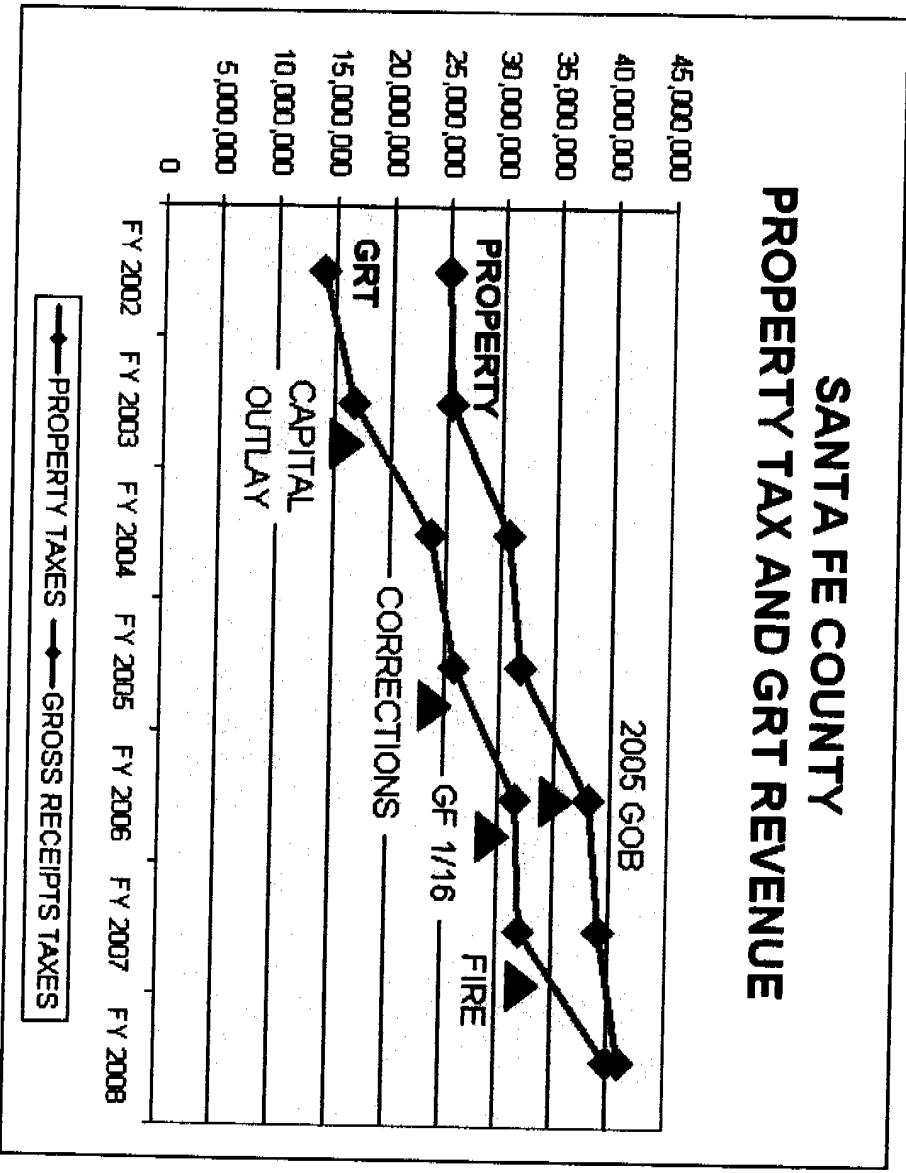
January 30, 2007

Santa Fe County
Fiscal Year 2006-2007 Financial State of the County



January 30, 2007

Santa Fe County Fiscal Year 2006-2007 Financial State of the County GREATER RELIANCE ON GROSS RECEIPTS TAXES

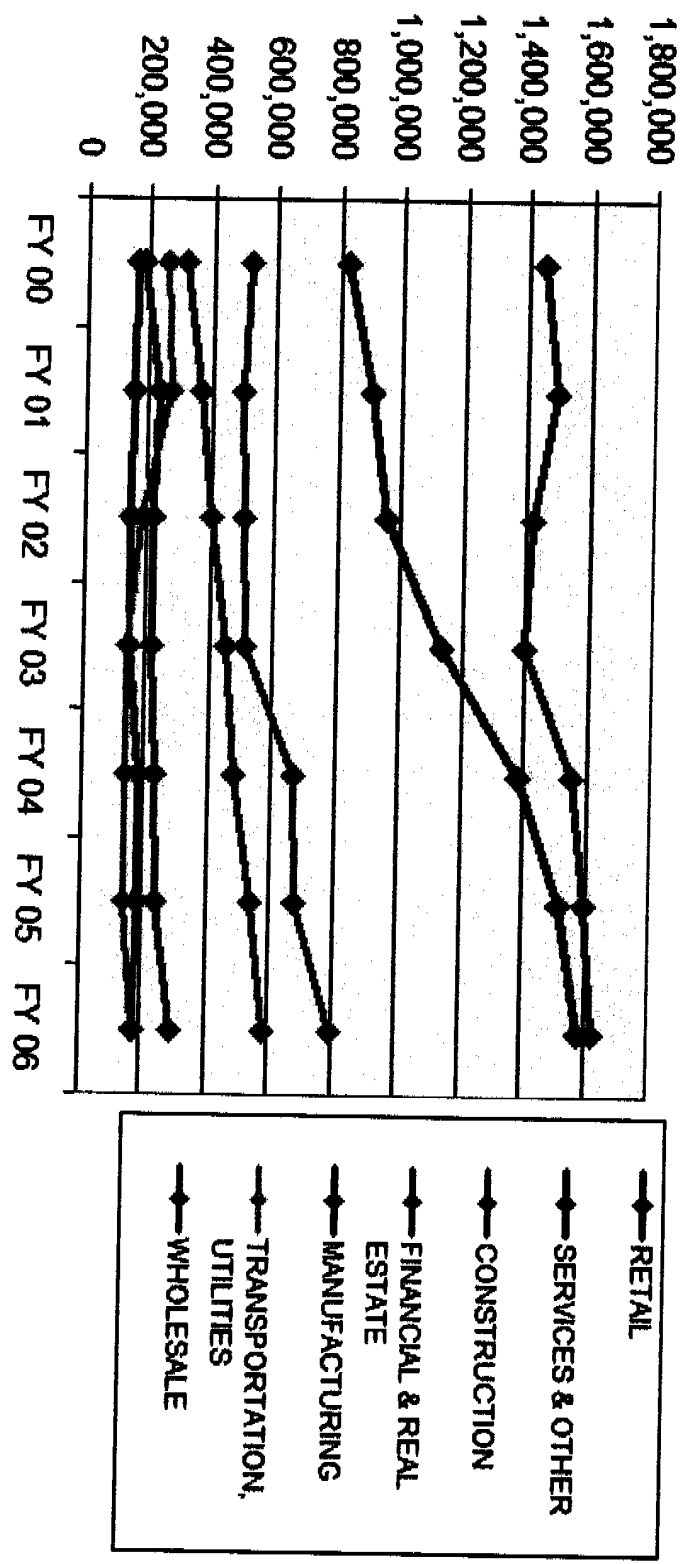


January 30, 2007

Santa Fe County Fiscal Year 2006-2007 Financial State of the County

INCREASING IMPORTANCE OF SERVICE SECTOR AND TOURISM

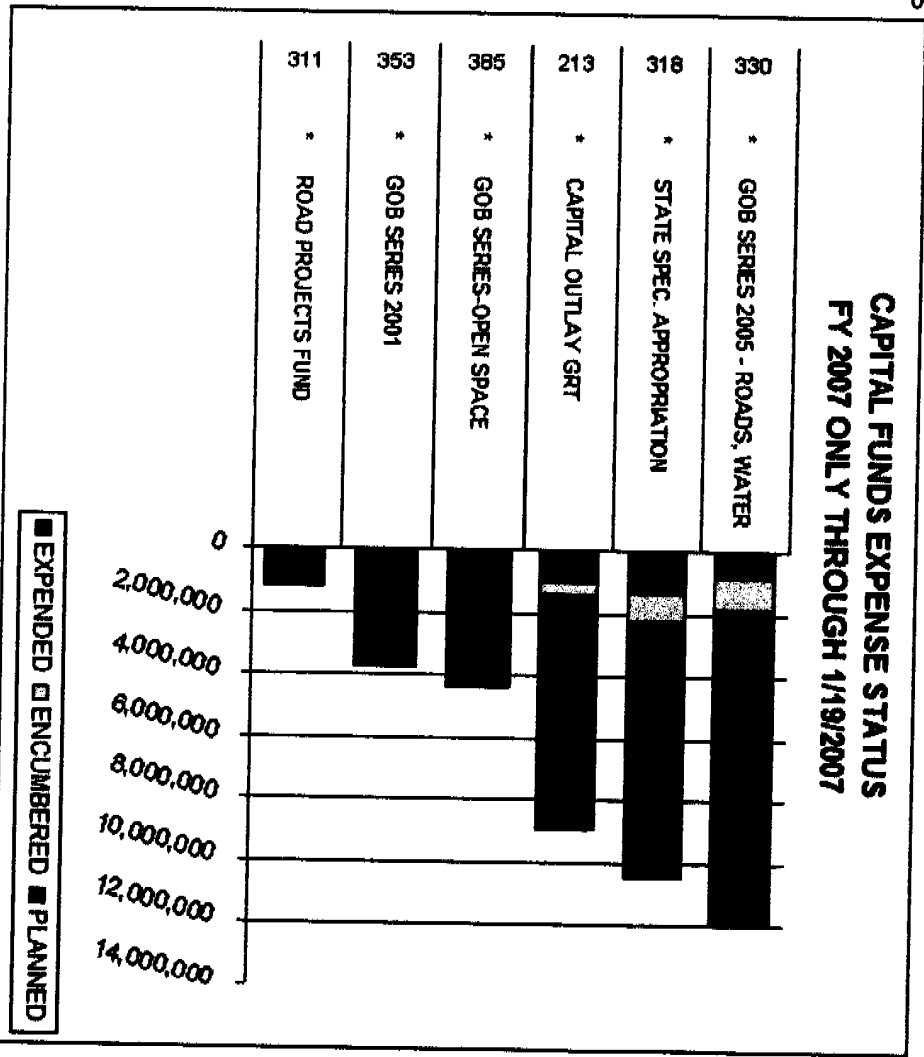
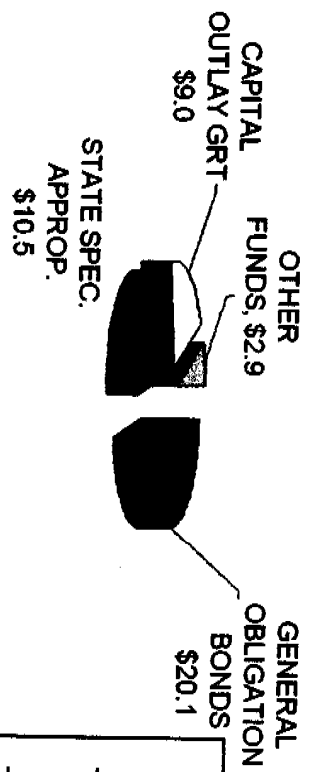
SANTA FE COUNTY
BUSINESS ACTIVITY SUPPORTING GROSS RECEIPT TAXES
\$ thousand



January 30, 2007

Santa Fe County Fiscal Year 2006-2007 Financial State of the County

CAPITAL PROJECT FUNDS \$42.5 million



January 30, 2007

Santa Fe County
 Fiscal Year 2006-2007 Financial State of the County

GENERAL OBLIGATION BOND PROCEEDS

GOB SERIES 1997 (FUND 350), \$10.5 million total	PURPOSE	EXP/ENC	PLANNED
ROADS	4,000	4,363	
WATER AND WASTEWATER	5,500	4,113	1,024
EMERGENCY / FIRE EQUIPMENT	1,000	753	247
	10,500	9,229	1,271

GOB SERIES 2001 (FUND 353) \$8.5 million total	PURPOSE	EXP/ENC	PLANNED
PUBLIC SAFETY / FIRE FACILITIES	4,500	3,850	650
PUBLIC WORKS PURPOSES	4,000		
ROAD PROJECTS		1,027	
PUBLIC WORKS FACILITY			2,000
SOLID WASTE TRANSFER STATION			973
	8,500	4,877	3,623

Santa Fe County
 Fiscal Year 2006-2007 Financial State of the County

GENERAL OBLIGATION BOND PROCEEDS

GOB SERIES 2006 (FUND 330) \$72.5 million total		PURPOSE	EXP/ENC	PLANNED
FIRST BOND SALE, \$20 million				
WATER PROJECTS & RIGHTS		10,000		
TOP OF THE WORLD RANCH / RIGHTS			5,322	
OTHER WATER RIGHTS			1,464	3,214
SUBTOTAL		10,000	6,786	3,214
PUBLIC WORKS - ROADS & FACILITIES		8,500		
ROAD PROJECTS			2,917	1,292
PUBLIC WORKS FACILITY			41	4,300
SUBTOTAL		8,500	2,958	5,592
FIRE BUILDINGS		1,500		
HONDO FIRE STATION				1,500
SUBTOTAL		1,500	0	1,500
TOTAL FIRST SALE 2005 GOB BOND		20,000	9,744	10,306
FUTURE BOND SALES, \$52.5 million				
WATER PROJECTS & RIGHTS				41,000
ROAD PROJECTS				11,500

Santa Fe County Fiscal Year 2006-2007 Financial State of the County

WATER PROJECTS AND

AVAILABLE FUNDING 1/2007	\$ million
GOB SERIES 1997 PROCEEDS	1.0
GOB SERIES 2005 PROCEEDS	
FRST SALE (\$20 million)	3.2
FUTURE SALES (\$2.5 million)	41.0
CAPITAL OUTLAY GRT	
COUNTY PROJECTS	11.8
REGIONAL PROJECTS	12.1
TOTAL	\$ 69.1



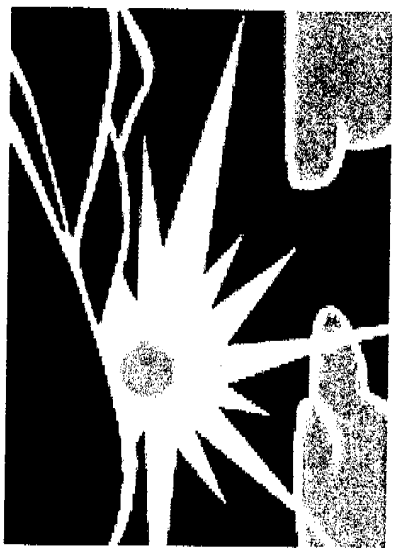
PROPOSED PROJECTS	\$ million
COUNTY PROJECTS	
LA CIENEGA LOOP WATER LINE	2
ACQUISITION OF PRIVATE WELLS	2
SUBTOTAL REGIONAL PROJECTS	\$4.0
REGIONAL PROJECTS	
VALLE VISTA WASTEWATER	5
ELDORADO WASTEWATER	60
CUATRO VILLAS WASTEWATER	5
LA CIENEGA WASTEWATER	1.4
CHIMAYO WASTE WATER	1.4
CHIMAYO MDWCA SYSTEM IMPROV	1.2
SUBTOTAL REGIONAL PROJECTS	\$74.0
BUCKMAN DIVERSION	24
AAMODT SETTLEMENT	15
SFC WELL PROGRAM	3
CANONCITO/ELDORADO PROJECT	1.6
POJOAQUE WASTEWATER	1
TOTAL	\$122.6

Santa Fe County

Fiscal Year 2006-2007 Financial State of the County

OPEN SPACE PROJECTS AND FUNDING

AVAILABLE FUNDING 1/2007	\$ thousand
GOB SERIES 1999 AND 2001A OPEN SPACE	3,654
CAPITAL OUTLAY GRT	
COUNTY PROJECTS	1,248
REGIONAL PROJECTS	1,364
TOTAL	6,288

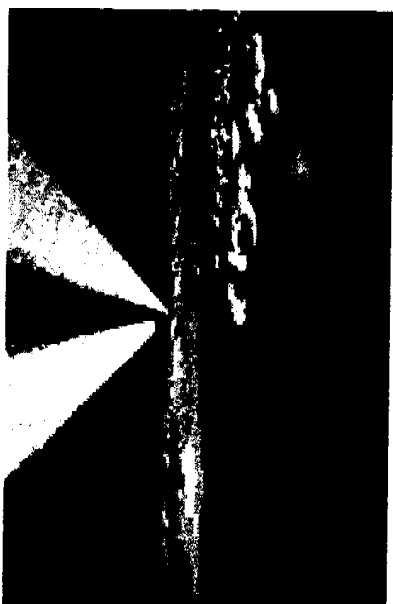


PROPOSED PROJECTS	\$ thousand
RIVER TRAIL PROJECTS	
ALIRE TO 599	623
RIO VISTA POCKET PARK	110
DEFOURI ST. TO DON GASPAR	150
DON GASPAR TO OLD SF TRAIL	100
SOUTHSIDE TO RIVER AND MRC TRAILS	92
SUBTOTAL RIVER TRAIL	\$ 1,075
RAIL YARD / RAIL TRAIL	
RAIL YARD	265
RAIL YARD-TRAILS & BIKEWAY	721
RAIL TRAIL - ZA TO I-25	175
RAIL TRAIL - RABBIT RD TO LAMY (13 mi)	10
ARROYO HONDO TRAIL - RAIL TRAIL TO H14	70
SUBTOTAL RAIL TRAIL	\$ 1,241
AGUA FRIA PARK	\$ 70
SAN YSIDRO	\$ 90
ARROYO CHIMISOS TRAIL - RODIO TO CERRILLOS	\$ 95
FOOTHILLS TRAIL SYSTEM	\$ 125
RUFINA ST ROW - SOUTH MEADOWS TO MRC	\$ 119
SOUTH MEADOWS COUNTY PARK	\$ 35
TRAILS CONNECTIONS	\$ 125
TOTAL	2,975

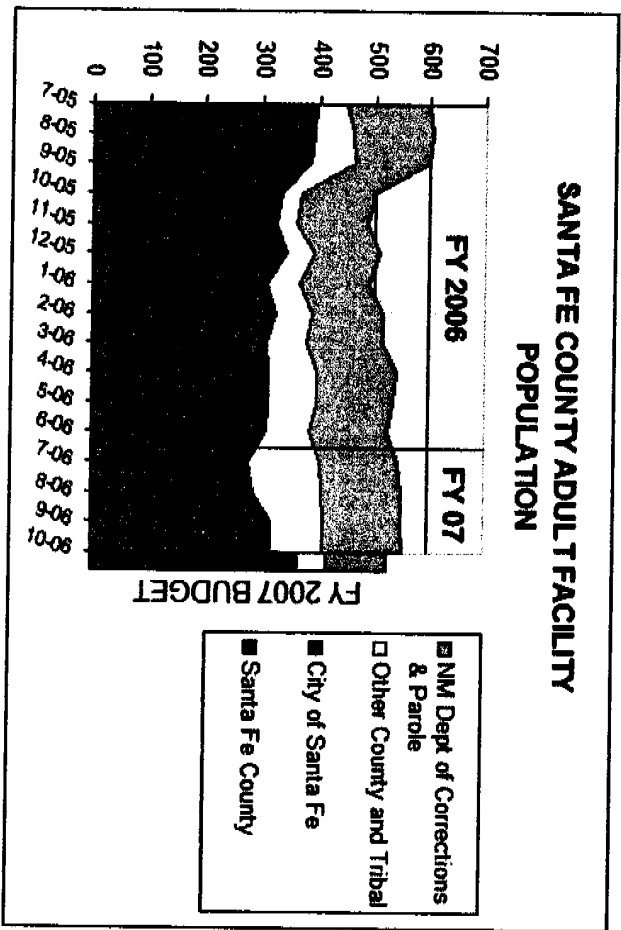
Santa Fe County Fiscal Year 2006-2007 Financial State of the County ROAD PROJECTS AND FUNDING

AVAILABLE FUNDING 1/2007	\$ thousand
GOB SERIES 2001 PUBLIC WORKS	2,973
GOB SERIES 2005 PUBLIC WORKS	5,592
ROAD PROJECTS FUND	825
CAPITAL OUTLAY GRT	
COUNTY PROJECTS	267
REGIONAL PROJECTS	874
TOTAL	10,531

PROPOSED PROJECTS	\$ thousand
PUBLIC WORKS FACILITY	
GOB SERIES 2001 PROCEEDS	2,000
GOB SERIES 2005 PROCEEDS	4,300
SUBTOTAL PUBLIC WORKS	\$ 6,300
ROAD PROJECTS	
COUNTY ROAD 42	1,499
COUNTY ROAD 55 (GOLDMINE ROAD)	386
SOUTH MEADOWS ROAD	346
COUNTY ROAD 55A	152
COUNTY ROAD 70	228
ENCANTADO ROAD	99
OTHER ROAD PROJECTS	548
SUBTOTAL ROAD PROJECTS	\$ 3,258
SOLID WASTE TRANSFER STATION	\$ 973
TOTAL	10,531



Santa Fe County Fiscal Year 2006-2007 Financial State of the County ADULT FACILITY



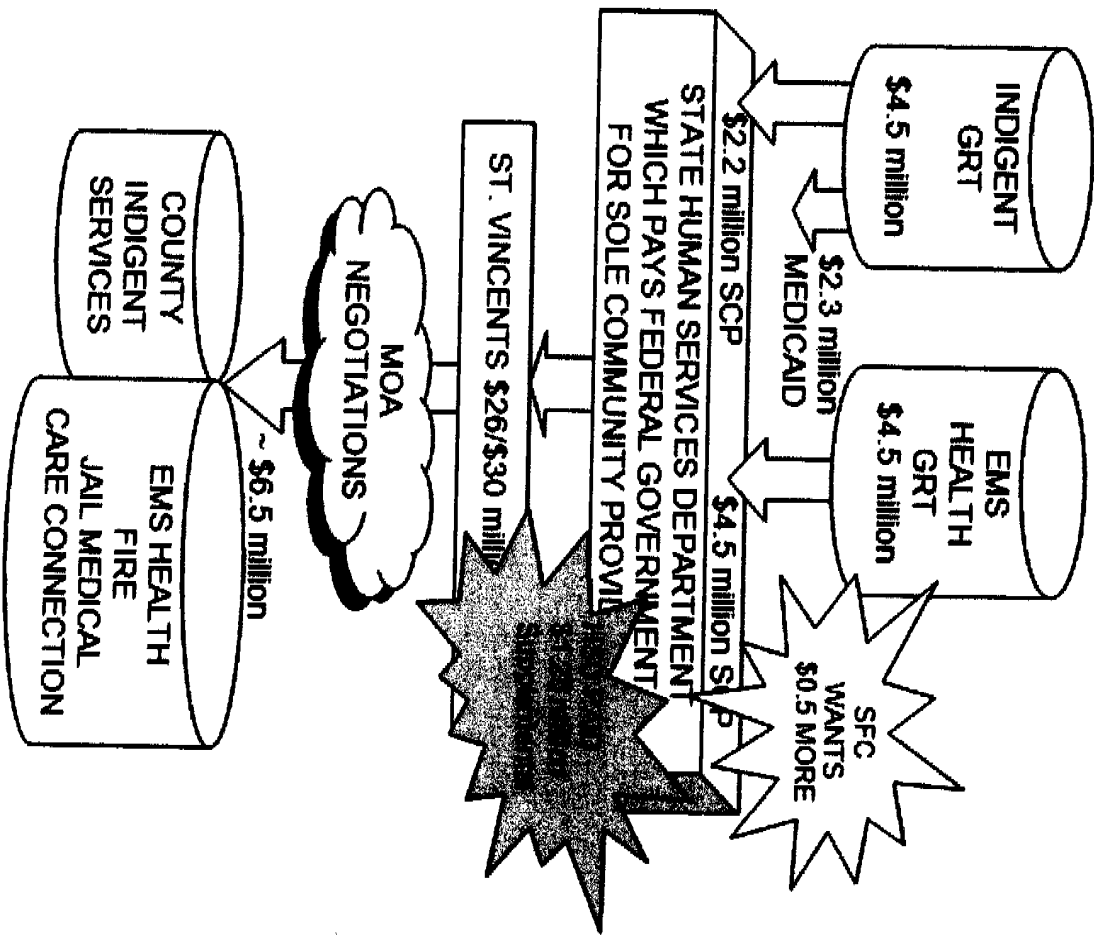
ADULT FACILITY OPERATIONAL COST			
FISCAL YEAR 2007	BUDGET	FORECAST	VARIANCE
SALARIES & BENEFITS	\$ 9,142	\$ 7,676	\$ 1,466
OUTSIDE MEDICAL	\$ 1,080	\$ 1,590	\$ (510)
FOOD	\$ 660	\$ 709	\$ (49)
OTHER CONTRACTUAL	\$ 534	\$ 534	\$ -
INSURANCE	\$ 495	\$ 495	\$ -
ALL OTHER COST	\$ 1,649	\$ 1,525	\$ 124
TOTAL	\$ 13,560	\$ 12,529	\$ 1,031

January 30, 2007

Santa Fe County Fiscal Year 2006-2007 Financial State of the County

SOLE COMMUNITY PROVIDER PROGRAM

THE COUNTY ONLY
HAS \$6.7 MILLION
IN AVAILABLE GRT
IN FY 2007 TO
CONTRIBUTE TO
SCP



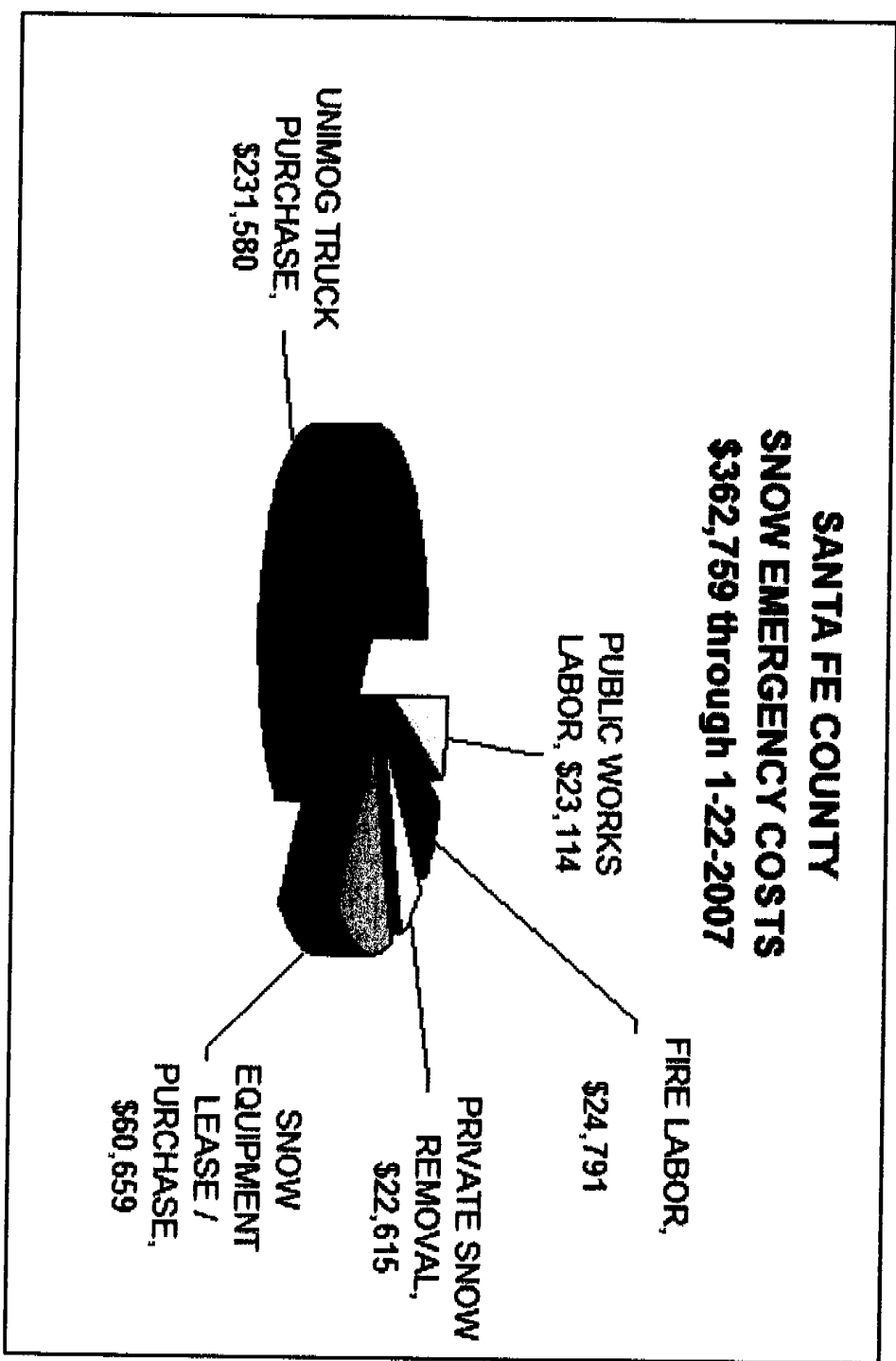
January 30, 2007

Santa Fe County
Fiscal Year 2006-2007 Financial State of the County
SOLE COMMUNITY PROVIDER
SCP PAYMENTS VS. MOA RECEIPTS

	\$ THOUSANDS						
	FY 2003 ACTUAL	FY 2004 ACTUAL	FY 2005 ACTUAL	FY 2006 ACTUAL*	FY 2007 BUDGET**	FY 2008 PROJ	
SCP PAYMENT							
INDIGENT FUND	\$ 630	\$ 1,243	\$ 1,752	\$ 2,425	\$ 2,517		
EMS HEALTH FUND	\$ 3,088	\$ 2,894	\$ 3,606	\$ 4,129	\$ 4,375		
MOA AGREEMENT ADD					\$ 335		
TOTAL	\$ 3,718	\$ 4,137	\$ 5,358	\$ 6,554	\$ 7,227	\$ 9,276	
MOA RECEIPT							
INDIGENT FUND	\$ 520	\$ 625	\$ 1,750	\$ 1,749	\$ 1,915		
EMS HEALTH FUND	\$ 2,539	\$ 2,521	\$ 2,792	\$ 3,148	\$ 3,517		
DETOX FUND					\$ 585		
JAIL ENTERPRISE FUND			\$ 737	\$ 678	\$ 614		
TOTAL	\$ 3,059	\$ 3,146	\$ 5,279	\$ 5,575	\$ 6,631	???	
DIFFERENCE	\$ (659)	\$ (991)	\$ (79)	\$ (979)	\$ (596)	???	

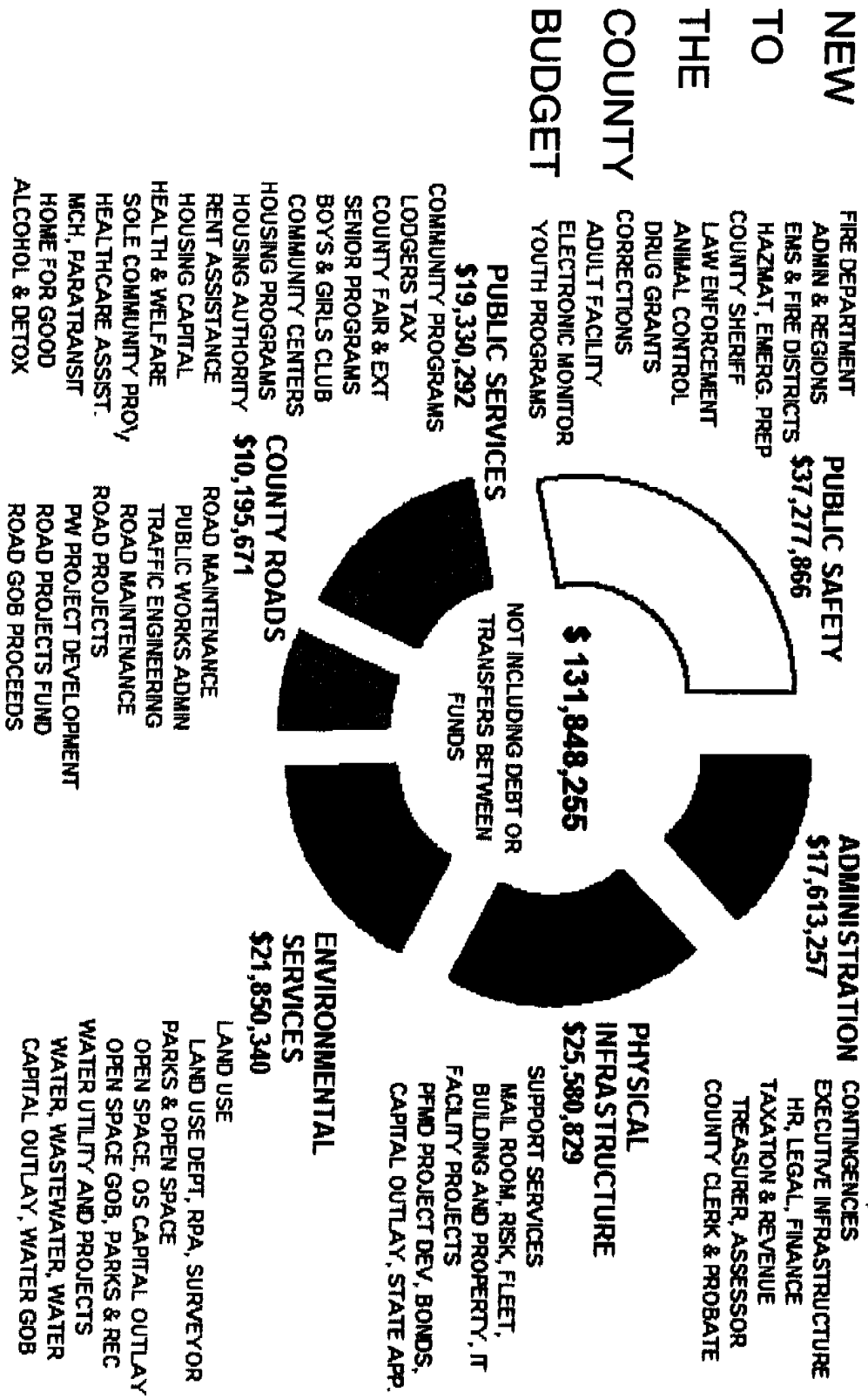
* FY 2006 ACTUAL DOES NOT INCLUDE \$662 "SELF FUNDING" PASS-THROUGH
 ** FY 2007 BUDGET - \$335K ADDITIONAL IN MOA AGREEMENT
 ** FY 2007 BUDGET DOES NOT INCLUDE \$1,203 SCP SUPPLEMENTAL PAID BY STATE

Santa Fe County Fiscal Year 2006-2007 Financial State of the County



Santa Fe County Fiscal Year 2006-2007 Financial State of the County

COUNTY PROGRAMS



Santa Fe County
 Fiscal Year 2006-2007 Financial State of the County
FISCAL YEAR 2008 BASELINE INCREASES

DOLLARS IN THOUSANDS SOURCES	FY 2007	FY 2008	CHANGE
	BUDGET	BUDGET	
PROPERTY TAX	\$ 29,307	\$ 31,502	\$ 2,195
GENERAL & INFRASTRUCTURE GRT	\$ 5,300	\$ 5,700	\$ 400
TOTAL SOURCES	\$ 34,607	\$ 37,202	\$ 2,595

USES

BASELINE FTE COLA INCREASE @4.5%	\$ 45,573	\$ 47,624	\$ 2,051
ANNUAL IMPACT OF FY07 FTE INCREASES			\$ 265
3% ESCALATION OF NON-PERSONNEL COSTS	\$ 8,958	\$ 9,227	\$ 269
LAW ENFORCEMENT LIABILITY INSURANCE	\$ 773	\$ 945	\$ 172
WORKERS COMPENSATION INSURANCE	\$ 343	\$ 492	\$ 149
BOKUM BUILDING RENT			\$ 60
TOTAL USES			\$ 2,965

DOES NOT INCLUDE INCREASES IN SERVICES

January 30, 2007

Santa Fe County
Fiscal Year 2006-2007 Financial State of the County
SERVICE REQUESTS BEYOND
BASELINE - FY 2008 IMPACT

	\$ thousand
ELDORADO SENIORS PROGRAM	300
MATCHING FUNDS FOR TEEN COURT	50
EMPLOYEE DEVELOPMENT PROGRAM	40
ESPANOLA WATER BASIN FUNDING	25
SALARIES AND BENEFITS - STAFF 'ROLLING LIST'	
SATELLITE OFFICE FTE	40
HUMAN RESOURCES FTE / CORRECTIONS	40
CLERK - VOTER INFORMATION SPECIALISTS (2)	68
CLERK - RECORDING CLERK	32
SHERIFF - SEXUAL PREDATOR ENFORCEMENT OFFICER	54
FINANCE - ACCOUNTANT	62
PFMD - MAINTENANCE SPECIALIST (2)	76
LAND USE - CODE ENFORCEMENT OFFICER	35
PUBLIC WORKS - FLEET / PARTS CLERK	26
TOTAL	\$ 848

January 30, 2007

Santa Fe County Fiscal Year 2006-2007 Financial State of the County

STATE APPROPRIATIONS ARE BUDGETED FOR THESE PROJECTS

- COMMUNITY FACILITIES
- ELDORADO LIBRARY
- AGUA FRIA COMMUNITY CENTER
- LA PUEBLA COMMUNITY CENTER
- POJOAQUE COMMUNITY CENTER
- CUNDIYO MEETING FACILITY
- CERILLOS MUL TIUSE CENTER
- SANTA FE HEADSTART
- NAMBE HEADSTART

WHAT IS THE FUTURE COST TO SANTA FE COUNTY TO MAINTAIN THEM OR OPERATE THEIR PROGRAMS?

January 30, 2007

OUTDOOR / ATHLETIC FACILITIES

- LA PUEBLA ATHLETIC FACILITY
- MADRID BALL PARK
- STANLEY YOUTH AGRICULTURAL FACILITY
- LA CIENEGA PARK
- SF MOUNTAIN CENTER ROPE COURSE
- ELBORADO SOCCERFIELD
- POJOAQUE AGRICULTURAL CENTER
- AGUA FRIA CHILDREN'S ZONE

INDOOR FACILITIES

- LA PUEBLA COMMUNITY CENTER
- POJOAQUE COMMUNITY CENTER
- CUNDIYO MEETING FACILITY
- SANTA FE HEADSTART
- NAMBE HEADSTART

Santa Fe County
 Fiscal Year 2006-2007 Financial State of the County
 MIDYEAR REVIEW CALENDAR

MON	TUE	WED	THUR	FRI
JAN 29 10A HOUSING 11A HR 3P ASSESSOR 4P CLERK	JAN 30	JAN 31 8:30A PFMD 10A LEGAL 3P FIRE	FEB 1 1:30P WATER 4P TREASURER	FEB 2 11A FINANCE 1:30P PROBATE 2P SURVEYOR 2:30P HEALTH
FEB 5 10A SHERIFF 1:30P CORRECTIONS	FEB 6 10A PUBLIC WORKS 1:30P LAND USE 2:30P IT 3P MANAGER			

January 30, 2007