

SANTA FE
BOARD OF COUNTY COMMISSIONERS
REGULAR MEETING
March 28, 2006

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



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BCC MINUTES
PAGES: 112

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

**SANTA FE COUNTY
REGULAR MEETING
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This regular meeting of the Santa Fe Board of County Commissioners was called to order at approximately 10:07 a.m. by Chairman Harry Montoya, 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: | Members Absent: |
| Commissioner Harry Montoya, Chairman | [None] |
| Commissioner Virginia Vigil, Vice Chairman | |
| Commissioner Paul Campos | |
| Commissioner Jack Sullivan | |
| Commissioner Mike Anaya | |

V. Invocation

An invocation was given by County Clerk Valerie Espinoza.

VI. Approval of the Agenda

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- B. Tabled or withdrawn items**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

ROMAN ABEYTA (Deputy County Manager): Thank you, Mr. Chairman. We have some amendments to the agenda. The first coming under the Consent Calendar, XII. B. 1 has been withdrawn. Staff is requesting that XII. B. 6 be removed from the Consent Calendar so that we could have a brief discussion with the Commission regarding that item. XII. B. 8 has been tabled, and XII. C. 11 has been tabled.

Under XIII, Staff and Elected Official Items, Fire Department A. 2, we added that this

is going to be a public hearing for that ordinance. XIII. C, the Land Use Department 1, We've added that this is the first public hearing for this ordinance. And one more amendment, Mr. Chairman. Under E. Water Resources Department, 6, the reconsideration of approval on February 28th of the water service agreement for Sonterra LLC. We moved that from Matters from the Commission to under Water Resources Department. Other than that, there are no further changes to the agenda, Mr. Chairman, from staff.

CHAIRMAN MONTOYA: Okay. Are there any consent items the Commission would like pulled off?

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Yes, Mr. Chairman. A. 8, B. 2, B. 5, B. 9 – that's it. The others have already been either removed or tabled.

CHAIRMAN MONTOYA: Okay. Any other changes to the agenda? Is there a motion as amended?

COMMISSIONER SULLIVAN: So moved for approval of the agenda as amended.

CHAIRMAN MONTOYA: Okay. Motion by Commissioner Sullivan.

COMMISSIONER VIGIL: Second.

CHAIRMAN MONTOYA: Second, Commissioner Vigil. Discussion?

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

VII. APPROVAL OF MINUTES

A. February 28, 2006

CHAIRMAN MONTOYA: I have a typographical correction.

COMMISSIONER SULLIVAN: Mr. Chairman, I have a few typographical corrections also.

COMMISSIONER ANAYA: So moved as amended.

CHAIRMAN MONTOYA: Okay. Motion by Commissioner Anaya.

COMMISSIONER CAMPOS: Second.

CHAIRMAN MONTOYA: Second, Commissioner Campos. Discussion?

The motion to approve the February 28th minutes passed by unanimous [4-0] voice vote with Commissioner Vigil abstaining.

VIII. MATTERS OF PUBLIC CONCERN - NON-ACTION ITEMS

CHAIRMAN MONTOYA: This is the portion of the meeting where individuals who would like to address certain issues with the Commission could come forward.

ROSANNA VAZQUEZ: Good morning, Commissioners, My name is Rosanna Vazquez and I am here to ask if it would be possible that we would have public comment and discussion on Resolution 2006-__ under Water Resources Department, the allocation of water. We haven't had public commentary. We have not had a chance to spend much time working on it and we'd like to voice our support and our concern with regards to it. Thank you.

CHAIRMAN MONTOYA: Thank you. That is the resolution adopting the Santa Fe County Water Resources Department line extension and water service policy. Ms. Espinoza.

VALERIE ESPINOZA (County Clerk): Thank you, Mr. Chairman, Commissioners, Manager and other County staff. Yesterday at our senior staff meeting I discussed with some of you an approaching crisis facing my office because of insufficient poll workers or a number of poll workers. We short at least 200 employees at this time. Yesterday two department heads signed out to help us out. But due to the recent change in the law and election reform measures and a decreasing pool of available workers we are seeing a rapid decline in citizens willing to take on this important civic duty.

Part of the recruitment problem is that Santa Fe County has not yet increased its compensation over the last eight years and we are now below the maximum permitted in state law. Right now Torrance County pays \$150 per day for a 14-hour day that begins at 6:00 am and sometimes after 9:00 pm. I believe that I've located the funding to increase the salary for poll workers from \$95 to \$115 and from \$115 to \$125. That's just an estimate. But typically, for those workers who attend the training, they don't get compensated for their travel time or sitting in training for the three hours that they're required. So I'd like to work with the Finance Department in this regard to ensure that our future needs in this regard are met, and I'd also like the Commissioners' support in creating a plan to encourage County employees to serve in this important capacity.

I proposed yesterday that County employee's be given two hours administrative leave if they use a day of their vacation time to work the polls. At this time I appreciate the Commission's support and look forward to working with the Manager and staff to implement these proposals. The election is around the corner so I will need your assistance to recruit and look for qualified poll workers and interested poll workers. Thank you.

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: Ms. Espinoza, how much are you paying now, Santa Fe County?

MS. ESPINOZA: Right now poll workers are receiving \$95 per day, a poll worker. And the precinct or the presiding judge receives \$115.

COMMISSIONER CAMPOS: Compared to other counties, other than

Torrance?

MS. ESPINOZA: Other counties? \$150 is the max allowable.

COMMISSIONER CAMPOS: How about Bernalillo County?

MS. ESPINOZA: That's the only one I've checked thus far.

COMMISSIONER CAMPOS: Okay, so you don't know what other counties are paying.

MS. ESPINOZA: I would expect they do pay at least \$150.

CHAIRMAN MONTOYA: Okay. Thank you. Commissioner Sullivan.

COMMISSIONER SULLIVAN: Valerie, I'd have some concerns about the County sponsoring or in essence paying for a portion of poll workers from staff resources. I think that may be perceived as crossing the line in terms of keeping the election process independent, which I'm sure you want to do. Perhaps we could look at other ways of encouraging -

MS. ESPINOZA: They would be taking a day of vacation, Commissioner.

COMMISSIONER SULLIVAN: I understand, but they would also, according to your proposal they would be getting two hours of compensated time. Is that correct?

MS. ESPINOZA: Yes. It's an idea in desperation to encourage our employees.

COMMISSIONER SULLIVAN: I understand. Maybe you could flesh it out a little more.

MS. ESPINOZA: I have also contacted the City, Mayor Coss, and he's going to see what he can do to help us out in that matter.

COMMISSIONER SULLIVAN: I just think we need to keep a very careful line between paid County staff and those who help you out in the polling process and obviously if someone wants to do that, take leave and is entitled the pay to do that and so forth but for the County to subsidize the two hours, personally -

MS. ESPINOZA: So where does that place my situation with the County Manager in terms of trying to get this passed and supported? Do we not proceed with trying to get County employees to help us out?

COMMISSIONER SULLIVAN: Well, I'm just giving you my one opinion of five, but I feel that they could do that but they would need to do that on their own time. To have the County incentivize it, to me bodes of Chicago politics and getting all the ward people out there and running the elections and I'm sure that's not what you intend and I think we need to keep a careful balance on that.

MS. ESPINOZA: Thank you.

CHAIRMAN MONTOYA: Okay. We don't want Chicago politics here.

COMMISSIONER SULLIVAN: We're better than that.

CHAIRMAN MONTOYA: Anyone else want to come forward?

IX. Matters from the Commission

A. Resolution No. 2006-42. A Resolution Regarding Local Representation and Participation by the Citizens of Santa Fe County at the New Mexico First Statewide Town Hall Forums (Commissioner Vigil)

COMMISSIONER VIGIL: Thank you, Mr. Chairman. Some of you may recall I brought this forth earlier on last year. City Councilors and I have met with New Mexico First. Some of you may or may not be familiar with the. Anyway, this resolution supports their initiative and what they're trying to do with their townhall meetings, which is meet with communities throughout the state and set priorities for the governor and the state legislature and they've set quite a few. At the time, if I might refresh your recollection, we did not act on this resolution because there was not clear language as to whether or not Santa Fe County was going to be responsible for these scholarships that New Mexico First is trying to give to students throughout the state.

At that time it was my understanding that we weren't. Subsequent to our not acting on this, speaking with New Mexico First representatives, they actually were looking to Santa Fe County and the City of Santa Fe to supplement some of their scholarships. Their scholarships are \$500 per student. They are for a leadership institute for high school and pre-college students. I will be supporting this initiative as the resolution states through \$1000 of discretionary funds. And I so move.

CHAIRMAN MONTOYA: I'll second that. Any discussion?

The motion to approve Resolution 2006-42 passed by unanimous [5-0] voice vote.

IX. B. Resolution No. 2006-43. A Resolution Supporting Turn Off TV Week (Commissioner Montoya)

CHAIRMAN MONTOYA: This is a resolution to ask people to turn off their television for the week of April 24th through 30th. This is a national event that occurs every year. Really what we're trying to promote here is people taking time to eat dinner with their families, communicate with their families other than watching television and with that I would move for adoption of this resolution.

COMMISSIONER SULLIVAN: Second.

CHAIRMAN MONTOYA: Second by Commissioner Sullivan. Any discussion?

The motion to approve Resolution 2006-43 passed by unanimous [5-0] voice vote.

CHAIRMAN MONTOYA: No CNN for me, which is good.

IX. C. Resolution No. 2006-44. A Resolution Supporting Santa Cruz Irrigation District's Efforts for Their Silt Removal Project (Commissioner Montoya)

CHAIRMAN MONTOYA: As you recall at the previous Commission meeting that we had, Kenny Salazar from the Santa Cruz Irrigation District came and gave us a summary of what's occurring in terms of the silt buildup and the need to clean that and what we're doing with this resolution is supporting their efforts in obtaining funding through federal or state resources, as well as the clean up of the Santa Cruz dam which provides a lot of irrigation water for that particular valley all the way to La Mesilla and Santa Cruz and that whole valley. And with that I would move for adoption of this Resolution 2006-43.

COMMISSIONER VIGIL: Second.

CHAIRMAN MONTOYA: Second, Commissioner Vigil. Discussion?
Commissioner Campos.

COMMISSIONER CAMPOS: Mr. Chairman, page 2, the last paragraph toward the middle, it says And to include this initiative in the County's legislative agenda for the 2007 session. What does that mean? What is that intended to do?

CHAIRMAN MONTOYA: What that is intended to do is when we have our priorities that we develop each year, if we include this then we can have our lobbyists also there to testify on behalf of any funding that the Santa Cruz Irrigation District may be pursuing as well. So it would merely be that we would provide that support to them.

COMMISSIONER CAMPOS: Is it part of our priority list? Last year we had x-number of priorities that were County priorities. Are you saying that this language would require this to be one of those priorities?

CHAIRMAN MONTOYA: Not necessarily, but it would be like we had so many come up this year, Commissioner Campos, that weren't on our priority list but we were asked by the sponsors of the bills if we could support them or not. So I sent quite a few letters, I don't know how many other Commissioners did supporting for example the Cundiyo facility. This would be simply the same thing in terms of Santa Fe County showing their support of their request.

COMMISSIONER CAMPOS: I agree that we should support this initiative. It's very important, but the issue that comes to my mind is when we set priorities, it seems to me that we should set County government priorities because if we don't we're really competing against ourselves. And I think we found that out in this past session. So that's just a thought and maybe Mr. Gonzalez, do you have any thoughts on that? Anybody on the Commission? I just don't want to have the County competing against other organizations when we have our own governmental priorities.

GERALD GONZALEZ (County Manager): Mr. Chairman, Commissioner Campos, probably it wasn't such an issue during this session, given the funding that was available for funding projects and I don't think that we ever had an issue of going head-to-

head with respect to them but it's something certainly that we need to alert our lobbyists to so that if the issue does come up we don't end up sort of competing in the way that you're proposing. We'd be glad to discuss this when we book a lobbyist for the next round.

CHAIRMAN MONTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: I'm comfortable, Mr. Chairman, so long as we know that we're going to have County governmental priorities that may not include this, that is not automatically going to be part of that.

CHAIRMAN MONTOYA: And it's just including it on the agenda. Again, we have multiple issues that are on our agenda and we pare that down to five, knowing that we're still going to be working on those other issues. And that will probably be the same thing with this. I don't see that this would probably be a top five agenda item.

MR. GONZALEZ: Mr. Chairman, Commissioner Campos, in terms of funding sources, this is not at this point a competing funding source as far as the County is concerned.

COMMISSIONER CAMPOS: Okay.

CHAIRMAN MONTOYA: Any other discussion?

The motion to approve Resolution 2006-44 passed by unanimous [5-0] voice vote.

IX. D. Resolution No. 2006-45. A Resolution Declaring Santa Fe County as a Category 3 Water Restriction (Commissioner Montoya)

CHAIRMAN MONTOYA: This, as you all know, because of the drought conditions that we've experienced this past winter and prior to last winter, the previous four or five years that we've experienced drought again, I think this is something that we need to enact immediately until we do get some precipitation which is substantive. Steve, do you have anything to add to this? I asked Steve Wust to help with the -

STEPHEN WUST (Water Resources Director): Mr. Chairman, this is primarily putting the utility into its Stage 3 water restrictions, and I just noticed this morning that the page showing what those restrictions are weren't included in the packet, so I'd like to hand that out. *[Exhibit 1]*

CHAIRMAN MONTOYA: Thank you.

DR. WUST: Mr. Chairman, the stage restrictions you see in front of you are applicable to customers on the utility. They are posted on the website. They have been all along. We post both Stage 2 and Stage 3 so that this specifically is for that. I'm currently, as per your request, putting together an ordinance paralleling the one - ordinance or resolution, whatever Legal decides it needs to be - paralleling what the fire restrictions are that would be applicable countywide. But this one, in order to move forward is something we've already got in place. So what this resolution, the customers of

Santa Fe County water utility will be in Stage 3 restrictions.

CHAIRMAN MONTOYA: Okay. With that, I would move for approval of Resolution 2006-44.

COMMISSIONER VIGIL: Second.

CHAIRMAN MONTOYA: Second by Commissioner Vigil. Discussion? Commissioner Anaya, Commissioner Sullivan, Commissioner Vigil.

COMMISSIONER ANAYA: Thank you, Mr. Chairman. Steve, does this pertain to everybody in Santa Fe County?

DR. WUST: Mr. Chairman, Commissioner Anaya, no. This is just for the customers on the County utility, County water utility.

COMMISSIONER ANAYA: Oh, you said that earlier. Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Sullivan.

COMMISSIONER ANAYA: Steve, and I know the City has this one as well, but what is the purpose or the gain from restricting the use of ornamental fountains?

DR. WUST: Mr. Chairman, Commissioner Sullivan, I'll start answering that by saying these restrictions have been in place for a very long time, so I don't know the original thought on it, but they've always been posted. The idea behind it though is that outdoor fountains actually evaporate a lot of water because things are dripping off levels and things like that so it's better not to be using them. I know some are recycling and things like that but even the recycled fountains use an awful lot of supplement water because by their very nature they evaporate a lot of water. That was the purpose behind the original thinking when that got put in. That was before my time.

COMMISSIONER SULLIVAN: I guess my thinking on that is maybe that should be on a Stage 4 restrictive environment. The nice thing about small, ornamental fountains is perhaps you could say a certain gallonage or something is that they can give you the feeling of water without having to turn on your hoses or put up swimming pools or things like that. So it's a way of getting a little bit of a feeling of enjoyment from the water and utilizing very little of it in the process in terms of evaporation. I've always thought that that one was kind of nitpicky, to be honest with you, particularly for Stage 3. Other than that I think these are all good restrictions, but that one seems to me to be going a bit too far.

CHAIRMAN MONTOYA: Okay. Commissioner Vigil.

COMMISSIONER VIGIL: A couple of questions, and Steve Ross, these might be more for you. First of all, Steve Wust, has the governor declared state of emergency drought?

DR. WUST: Mr. Chairman, Commissioner Vigil, I believe he has.

COMMISSIONER VIGIL: I believe he has too. Okay, secondly, does this stage parallel the same action the City has taken, in terms of their water conservation? Have they enacted this stage? What stage are they in, actually?

DR. WUST: Mr. Chairman, Commissioner Vigil, I didn't think they went

to Stage 3 but I'd have to double-check that. I don't recall them, reading anything that they've gone back to Stage 3. I do recall you brought forward a thing to go to Stage 2 because the City had done so. They may have but I haven't noticed it.

COMMISSIONER VIGIL: Okay. And I guess more of a question that would help me, I know this is restricted to our utility customers but these kind of water conservation measures are really necessary and should be put in practice even by well owners in many cases. Who would be the enforcing agency for that? Would that be the state? Or would it be the State Engineer? Who would it be?

DR. WUST: Well, Mr. Chairman, Commissioner Vigil, that's exactly - that's the kind of thing we're looking at to apply these kinds of things countywide. For anybody on a domestic well, mutual domestics, that was what the Commission requested we look at when the fire ordinance came forward and I'm putting that together for the last meeting in April. I've had some discussions with Legal about whether it's enforceable, what we have the power to do, things like that. So we're going to have to work that out as we go along. But there certainly are some things that the County can enforce. But I'm going to work with Legal to figure out exactly what we can put in there for County authority.

COMMISSIONER VIGIL: Okay. I think that would be prudent to do. It seems unfair that those few utility users are the ones that dealing with for water conservation and those who have wells aren't and sometimes they're very close in proximity. That's it, Mr. Chairman. Thanks, Steve.

CHAIRMAN MONTOYA: Okay. Any other discussion?

The motion to approve Resolution 2006-45 passed by unanimous [5-0] voice vote.

IX. E. Discussion on the BCC Quarterly Meeting (Commissioner Vigil)

COMMISSIONER VIGIL: Thank you, Mr. Chairman. I'm not sure. The discussion I wanted to have was about the meeting we have scheduled for presentations on - I believe it's April 19th. Does everybody have that same calendar day? I will be unable to attend that, and I know it's difficult to reschedule. I do have a couple of items on the agenda that I wanted to be a part of the presentation. If we're unable to - I guess I'm asking the Commission to consider moving that to another date. I have to attend a multi-line pool that I missed last time because of the strategic planning session. So I had hoped there might be an alternate day we might be able to schedule that for.

COMMISSIONER ANAYA: How about April 25th?

MR. ABEYTA: Mr. Chairman, we have BCC that day at 10:00.

COMMISSIONER ANAYA: 27th?

COMMISSIONER VIGIL: April 27th is free for me.

COMMISSIONER ANAYA: Do we have any meetings?

MR. ABEYTA: EZA at 6:00 pm on the 27th. We had scheduled the one on the 19th for 10:00 and so we're planning on doing it during the day. The 27th should work at 10:00. We have EZA at 6:00, so I don't know how that works for the members of the EZA.

CHAIRMAN MONTOYA: I won't be here on the 27th.

COMMISSIONER VIGIL: In which case, I guess the next question I would have, is this going to be a regularly scheduled meeting for presentations on a monthly basis?

MR. ABEYTA: Mr. Chairman, Commissioner Vigil, it would be on a quarterly basis. So every three, four months we would have it.

COMMISSIONER SULLIVAN: What about the 18th?

COMMISSIONER VIGIL: I will be gone that full week to a multi-line pool.

COMMISSIONER ANAYA: What about May 4th?

MR. ABEYTA: Mr. Chairman, May 4th, we've got the Buckman Direct Diversion meeting scheduled for 3:00.

COMMISSIONER ANAYA: May 2nd?

MR. ABEYTA: The second is clear.

COMMISSIONER ANAYA: I need to check with Jennifer. Could someone please get Jennifer in here. She has my schedule.

CHAIRMAN MONTOYA: I'll still be out.

COMMISSIONER ANAYA: You'll be out.

COMMISSIONER VIGIL: I knew this would be difficult, so in lieu of us trying to rearrange the schedule, perhaps we can go forth with the April 19th and the items on the agenda because one of the items because one of them I think can go forth and that's Mark Sardella's presentation that they have prepared, but another one I'd like to reserve to bring forth at perhaps another BCC meeting so we don't have to wait another four months and that's the Agua Fria children zone presentation. So in lieu of trying to rearrange everybody's schedule, I'm okay with keeping it on the 19th if the Commission is okay with a presentation which is scheduled for then being brought forth to the regular BCC.

CHAIRMAN MONTOYA: You'll have your recognitions removed.

COMMISSIONER VIGIL: Actually, one of them can stay on there but another one I'd like to be present for, because it's a project I've been working with the Agua Fria community on for quite some time. And Commissioner Anaya, Commissioner Montoya, can't be here on the 2nd, so it's going to be better probably to keep it on the 19th.

COMMISSIONER ANAYA: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: Do we already have the agenda for the 19th?

COMMISSIONER VIGIL: We've got some items on the agenda, yes.

COMMISSIONER ANAYA: Can I hear what those are?

MR. ABEYTA: The primary items will be recognition of the local high school basketball teams, both boys and girls, who participated in the state tournament.

COMMISSIONER VIGIL: That would be hard to move.

COMMISSIONER ANAYA: And you had another item on?

COMMISSIONER VIGIL: I had two items. One of them is a presentation by Mark Sardella. You may have been receiving e-mails on it. It's a 30-minute film that he's done on energy efficiency and another one was going to be on the Agua Fria children zone, a project that received legislative funding.

COMMISSIONER ANAYA: And you're asking us to take those off?

COMMISSIONER VIGIL: No, I'm asking that the Mark Sardella presentation remain and that the Agua Fria children zone be brought forth at a BCC meeting.

CHAIRMAN MONTOYA: Okay. So we're okay with the 19th and with those changes then. All right. Jennifer, happy birthday, by the way.

X. OTHER MATTERS FROM THE COMMISSION

CHAIRMAN MONTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: Well, first of all, I wanted to say Happy Birthday to Jennifer. Thank you, Mr. Chairman. I'd like to send our condolences out to the Bernalillo County Sheriff that passed away in Bernalillo County, which is James McGrain. Services are going on as we speak. Our condolences to the family.

I would also like to thank the citizens of Santa Fe County, the constituents in my district for not putting anybody up against me in my race for County Commission next year. I think that was a vote of confidence that I believe I'm doing the right thing for our constituents by returning phone calls and meeting them when they ask to be met.

The last thing, Mr. Chairman, is a saludo to a real good friend of mine, a good friend of the family's and part of the family, Mr. Sam Chavez who is ill at home and I just wanted to say hello to him and his family and that he recover quickly and get back on his feet so that we can go elk hunting or whatever kind of hunting he'd like to do. Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Okay. Commissioner Sullivan.

COMMISSIONER SULLIVAN: Nothing, Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: Nothing.

CHAIRMAN MONTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: Nothing, Mr. Chairman.

CHAIRMAN MONTOYA: I just have a couple of items. One, as people know, the whole issue on immigration reform is taking place. It's probably not something that this Commission has time to do or act on. It's certainly an initiative with the National Association of Counties that we support through the association the McCain-Kennedy bill, which allows for a guestworker program for up to six years and I believe that the Senate passed something last night. I know there are a lot of immigrants that reside in this state and throughout this country that I think we need to be sensitive in terms of how we treat them and how we legislate what we're trying to legislate. So I just hope that whatever is done is done with integrity and respect

for all people, regardless of nationality and that there's not any targeting that could potentially go on with this immigration reform.

I would also like to thank the constituents in District 1 for hopefully what is a vote of confidence as well in terms of also not having opposition for the upcoming primary or general election. It has truly been a privilege and an honor to have done so these last 3 ½ years. I want to thank all of the staff for all that they've done in helping the constituents that I represent in my district and hopefully continue to see that support for the next 4 ½ years, God willing, and I say God willing because through his divine intervention that things happen the way they happen and I believe fully that it was his will that allowed me to run unopposed as well. So I just want to again thank everyone for their patience with me these last 3 ½ years and your continued patience for the next four years with all that we do and again, thank you all staff. I appreciate it.

X. PRESENTATIONS

A. Presentation by the Northern Pueblo Regional Planning Organization (NPRPO)

CHAIRMAN MONTOYA: Sandra, welcome. Thank you for being here.

SANDRA MAES: Thank you very much, Mr. Chairman, Commissioners. I'd like to give a moment of my time to Arturo Archuleta from North Central New Mexico Economic Development District, and if he could speak first then I could go ahead and take over on this.

CHAIRMAN MONTOYA: Okay. Arturo, welcome as well.

ARTURO ARCHULETA: Thank you. Good morning, Chairman Montoya, Commission members. As Sandra mentioned, my name is Arturo Archuleta. I'm the director of planning for the North Central New Mexico Economic Development District. The North Central New Mexico Economic Development District is the parent organization to the Northern Pueblos Regional Planning Organization. I just wanted to speak briefly today to kind of go over the additional services that we have and then Sandra is going to go more in depth into the Northern Pueblos Regional Planning Organization and transportation.

North Central is a council of government and we were founded in 1967 as part of federal legislation for economic development districts across the nation. We're similar to a council of government here in the state. They're known either as economic development districts or councils of government. Being that we were created through federal legislation we have a direct link with the Economic Development Administration, which is currently located, the regional office, out of Austin. So we can provide assistance as a liaison for applications for economic development funds from the US Department of Commerce. In addition to that, we also provide services through state granted aid money that we receive from the New Mexico legislature and that money's filtered through the Department of Finance and Administration, Local Government Division. With that we can provide technical assistance to municipalities,

counties, and other units of government, including acequias, mutual domestics, land grants as well.

Part of the services that we are able to provide that are most beneficial to county governments is that we are able to assist them in the rural unincorporated areas through help with mutual domestics. Currently we're working with the Chimayo Mutual Domestic Water Consumers Association in their attempts in Commissioner Montoya's district to start up a water system. So we can assist with funding as well as with grant administration. Often times that's helpful for the county governments because you guys, your resources are kind of strapped in terms of what you're able to do in assisting those communities.

In addition to that we provide assistance with the infrastructure capital improvement planning. We can assist staff here on, as I also mentioned, mutual domestics and other local units of government in putting together their ICIP plans to go forward into some type of a legislative priority. We can assist with putting together those capital outlay requests in helping communities walk through that process at the legislature.

This year we're also going to be working with the Local Government Division to do the certification of all the severance tax bonds as well as the grant agreements. Included in the packet that you guys have, it's the navy blue packet, and added this morning was a sheet that has an outline of the project that you received, which I'm sure you guys are already aware of. *[Exhibit 2]* So in terms of all the money that you were fortunate enough to receive from the 2006 legislative session, we'll be doing the severance tax certifications coming up in April, late April, early May. So we'll be contacting County staff to actually go through the certification process. And then once the grant agreements are generated by Local Government Division we'll again return to actually assist in ensuring that those grant agreements were filled out correctly and that they meet the needs that were intended.

In addition to that we run two revolving loan funds for small businesses. These are loan funds that are fixed at four percent interest and they can either be for business start-ups or expansions. They only requirement we have is job creation. We like to see one job created or retained for every \$25,000 loaned. We will take any applicant and we do review them on a case-by-case basis. In addition, we also run the area agency on aging, which is the contracting agent for the state of New Mexico for senior services in 21 counties, including here in Santa Fe County. So we have a department that deals specifically with senior issues, needs, as well as coordination of services through the senior programs.

In addition to that we've provisionally been tasked to assist land grant communities throughout the state as they have become newly recognized local subdivisions. We're assisting them with actual governance issues throughout the state. We also have an initiative through the Kellogg Foundation which is an enterprise business to actually make businesses more viable within the northern region. That's kind of a collaborative effort with about 21 different partners. So with that, what I'd like to do is turn it over to Sandra and she'll be going over more specifics in regards to the Regional Planning Organization. Thank you.

CHAIRMAN MONTOKYA: Thank you, Arturo.

MS. MAES: Thank you so much. As you recall, I was here last year speaking

on behalf of the Northern Pueblos RPO. The Northern Pueblos RPO, all our RPOs were actually formed in 1991. Your packet includes a lot of information today. I didn't go through the power point because I didn't want to lose you all. So the first thing in your packet is a handy little card that will tie you into our website. Our administrator in our office put together a website for the Northern Pueblos RPO. The Northern Pueblos RPO is inclusive of four counties: Santa Fe, Los Alamos, Rio Arriba and Taos. We have the eight Northern Pueblos within that and the Jicarilla Apache Nation. So we are quite a diverse group that plans strategically for transportation and transit needs in rural communities.

I always say it should be called the rural planning organization. You all have your metropolitan organization. The second pamphlet is the North Central New Mexico Economic Development District pamphlet that outlines everything Arturo just talked about so I'm not going to go into depth with that. The Northern Pueblos Planning Organization is the additional pamphlet in there and it does give in-depth information of what we exactly do to regionalize, collaborate with our neighbors on transportation and transit needs. As I say, transportation does not just include roads or highways. It includes all aspects of that. It includes landscaping with that, drainage improvements, transit, getting people from one location to another. As you know, that is a challenge.

With the help of the North Central RTD, which is the Regional Transit District we do a lot of effort and collaboration and bring folks into the metropolitan areas such as urban Santa Fe and Albuquerque.

The third element of your pamphlet is a funding target I put together that will help streamline the funding as it comes down the pike to the rural areas. I hope this is helpful to you. It was asked by the pueblos that I put something together to understand the needs and the collaboration planning efforts that we undertake through the Northern Pueblos Organization.

The outline gives you in-depth information of all the funding elements within the Northern Pueblo Organization. We act as the liaison to New Mexico Department of Transportation to advocate for the transit and transportation needs. There are two STIP packets, the State Transportation Improvement Plan that will show your funding for the next five years. I say two because there was a little confusion as when this got put together, one of the elements was left out in Santa Fe County and it's going to give you an in-depth of what the next five years is going to bring to you for transportation. These are approved projects in the STIP, and that's the State Transportation Improvement Plan.

Thirdly, you have the School District Cooperative Agreement. Those are the local government road fund initiatives. It does state in here where Santa Fe Public Schools and Pojoaque Valley schools that are within Santa Fe County, those are on an annual basis and this is what you will receive in 2006. The County Arterial Program, referred to as the CAP, shows that Santa Fe County is in receipt of \$151,928 for 2006. Again, this is the LGRF, the Local Government Road Fund, on an annual basis.

And lastly, the County Cooperative Agreement. Santa Fe County will receive \$95,132 for pavement rehabilitation improvements on various County roads. Again, that under the LGRF that you will receive in 2006. The budget totals for subgrant agreements under the

Section 53-10 program, which is the Elderly and Disabled Programs through the Public Transit Bureau, and the 53-11 is outlined for review on your packet. Now, these are to be awarded but the recipients have not received a letter as of yet. So I'm jumping the gun a little bit in giving you some information. A lot of your non-profit organizations seek money through this fund source. The Elderly and Disabled Program as well as the Public Transit portion of it.

There is a website forum in here that you can go ahead and take advantage of, fill out, send it back to me. Whatever you want on your website I can include there as long as it relates to transportation, and this is where the public goes to find information for their transit needs. It will also list all of your transportation funding for the upcoming years. And of course a handout for FHWA information. There's always upcoming information. It gives you the latest congressional earmark information. I just wanted to include that as a website address for you. So at this time I can entertain questions.

CHAIRMAN MONTOYA: Okay, questions for Sandra? Commissioner Vigil.

COMMISSIONER VIGIL: Sandra, thanks for your presentation. On the Santa Fe County pavement rehabilitation improvements on various County roads, do we know which roads those are?

MS. MAES: We can find that out for you. It would just take a phone call to Dana Travis in the LGRF program at the DOT. If you like I can get that information for you, Commissioner Vigil.

COMMISSIONER VIGIL: Okay. And are those roads roads that are within pueblo lands or are they throughout the counties that you represent?

MS. MAES: These are throughout Santa Fe County, which may include pueblo roads which may include areas in Tesuque or Pojoaque. Those would be the only pueblos that would be eligible if they are a County road. Now, if they're a pueblo road they have their own funding under the Indian Reservation Road Fund.

COMMISSIONER VIGIL: Oh, okay. As a follow-up I'd like to know where those roads are. Maybe you can give me that information later. Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Okay. Other questions? Sandra, regarding the funding that the pueblos receive. Are they supposed to contract out the work in order to get it done? For instance, if they need a road basecourse, do they have the funding to do the purchase for the materials but they don't have the equipment to do the actual spreading of the basecourse, is there anything that can be done between County resources and what they've got already in terms of material?

MS. MAES: Thank you, Mr. Chairman. Most definitely yes. The answer would be yes in that regard. Most of the pueblos have their own road department. If they're self-governing some of them do. The monies for the pueblos comes again from the BIA, the Indian Reservation Road Fund where either the pueblo receives the money directly to the pueblo and they contract those services out, or the money comes from BIA and BIA therefore assists the pueblos in those aspects.

CHAIRMAN MONTOYA: Gerald or Steve, can we enter into those sort of cooperative agreements with pueblos, government to government? It's been a request that has

been made regarding our participation in assisting the basecourse – putting the basecourse on the roads for them. They’ve purchased the material but don’t have any means of putting it on. Can we do that?

MR. GONZALEZ: Mr. Chairman, Commissioners, I’m assuming we could do that in some form of a JPA. We just have to be exercising a mutual authority in order to do that. But otherwise there wouldn’t be anything that would prevent us that I know of from entering into that kind of agreement. We just have to have the agreement in order to move forward. Obviously, that would move through DFA.

CHAIRMAN MONTOYA: Okay. Any other questions? Commissioner Anaya.

COMMISSIONER ANAYA: Mr. Chairman, this is probably maybe off what we’re talking about, but have the pueblos put in any restrictions in terms of fire restrictions?

MS. MAES: Mr. Chairman, Commissioner Anaya, I don’t believe so at this time. I’m working individually right now with Santa Clara Pueblo who is looking at that because of the effects of the fire in Los Alamos but I don’t know if they’ve actually passed a resolution within the pueblo for that.

COMMISSIONER ANAYA: Thank you. Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Okay. Sandra, thank you. Arturo, thank you for the information. This is good to get updated and keep up to date and keep doing the wonderful job that you both are doing. Appreciate everything you do for everyone.

MS. MAES: Thank you, Mr. Chairman. And I’d like to say thank you so much for allowing your staff to participate in the Northern Pueblos RPO process. James and Dan Rydberg, then, have been very active and we really appreciate that.

CHAIRMAN MONTOYA: Great. Thank you.

X. B. Presentation by Dr. Peter DeBenedittis on the Media Literacy Program being Presented in Santa Fe County Public Schools and San Ildefonso Pueblo – Funded by the Santa Fe County DWI Program

BECKY BEARDSLEY (DWI Coordinator): Thank you, Mr. Chairman, Commissioners. The Media Literacy Program has been something that we’ve been funding in the Santa Fe Public Schools since August of 2002. We’ve had great success with it and last year we expanded it to the San Ildefonso Pueblo. We plan to continue funding it for the upcoming year and have also put money in our LDWI grant application for additional funding so that we can have Dr. DeBenedittis create an elementary component as well as another component that would allow us to work with the providers on relapse prevention. So with that I’ll turn it over to Dr. Peter DeBenedittis.

PETER DEBENEDITTIS: Commissioner Montoya and other Commissioners, staff and those present, thank you so much for giving me a few minutes of your time to let me show you the work that I’ve been doing in the county that I’m very grateful you’ve funded these past few years. Since I’ve received funding from the County I’ve individually spoken to

over 5,000 students in the county. I've trained over 100 teachers and provided curricula, as you're going to see, so they can actually implement these programs in the schools to reduce underage drinking.

What I'd like to do is just kind of bring you up to speed to the climate that we're living in and the reality is that our alcohol companies target children and that's just the reality. We live in a world where we have predators that get tax deductions – that's the crazy part. We pay for it. We give them tax deductions to go after our children. Right here you can see that this is the vice president of Anheiser Busch, Mr. Stephen Lambright. He says we do not target advertising towards young people period. If you look at the last 15 years you can see that they've got the party dog on skis, the scary puppet guy, the superhero costume, the Dalmatian puppies – that's obviously for adults – that just happened to be released the same time that Walt Disney did their movies about Dalmatians. The frogs, the penguins, the lizards. For the last 15 years it's been pretty clear that the alcohol companies prey on our kids.

Research from the Prevention Research Center in Berkeley established the three most important items that affect whether or not a child likes an advertisement are music, comedy and cute animals. So let me just show a recent Budweiser ad that ran in one of the recent Superbowls and tell me whether or not you see comedy, music and cute animals in this.

[Video clip]

You can't help but laugh at this stuff because it's cleverly designed but if you look you see that all the elements they need to seduce children are very prevalent in the advertising for alcohol companies. Now, the problem with this is we end up paying a huge price for this. Four out of ten students who drink alcohol by age 15 become alcoholics later in life. So we really need to delay initiation. The problem is that right now, 25 percent of the eighth graders in America have been drunk within the last month. Our county statistics have been pretty good in comparison but we've still got a lot of work to do. But one out of four eighth graders have been drunk, five drinks or more, in the last month. So that means a quarter of those, or 40 percent of those are going to become alcoholics later in life, and that means a life-long burden to the County as far as increased insurance costs, increased police costs and of course the liability to the individuals who have deal with drunk drivers on the road.

What we try to do here in this media literacy program is to delay initiation, to get students to actually start drinking later, and we've been quite successful. When I first started this program the County funded me to do research which was a pilot project on Santa Fe, which has since been replicated around the county. We found that a single 45-minute presentation like this and kids will change their attitudes about advertising, and especially they will significantly change their social expectancies around drinking, the social expectancies – what they believe will happen to them when they drink.

So we know that we can change attitudes. We're still trying to get funding to follow these kids over time to see if we can change actual behavior, but you know we've got a war to fund and we've got tax cuts to give out, so stuff like that is just not being funded these days.

Now, what this means and what we're doing in the schools is we're trying to do social norms. We're trying to present what is actually normal in the world. For example, when I'm

talking to students I ask them the question, true or false: Most adults – most means more than half, adults means someone over 21 – most adults in America either don't drink any alcohol or drink only a tiny little bit. Now, overwhelmingly, kids will say, Oh, that's a lie. Maybe one or two out of 100 will say that that's a true statement, when in fact it is not only true, it is overwhelmingly true. If you look here, you've got all the adults in America and you look here at all the alcohol that's consumed in America, 1/3 of the adults in America don't drink a single drop of alcohol. Not one.

Kids never believe this. I say, Look, raise your hand if you have a parent who doesn't drink. A third of the kids raise their hand every time. And they look around and they still don't believe it. They think everybody's lying, because that's how powerful the media is.

Now, you look at this next group, you have a third of the population consuming 20 percent of the booze. That means that they're social drinkers. They drink one or two drinks a week. Grandma after a funeral. A glass of wine after dinner once or twice a week. Two out of three adult Americans either don't drink any alcohol at all or have two drinks a week. It's overwhelmingly true. Kids don't believe this because they're dealing with so much media, which is a tax deduction, convincing them to drink. Eighty percent of the booze is drunk by a third of the population; fifty percent of the booze is drunk by seven percent of the population. I call them alcoholics because I don't know what you call people who drink half the booze.

What we need to do is understand that a lot of our resources in the county are going towards controlling the behavior of this seven percent who don't really give a damn about the social costs. The social cost per person, whether you drink or not, is \$364. That's what it costs you to pay for underage drinking in this country. That's what it costs through accidents and insurance and work time from kids who go on to become life-long detention center residents. Okay. That's what we're paying.

Now what we do in the schools is we have a program we call Adbusters. We actually get kids to produce counter-ads and it's been kind of fun. This program has been replicated all over the country with other clients I consult with. Let me show you some kids from Capshaw Elementary School, eighth graders.

[Video clip]

We work with Comcast Cable in producing these. They usually give us three or four to one; we buy one commercial, they give us three or four of these. We run these on Nickelodeon and MTV so kids can see them. But more importantly, we have kids involved in the process, which we find has a very huge deterrent effect of them actually going out drinking later. We alternate every year. One year we'll do the Santa Fe School District, the next year we'll do Edgewood and we help Moriarty out as well because they're the same school district. We try to invite Pojoaque into the program but they so far have been reluctant to join. So we alternate every year. This way we can get the middle school kids on a cycle. So let me show you a spot from Edgewood that I thought was just really tremendous.

[Video clip]

Now, one of the biggest reasons we try to do this is there's a huge amount of brain research that shows once children start drinking, serious life-long damage occurs in their brain.

They've done MRIs on teenage girls. When they do an MRI you can see which part of the brain works. They had kids read and list the words out loud so their eyes were looking at pictures. They're using the language center of the brain to understand the information. They were using motor skills because they were talking. This girl here was not drunk when they took this picture but she drank a lot of alcohol growing up. This girl here never drank any alcohol growing up. The red parts of their brains are the parts that are working. You can see the girl that never drank alcohol, a huge amount of her brain works. The girl who drank alcohol growing up, even though she was not drunk at the time, hardly any of her brain is working. On average, you suffer a ten percent brain loss if you're a child and you drink alcohol.

Kids freak out when they know this but they still can't comprehend what's going on because they've already lost that ten percent because that's what the TV tells them they need to do and socially they think they need to do. Everybody sits there and says, well, it's peer pressure. It's those bad kids. No, no. If you have parents and you have a county that sets regulation, and then you take away the advertising, the drinking goes way down. But if just blame it on the kids, where's that peer pressure coming from? It's coming from the ads because that's what they're showing.

Now, the alcohol companies want people to be stupid, because that's how they get their seven percent to get 50 percent of their sales. By the way, underage drinking sales in this country are \$500 million a year. That's just the kids buying it. They want kids to be stupid so they run ads trying to convince you that if you're stupid you're actually good.

[Video clip]

So rather than address the fact that we're creating a population that has less brain capacity they make fun of it and go, oh, yeah. Let's be stupid. You'll get the girl. Anyway, so that's what they're doing in these programs.

A friend of mine, Antonio Lopez, who's also been involved in this project but is now in New York getting his PhD, good for Antonio, he was doing this kind of program at Warehouse 21. The high school kids there developed a counter-ad to address this issue which I want to show you.

[Video clip]

That's a more realistic presentation. We've been doing a lot of outreach to the Native American population. We've started a program at San Ildefonso Pueblo this last current fiscal year. Previously, we've done some work with the Santa Fe Indian School. Let me show you a spot that was produced by students there.

[Video clip]

To wrap this up, just let me tell you that not only do I train teachers so they can put these lessons in the classroom, I provide curricula and I do a lot of that on my own dime. For example, the County funded \$3,000 worth of curricula during this current fiscal year, which is like a single volume on alcohol prevention for 15 people. But because it's my county, I ended up giving away eight volume sets which cover other issues such tobacco, obesity, sexuality, violence and other programs that are valued at \$1200 wholesale each. I gave away \$24,000 worth of curricula this year. I don't do that outside the county, but I do that here because I

think it's important that I don't want to let resources be the reason that this message is not getting out.

So I do want to say I'm grateful for all the funding the County has provided. I'm excited that next year we'll be looking at expanding it to elementary schools and to treatment centers to keep the people who are in recovery from relapsing as advertising tries to get them to do. And I just want to say a special thank you for Commissioner Montoya. When I first started the program I was in Los Alamos Citizens on Substance Abuse. You were on the board there and that was where this whole idea was conceived and ten years later it's grown, so I just want to say thank you for that and thank you for your continued support.

CHAIRMAN MONTOYA: Thank you, Peter. Any questions? Peter I just want to say that you've gotten better over the years. This is really remarkable stuff. We need to find a way that we get this out more than what we're doing right now. My understanding in this is this country is still the only industrialized nation that doesn't have media literacy as part of the curriculum in any of their schools as kids are going along getting their education. Could you talk a little bit about that?

DR. BENEDITTIS: The state of Montana, because I've been working with them, actually requires it now. They are the only state that requires it. New Mexico recommends it but does not require it. One thing I've done is I've consulted all around the country. I've been working with your counterparts in the Marin County board of supervisors. They were worried not only about this but about the whole brain development and what happens when children are given media at an early age. They working to become the first county in the country to pass a resolution asking their elected officials at the state and federal level to actually start to make some changes in the media system to protect kids more and to encourage the local school boards and the state board to actually require that. I'd be happy to give you a copy of that resolution and maybe come to one of your BCCs for a longer presentation if you actually want to steal their thunder and become the first county to do this I'd be thrilled.

CHAIRMAN MONTOYA: I'd love to. Commissioner Vigil.

COMMISSIONER VIGIL: I'd be willing to steal their thunder. I have a particular question for you. When you do the teacher training, do you actually provide a curriculum packet or do you just share the same curriculum?

DR. DEBENEDITTIS: Well, what you're looking at now, when you look at this folder here that's called Smarter Master, each one of these individual folder is a CD-ROM that I provide to the people I'm training. We've done already this year. We had 16 people attend. Each received these seven volumes. I'm going to be doing another one the last Tuesday in April for elementary school teachers. We're putting that one together already. I can give you this disk here, this is on CD-ROM, which has 26 different lessons on it. Each lesson has three or four or five pieces of media because elementary kids can't last as long as a middle or high school kid even though it is watching TV. So we actually give away disks. I have a couple of copies here and I'd be happy to give the rest of you copies as well. I'm sorry. I only had two on my shelf this morning.

COMMISSIONER VIGIL: Thank you. Thank you, Mr. Chairman.

DR. DEBENEDITTIS: I'll make sure I get three more copies. I'm very apologetic about that.

CHAIRMAN MONTOYA: Okay. Any other questions or comments? Peter, thank you and we look forward to getting that resolution. I'd like to move that forward.

MS. BEARDSLEY: Mr. Chairman, Commissioners, along the lines of underage drinking I'd like to remind you that we do have a townhall meeting tonight from 7:00 to 9:00 at the County Extension building. This is part of a grant that we are an advisory body on that was given to Hands Across Cultures. So I'd like to invite everyone to attend that as well. In addition we do a lot of other prevention out in the schools and we do have the full curriculum for the media literacy if you're ever interested in it we'd be happy to show it to you it's in our office.

CHAIRMAN MONTOYA: Thank you, Becky, and I think this further illustrates the efforts that we've been undertaking through the Commission here and also through the Association of County in trying to increase our revenues that we can put into these types of programs. These are the types of programs that are going to save lives eventually. These are the types of programs that are going to keep people from becoming that seven percent that drink the 50 percent and abuse the alcohol. I just encourage us to start working our legislators again early this time and letting them know that this is a serious problem that we've got and we've got some programs that are definitely beneficial and can help our community and our kids, so keep up the good work. Thank you. I appreciate all that you do for Santa Fe County.

MS. BEARDSLEY: Thank you.

CHAIRMAN MONTOYA: Thank you, Peter. Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Mr. Chairman. And I just wanted to thank you also for reaching out to the Moriarty Public Schools in the Edgewood area. Thank you for doing that.

MS. BEARDSLEY: Thank you.

XI. COMMITTEE APPOINTMENTS/REAPPOINTMENTS

A. Resignation of Health Policy & Planning Commission Member: Ron Hale

COMMISSIONER ANAYA: Move for approval.

COMMISSIONER SULLIVAN: Second.

CHAIRMAN MONTOYA: Motion and a second for approval.

The motion to accept the resignation of Ron Hale from the HPPC passed by unanimous [4-0] voice vote. [Commissioner Vigil was not present for this action.]

XI. B. Reappointments of Members to the DWI Planning Council: Donna Bevacqua-Young, Eduardo Garcia, Shelly Mann-Lev and Allan Wheeler

COMMISSIONER ANAYA: So moved.
CHAIRMAN MONTOYA: Motion by Commissioner Anaya.
COMMISSIONER SULLIVAN: Second.
CHAIRMAN MONTOYA: Second, Commissioner Sullivan.

The motion to reappoint Donna Bevacqua-Young, Eduardo Garcia, Shelly Mann-Lev and Allan Wheeler to the DWI Planning Council passed by unanimous [5-0] voice vote.

XI. C. Appointments/Reappointments to the Road Advisory Committee

COMMISSIONER ANAYA: So moved.
CHAIRMAN MONTOYA: Motion by Commissioner Anaya.
COMMISSIONER VIGIL: What is the name? I haven't gotten there yet.
CHAIRMAN MONTOYA: There's one, there's a Diego Gomez and then there's - who are the other ones in the other districts?
COMMISSIONER ANAYA: Paul Montoya, Jerry King.
CHAIRMAN MONTOYA: Yes, Paul Montoya, Jerry King.
COMMISSIONER ANAYA: And Anne Probst.
COMMISSIONER VIGIL: Second, Mr. Chairman.
CHAIRMAN MONTOYA: Motion and a second. Any other discussion?

The motion to appoint Diego Gomez, Anne Probst (alternates) and Paul Montoya and Jerry King (committee members) to the Road Advisory Committee passed by unanimous [5-0] voice vote.

XI. D. Appointments and Reappointments to the Community College District Review Committee

CHAIRMAN MONTOYA: Any questions on that?
COMMISSIONER ANAYA: Is there three?
CHAIRMAN MONTOYA: I believe there's more than three. Commissioner Sullivan.
COMMISSIONER SULLIVAN: Dolores, I see a resume from Mr. Breslauer. Mr. Garcia and Mr. Klemmer, did they indicate that they weren't interested in

continuing to serve?

DOLORES VIGIL (Land Use Administrator): Mr. Chairman, Commissioner Sullivan, Mr. Breslauer, Mr. Garcia is interested, Mr. Klemmer I did not receive any letter or resume. And we have two additional applicants or people who would like to serve on the board and that's Andy Berger and Steven Schoninger.

COMMISSIONER SULLIVAN: I didn't see a resume from Mr. Garcia in our packet. I do have a letter that I received today that I'd like to pass out from Mr. Garcia, just stating that he is a resident of the district and he does work at the Santa Fe Ski Area and he is a volunteer at EL Rancho de las Golondrinas.

CHAIRMAN MONTOYA: So we have two that are on there that want to continue and two others that are not on there that have applied.

MS. VIGIL: Yes, Mr. Chairman.

CHAIRMAN MONTOYA: Do you have a recommendation?

MS. VIGIL: I recommend that we consider reappointing the incumbents and I'm not familiar with the other two applicants.

CHAIRMAN MONTOYA: Commissioner Sullivan, do you know any of the other -

COMMISSIONER SULLIVAN: Mr. Chairman, I think that all three that have been serving have done a good job. I would put forward Mr. Berger as replacing Mr. Klemmer who apparently hasn't indicated a desire to continue. So I would so move.

CHAIRMAN MONTOYA: Okay, motion by Commissioner Sullivan.

COMMISSIONER ANAYA: Second.

CHAIRMAN MONTOYA: Discussion?

The motion to appoint Robert Garcia, Irving Breslauer and Andy Berger to the CCDRC passed by unanimous [5-0] voice vote.

XI. E. Appointments and Reappointments to the La Cienega/ La Cieneguilla Development Review Committee

COMMISSIONER ANAYA: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: I move that we appoint Robert Romero and Ivan Trujillo.

CHAIRMAN MONTOYA: Okay. I'll second. Discussion?

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: It seems that there's a problem getting all the positions filled, just not enough volunteers.

MS. VIGIL: Yes, Commissioner Campos. We did advertise this committee

twice, once in February and once in March and this is what we've received.

COMMISSIONER CAMPOS: We have seven members on that committee or group?

MS. VIGIL: Yes, Commissioner Campos.

COMMISSIONER CAMPOS: One thing we could do is maybe reduce the numbers. If there aren't that many people interested reduce it to five. It makes more sense than having to go out and publish two or three times and get hardly any response. We can't force them to be on the committee. Just a thought for - I don't know if we're having the problem all over or just in this place.

MS. VIGIL: Mr. Chairman, Commissioner Campos, we've had to re-advertise all of these committees twice. Once in February and once in March. So that might be the issue, we can't find enough volunteers. We also have planning committee members that we have contacted to see if they would like to serve on the boards and they did not respond.

COMMISSIONER CAMPOS: Maybe the Commission should address this issue. Any feedback?

COMMISSIONER VIGIL: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: I would just say it's a huge commitment and it takes a dedicated individual who actually has the time. But I also think because this particular area, when we try to get representatives from those people in our districts and in our planning areas, I think we as Commissioners should actually do some recruitment for it also. So I think there are other ways besides staff. Staff is required to go ahead and review the notification and I think at the last meeting I had asked staff to go ahead and check with the planning groups because it would be good to bring in some of those people. But part of the problem may very likely be people are having a difficult time making the commitment that this requires. So it's incumbent upon us to try to do some recruitment as representatives of the districts of the planning areas that we have.

CHAIRMAN MONTOYA: Any thoughts? Commissioner Anaya?
Commissioner Sullivan?

COMMISSIONER SULLIVAN: I think another thought is term limits. We have a tendency to reappoint the same people over and over, citing their experience and so forth, which is important, but also new faces and new ideas are important as well. And after a while people lose interest and don't apply. So I believe some of these committees have term limits. For example, like our COLTPAC committee has term limits I know, and others don't. And that's something perhaps we could get a staff recommendation on implementing.

We've had people on the CDRC for more than 10 years. More than one. That tends to color, I think, the public interest.

CHAIRMAN MONTOYA: I'll just kind of echo Commissioner Vigil's sentiments. I would agree that it would be good for us to recruit and I do try and do that as

long as I know that there's committee vacancies. I think it's important that if we're going to have representation for our particular district or development review committee, whatever it may be, that there's people there that maybe not necessarily completely like-minded but at least you're able to communicate and know who that individual is. I didn't know I had a Road Advisory member up. I certainly hope that this individual is someone that I'll be able to work with and I would feel the same with any of the other committee appointments. So I think certainly if we've got term limits, they've got to have term limits too. So I would agree with that. I think it's good to get new faces on these committees. So should we ask – I guess Dolores, you would be the one responsible for bringing something forward on term limits regarding any of these committee appointments in the future. So we have that there.

So right now we do have a motion for the reappointments of the La Cienega/La Cieneguilla appointments. Any other discussion?

The motion to reappoint Robert Romero and Ivan Trujillo passed by unanimous [5-0] voice vote.

XI. F. Appointments and Reappointments to the Agua Fria Development Review Committee

COMMISSIONER VIGIL: Mr. Chairman, I would like to move that Hazel Romero, who's a current member and expressed interest in remaining, she is a fairly new member, that we appoint Hazel Romero. The only other applicants that we have received for the three vacancies are Lucy G. Chavez, and Gilbert Dennis Hernandez. So my motion would include an appointment of Lucy Chavez, Gilbert Hernandez and Hazel Romero to serve in the Agua Fria Development Review District.

CHAIRMAN MONTTOYA: Okay, there's a motion.

COMMISSIONER ANAYA: Second.

CHAIRMAN MONTTOYA: Second, Commissioner Anaya. Discussion?

The motion to appoint Lucy Chavez, Gilbert Hernandez and to reappoint Hazel Romero passed by unanimous [5-0] voice vote.

XI. G. Appointment to the County Development Review Committee

COMMISSIONER VIGIL: Mr. Chairman.

CHAIRMAN MONTTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: Mr. Chairman, first of all, I'd like to thank Louie Gonzales, who I guess if we do incorporate term limits and they mirror ours would have been

term-limited. I think he served about eight years. Is that correct, Dolores? He's done a wonderful job for the CDRC and many of the members of the CDRC have really appreciated his leadership and his ability to keep that group quite cohesive. But one of the things that's happened with Santa Fe County is that we are now in a place where we've done many more plannings, many more plans throughout Santa Fe County. And I think as I look at a representative for that development review committee I particularly want to know that it's someone who has participated in a planning process. And I checked with the Agua Fria Planning Committee and I checked with the Tres Arroyos Planning Group. We do have a candidate, Mr. Chairman, who is retired, is willing to serve, is familiar with the operations of local government and did participate in the planning process in the Tres Arroyos planning area, an area that of course, now, as you can tell by the development requests that are coming before us is receiving quite a few - we are receiving quite a few requests for development up there.

So in order to protect the fidelity of that plan I think it's incumbent upon me to recommend Ernestine Hagman as the Community Development Review Committee member at this point in time, Mr. Chairman.

CHAIRMAN MONTOYA: Okay. Is that a motion?

COMMISSIONER VIGIL: It is a motion.

COMMISSIONER SULLIVAN: Second.

CHAIRMAN MONTOYA: Second, Commissioner Sullivan. Discussion?

The motion to appoint Ernestine Hagman to the CDRC passed by unanimous [5-0] voice vote.

MS. VIGIL: Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Thank you, Dolores, and I too would just also like to thank Louie. I know he did a good job and wanted to continue on there but Commissioner Vigil certainly has the prerogative as I had mentioned earlier to appoint someone she feels she can work with, so I think we should all have that.

COMMISSIONER VIGIL: May I just say, I do not feel like I cannot work with Mr. Gonzales. Really, the intent here was to get someone from our district as everyone has a representative from their district and who has participated in the planning process.

CHAIRMAN MONTOYA: I wasn't saying you couldn't work with Louie.

COMMISSIONER VIGIL: I can.

CHAIRMAN MONTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Mr. Chairman. I also wanted to thank Louie Gonzales for helping us out with the CDRC, and I also want to thank Robert Rotunno, that was on the Agua Fria Development Review Committee and Toby Tercero for all their volunteer time. Thank you.

XII. CONSENT CALENDAR

A. Budget Adjustments

1. **Resolution No. 2006-46. A Resolution Requesting a Decrease to the Jail Enterprise Fund (518) / Day Reporting Program to Realign the Fiscal Year 2006 Budget with the Final Grant Awarded through the New Mexico Children, Youth, and Families Department -\$20,982 (Corrections Department)**
2. **Resolution No. 2006-47. A Resolution Requesting an Increase to the General Fund (101) / Various Departments to Budget Additional Property Tax Revenue for an Increase in Fuel Expenditures for Fiscal Year 2006 / \$205,500 (Finance Department)**
3. **Resolution No. 2006-48. A Resolution Requesting Approval to Budget a Fuel Assistance Allotment Awarded by the State Fire Marshal/NM Public Regulation Commission for all Fire Districts in the 209 Fund/ \$90, 275(Fire Department)**
4. **Resolution No. 2006-49. A Resolution Requesting Approval to Budget an Insurance Reimbursement for the Stanley Fire District for Repairs on Damage to District Fire Apparatus / \$2,792 (Fire Department)**
5. **Resolution No. 2006-50. A Resolution Requesting an Increase to the General Fund (101) / County Sheriff to Budget Additional Funds Awarded Through a Memorandum of Understanding with the New Mexico Department of Transportation for Traffic Enforcement Expenditures in Fiscal Year 2006 / \$24,000 (Sheriff's Office)**
6. **Resolution No. 2006-51. A Resolution Requesting an Increase to the General Fund (101) / County Sheriff to Budget Insurance Recovery Revenue Received for Expenditure in Fiscal Year 2006 / \$11,000 (Sheriff's Office)**
7. **Resolution No. 2006-52. A Resolution Requesting an Increase to the General Fund (101) / Region III Grant Program to Realign the Fiscal Year 2006 Budget with the Final Grant Awarded by the Justice Assistance Grant Program Through the New Mexico Department of Public Safety (Sheriff's Office)**
8. **Resolution No. 2006 - A Resolution Requesting an Increase to the Water Enterprise Fund (505) to Budget Prior Fiscal Year 2005 Cash Balance for Expenditure in Fiscal Year 2006 / \$285,253 (Water Resources Department) ISOLATED FOR DISCUSSION**

B. Professional Service Agreements

1. **Request Authorization to Award a Professional Services Agreement to the Highest Rated Offeror in Response to RFP No. 26-1820-**

- ADF/RH to Provide Jail Consulting Services for the Adult Detention Facility / \$184,609 (Corrections Department) WITHDRAWN**
- 2. Request Authorization to Accept Best and Final Offer and Award a Professional Services Agreement No. 26-0805-FD/RH, Peter Hodge to Serve as the Volunteer Firefighters Recruitment and Retention Coordinator for the Santa Fe County Fire Department in the Amount of \$50,960 (Fire Department) ISOLATED FOR DISCUSSION**
 - 3. Request Authorization to Award Professional Services Agreement No. 26-0414-HHSD/MS to Ron Hale & Associates for Consulting Services to Prepare the Health Plan Update for Santa Fe County for a Contract Amount not to Exceed \$15,000 (Health & Human Services Department)**
 - 4. Request Ratification of Professional Services Agreement No. 26-0203-LG/RH with Stephen S. Hamilton, Esq. Of Montgomery and Andrews, PA to Provide Legal Services in Connection with Litigation, if Required, for Condemnation Related to the Judicial Complex in the Amount of \$20,000 (Legal Department)**
 - 5. Request Ratification of Professional Services Agreement No. 26-0120-MG/RH with Carl Moore, PHD. To Provide Facilitation of the Strategic Growth Management Initiative of Santa Fe County, in the Amount of \$17,500 (Legal Department) ISOLATED FOR DISCUSSION**
 - 6. Request Authorization to Award a Professional Services Agreement to the Highest Rated Offeror in Response to RFP No. 26-0121-MG/RH to Provide Federal Lobbying Services / Political Representation / \$120,000 (Manager's Office) ISOLATED FOR DISCUSSION**
 - 7. Request Authorization to Award a Professional Services Agreement No. 26-0122-MG/RH with Pojoaque Valley Schools to Provide a Summer Recreational Program to the Youth of Santa Fe County in the Amount of \$20,000 (Manager's Office)**
 - 8. Request Authorization to Award a Professional Services Agreement to the Highest Rated Offeror in Response to RFP No. 26-0728-PFMD/RH to Provide Architectural Services and Design of the Edgewood Senior Center Additions (Project & Facilities Management Department) TABLED**
 - 9. Request Authorization to Enter into a Professional Services Agreement with Gannett Fleming West, Inc., to Provide Survey Final Design and Right of Way Mapping Services for the South Meadows Road Project / \$273,968.56 (Public Works Department)**

ISOLATED FOR DISCUSSION

- 10. Request Authorization to Enter into a Professional Services Agreement with Southwest Archaeological Consultants, Inc. to Provide Archaeological Testing, Data Recovery and Architectural Survey Services for the Agua Fria Phase III Project / \$104,827.06 (Public Works Department)**

C. Miscellaneous

- 1. Request Authorization to Enter into an Agreement with San Miguel County to House San Miguel County Inmates at the Santa Fe County Adult Detention Facility (Corrections Department)**
- 2. Resolution No. 2006-53. A Resolution Replacing Resolution 2001-191 Authorizing Certain Fire Department and Land Use Department Personnel to Issue Citations for Violations of County Ordinances (Update of Previous Resolution)**
- 3. Resolution No. 2006-54. A Resolution Approving the PHA Certifications of Compliance with the PHA Plans and Related Regulations (Housing Department)**
- 4. Resolution No. 2006-55. A Resolution Creating and Implementing a Section 8 Housing Choice Voucher Homeownership Program (Housing Department)**
- 5. Request Approval of Donation of 1.22 Acres of Land Adjacent to Santa Fe County's South Meadows Property (Project & Facilities Management Department)**
- 6. Request Approval of Easement Donation for Segment of Santa Fe County's Arroyo Hondo Trail (Project & Facilities Management Department)**
- 7. Request Approval of Donation of Approximately .25 Acres of Land Near Stanley in Santa Fe County (Project & Facilities Management Department)**
- 8. Acceptance of Offer Regarding, IFB 26-0612-PW/JC and Authorization to Enter into a Construction Agreement with RL Leeder for the Santa Fe County Speed Hump Project / \$63,829.67 (Public Works Department)**
- 9. Requesting Authorization to Accept and Approve Project Agreement 06-PT-63-091 from the New Mexico Department of Transportation/Traffic Safety Bureau/ \$13,000 (Sheriff's Office)**
- 10. Requesting Authorization to Accept and Approve Project Agreement 06-EE-05-091 from the New Mexico Department of Transportation / Traffic Safety Bureau/ \$16,799 (Sheriff's Office)**
- 11. Request Approval of Memorandum of Understanding Between Santa Fe County and CWA (Sheriff's Union) TABLED**

CHAIRMAN MONTOYA: On the Consent Calendar, do we have a motion?

COMMISSIONER ANAYA: So moved.

COMMISSIONER SULLIVAN: Second.

CHAIRMAN MONTOYA: Motion Commissioner Anaya, second
Commissioner Sullivan.

The motion to approve the Consent Calendar, with the exception of items A. 8 (see below), B.1 (withdrawn), B. 2, 5, 6, and 9 (isolated for discussion, see below) and items B. 8 and C. 11 (tabled) passed by unanimous [5-0] voice vote.

XII. A. 8. Resolution No. 2006-56. A Resolution Requesting an Increase to the Water Enterprise Fund (505) to Budget Prior Fiscal Year 2005 Cash Balance for Expenditure in Fiscal Year 2006 / \$285,253 (Water Resources Department)

COMMISSIONER SULLIVAN: Mr. Chairman, this item concerns a budget increase for the Water Resources Department and one item that I wanted – that I wasn't aware of that I would like Mr. Wust to discuss is that part of that is an expense of \$31,000 for an NPDES permit penalty. And I just wondered what happened there.

DR. WUST: Mr. Chairman, Commissioner Sullivan, first of I just wanted to mention that Millie Valdivia, our finance administrator is here in case you have any specific questions about how the accounting is done. That particular item, there was an NPDES permit which is a discharge – NPDES stands for the National Pollution Discharge Elimination System, but it's a federal EPA permit for discharging entities. This one is for Valle Vista, to discharge from our Valle Vista wastewater treatment plant. It was due to be renewed in July of 2004. When I came on board in the second half of last year I was informed that that had never been done. I assigned that to Leonard Quintana, the operator. He completed it all. It actually was one of several permits that hadn't been turned in on time and he completed them all and sent them in. This particular one got sent in November of 2005 and EPA just recently sent us a notice of violation for not getting it in on time and that's what it was. It included several penalties.

I will let the Commission know I've responded to EPA and basically made a counter-proposal that we would like to, we would agree to some penalties but we would request a waiver on others. But \$31,000 is the total amount if EPA imposed all the penalties. So we felt it prudent to put that into our budget just in case EPA comes back and disagrees with our proposal. But the bottom line it was due to a permit that was not renewed in July 2004 like it was supposed to.

CHAIRMAN MONTOYA: That we neglected to submit?

DR. WUST: That is correct, Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Disappointing, but that answers my question.

CHAIRMAN MONTOYA: Ready to move forward on it Commissioner?

COMMISSIONER SULLIVAN: Yes. Mr. Chairman, I'd move for approval of
item XII. A. 8.

CHAIRMAN MONTOYA: Okay, that's Resolution 2006-56. Any other
discussion?

The motion to approve Resolution 2006-56 passed by unanimous [5-0] voice vote.

**XII. B. 2. Request Authorization to Accept Best and Final Offer and
Award a Professional Services Agreement No. 26-0805-FD/RH,
Peter Hodge to Serve as the Volunteer Firefighters Recruitment
and Retention Coordinator for the Santa Fe County Fire
Department in the Amount of \$50,960 (Fire Department)**

COMMISSIONER SULLIVAN: Mr. Chairman, my question on this item, and
I see Chief Holden is here, I talked to him briefly about the work being done by a Mr. Hodge,
the volunteer coordinator, and he told me he thinks he's doing a good job, so I'm glad to hear
that. The packet material that we have is a very short memo that simply says that there were
substantial changes made in the contract by the Fire Department and now those changes have to
be approved. We don't have in our packet what those changes were so I guess, Stan, if you
could let us know what those changes were or are.

STAN HOLDEN (Fire Chief): Mr. Chairman, those changes were made
through the Finance and Legal Department so I'm going to yield to them to answer those
questions.

JACK HIATT (Deputy County Attorney): Mr. Chairman, Commissioner
Sullivan, I know about the changes. They involved an expansion of the whereas clauses that
Ms. Lucero wanted I believe in discussion with the Chief, and the other was parts of the scope
of work and the Chief wanted to have close oversight over this particular position and those
were the two changes that I'm aware of.

COMMISSIONER SULLIVAN: Stan, do you want to elaborate on that a little?

CHIEF HOLDEN: Mr. Chairman, Commissioner Sullivan, I can't elaborate on
the whereases because I wasn't involved in that particular part of it, but in regards to the
contract itself, what I asked was that we specify directly in the contract who was to oversee the
contract itself. I didn't want there to be any question between the contractor and the County
about who was overseeing this contract, specifically the County Fire Chief.

COMMISSIONER SULLIVAN: Okay, so those changes were then made to the
contract subsequent to the County Commission approving the contract.

CHIEF HOLDEN: It was my understanding, Mr. Chairman, Commissioner

Sullivan, that the Commission approved the contract that was on the Consent Agenda and there was some confusion between I believe Ms. Lucero, myself and Legal about whether or not it had been actually pulled from the Consent Agenda that day and my understanding is that it was not, so the cc approved it as part of the Consent Agenda, so the changes were not made prior to your approval and that's why we're coming to you retroactively asking you to adopt and ratify these changes that have been recommended.

COMMISSIONER SULLIVAN: Okay, and then Mr. Hiatt, are those changes okay with the Legal Department?

MR. HIATT: Mr. Chairman, Commissioner, they are. There was nothing of particular significance. I think it was a debate at least in the whereas clauses between Ms. Lucero and myself as to whether or not they should be there at all. I acquiesced.

COMMISSIONER SULLIVAN: You lost.

MR. HIATT: Well, I'm more graceful than that.

COMMISSIONER SULLIVAN: You're a negotiator and a compromiser.

MR. HIATT: It wasn't that big a deal. But the scope was for the Chief. He really wanted that in and so we went back and rewrote the scope but it was my understanding that was done after you had approved them and I didn't realize that you had already.

COMMISSIONER SULLIVAN: Okay. I was just concerned because I saw they were categorized as substantial changes so I wanted to know what they were. That's all the questions I had, Mr. Chairman.

CHAIRMAN MONTOYA: Okay. Any other questions? Is there a motion?

COMMISSIONER ANAYA: So moved.

COMMISSIONER SULLIVAN: Second.

CHAIRMAN MONTOYA: Motion, Commissioner Anaya, second, Commissioner Sullivan.

The motion to approve Consent Calendar item XII. B. 2 passed by unanimous [5-0] voice vote.

XII. B. 5. Request Ratification of Professional Services Agreement No. 26-0120-MG/RH with Carl Moore, PhD To Provide Facilitation of the Strategic Growth Management Initiative of Santa Fe County, in the Amount of \$17,500 (Legal Department)

COMMISSIONER SULLIVAN: I had, Mr. Chairman, one question and one comment on this. This has to do with procurement of services of a professional facilitator to facilitate the County's strategic growth management initiative. The sum of the contract was not to exceed \$17,500, so my first question is what is our current limit on the County Manager's approval. It seemed to me it was like \$20,000 or \$25,000. Wouldn't this come within that limit?

CHAIRMAN MONTOYA: \$10,000, I believe.

MR. ROSS: Mr. Chairman, Commissioner Sullivan, I believe it's \$10,000 at this point.

COMMISSIONER SULLIVAN: Okay, so that's one reason it needs to come back, I guess because it's \$17,500. Am I correct in that?

MR. ROSS: Mr. Chairman, Commissioner Sullivan, yes. That's why it's on the agenda. The contractor has not exceeded \$10,000 in expenditures or billings, invoices at this point, but it's important to ratify the contract if the billings are going to exceed \$10,000. And the face value of course, as you noted, is \$17,500.

COMMISSIONER SULLIVAN: The comment I wanted to add is that had this been brought to the Commission I wouldn't have been supportive of it. This contractor worked on a facilitation contract in the Eldorado area and I was not at all pleased with the outcome. We received a one-page report and I had questions on it and was promised more detail on it and never obtained it. So I thought there was lack of follow-through and I wasn't personally pleased with the efforts of this particular contractor. So had this come forward I would not have voted in favor of it and my feelings remain the same today.

CHAIRMAN MONTOYA: Okay, any other discussion? Is there a motion?

COMMISSIONER VIGIL: Move to approve.

COMMISSIONER CAMPOS: Second.

CHAIRMAN MONTOYA: Motion, Commissioner Vigil, second, Commissioner Campos.

The motion to approve Consent Calendar item XII. B. 5 passed by majority 4-1 voice vote with Commissioner Sullivan voting against.

XII. B. 6. Request Authorization to Award a Professional Services Agreement to the Highest Rated Offeror in Response to RFP No. 26-0121-MG/RH to Provide Federal Lobbying Services / Political Representation / \$120,000 (Manager's Office)

MR. ABEYTA: Mr. Chairman, this was pulled by staff for the following reasons. One is I don't believe there was consensus among the Commission that we wanted to go forward with this the last time we discussed it. We did rate all the offerors and the highest rated offeror was the Ferguson Group that came in at \$120,000 per year. Now, we've discussed with them via e-mail what they would do between now and the beginning of the new federal session, which would be in November and I don't believe that there is adequate work at this point for them. They did offer to lower their price between now and November by \$5,000, basically cut it in half to \$5,000 per month between now and November, and then up it back to the proposed \$10,000 per month, but again, I'm not convinced that there's enough work for them at this point between now and October. So staff would recommend at this point that we

hold off on this until they develop a federal agenda and then maybe come back to you in a few months with an RFP for a group to start in the new session which will begin in November of this year. So that's staff's recommendation that this be withdrawn at this time.

CHAIRMAN MONTOYA: So we will just readvertise at a later date?

MR. ABEYTA: Right. We would come up with an actual agenda and initiatives that we would like to pursue and then readvertise and hopefully award a new RFP in August or September.

CHAIRMAN MONTOYA: So what would be the appropriate action for us to take?

MR. ABEYTA: We're recommending withdrawal.

CHAIRMAN MONTOYA: I have a recommendation.

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: I think the discussion – I've never favored the federal lobbyist. I think it's too expensive and it's not been very productive. That we all have another idea on the table is hiring the state lobbyist full time. I think that makes more sense. I think we can use those dollars for a state lobbyist full time instead of a federal lobbyist. We have to look to our legislature for most of our funding and to be effective I think we need someone year-round. So I would say that's a better way of spending our money than going to Washington for a federal lobbyist. So I would like that to be part of the discussion when this matter comes up again. I'd like to have some input from other Commissioners.

CHAIRMAN MONTOYA: Okay. Commissioner Sullivan, Commissioner Anaya.

COMMISSIONER SULLIVAN: I think during the interim discussion too I'd like to see a little more information on our budget reserve. When we talked about this in the past Ms. Lucero indicated that we had perhaps \$250,000 available in our budget reserve that we could access for this if the Board decided to move forward with it. Since then I think we've all received a memorandum with regard to the jail budget indicating that this year's expenditures are going to be some \$400,000 in excess of what was planned or budgeted from the general fund. So I think there goes our reserve and then some. I don't know the exact numbers on that but Mr. Parrish I think provided us all with that information as a heads-up so that we keep things in check here. So perhaps, Roman as a part of that evaluation before it comes back we could have a little better information on where we stand on our reserved and how much money we could commit to something like this if we wanted to.

Then I also think that Commissioner Campos' suggestion is a good one, that we look at what a year-round lobbyist would cost and would do, and if there's someone we would be comfortable with representing us on a year-round basis at the interim committees where a lot of the groundwork gets laid for some of these legislative requests. I'm not saying that I'm speaking in favor of that right now but I'm saying that I sure would like to see some more thought on it. Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Okay. Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Mr. Chairman. I don't have a problem putting this off right now but I would have a problem later on if we just omit a federal lobbyist all together because I think they can bring resources to the table. I know we've worked long and hard at this. I know that the lobbyists have worked hard on getting us an RFP but I would hope that we wouldn't forget about other possibilities of bringing income into the County. Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Okay. We have a recommendation to withdrawn.

COMMISSIONER SULLIVAN: I move, Mr. Chairman, to withdraw until staff feels that it's appropriate to bring the matter back on the agenda.

CHAIRMAN MONTOYA: Okay. Motion by Commissioner Sullivan. I'll second. Any other discussion?

The motion to defer consideration of a federal lobbyist until later passed by unanimous [5-0] voice vote.

XII. B. 9. Request Authorization to Enter into a Professional Services Agreement with Gannett Fleming West, Inc., to Provide Survey Final Design and Right of Way Mapping Services for the South Meadows Road Project / \$273,968.56 (Public Works Department)

COMMISSIONER SULLIVAN: Mr. Chairman, this has to do with the award of a contract of over a quarter million dollars for architectural and engineering services and I have two comments to make. One was that I feel some of these staff summaries are getting a little to sparse, and I mentioned this this morning and the Indigent Board meeting, in terms of complimenting the staff report that was done on the authorization for the health plan update, which was item number XII. B. 3, which we've already approved on the Consent Calendar. I think that that had good summarized information concerning the criteria, who applied, who didn't apply, what the evaluation was. In this case, James, my question is we've had this happen before in PFMD as well, we only had one firm reply. Again, this is a \$273,000 contract. What seems to be our problem with getting interest in a quarter million dollar contract?

JAMES LUJAN (Public Works Director): Mr. Chairman, Commissioner Sullivan, on this particular one we sent out approximately eight RFPs, I believe and some of the response from some of the firms is Gennett Fleming has done the location study for this project. Previously they had responded to it and it was awarded to them a couple years back. So one firm I spoke with, they're probably the most familiar with the project so that's why they didn't respond. I believe it was the probably the same sentiments from different firms that did not respond because Gannett Fleming had done the location study. That's all I can answer. I have no other answer why they wouldn't respond.

COMMISSIONER SULLIVAN: I understand that is a problem. They feel that

perhaps the firm has a foot in the door and is going to get the highest rankings. I know that for some types of contracts in Los Alamos, what they call Title One, Title Two, Title Three up there, which is a different categorization, the firm that does the planning work is not eligible to submit for the design work because they feel that they want the firm to be independent and to look at alternatives if there's a cheaper alternative and they're not just feathering their own nest, as it were. I'm not implying that that's what was done in this case, but I'm just saying that James, maybe we might want to consider some cases that the firm that does do the initial planning location work, whatever that may be, not necessarily be the design firm. It's not going to apply in every case but it may open up the market.

It's hard to negotiate when you only have one firm to negotiate with to get the best deal for the County and for the taxpayers. Does that sound do-able or is that -

MR. LUJAN: Mr. Chairman, Commissioner Sullivan, when the RFPs are solicited and guidelines, I'm willing to work with that. I believe it's Legal and Finance that have had these regulations. So I think we need to look into that. I thought the same thing when I saw that there was no other - nobody else responding. I said, well, what are we going to negotiate with. They did come down. I don't have the exact number with me of the price they came down, but I'd like to see it happen that way also.

COMMISSIONER SULLIVAN: And I would just like to see getting a broad base of firms and particularly some local firms here in Santa Fe rather than those in Albuquerque that I feel are competent to do these projects and building up that base of local firms I think is to the benefit of the County. But we have just one firm, Mr. Chairman -

MR. LUJAN: Mr. Chairman, I believe maybe some of the local firms have too much work. I don't know what it is.

COMMISSIONER CAMPOS: You know, I haven't had anybody call me up with that complaint.

CHAIRMAN MONTOYA: I'll be calling you.

COMMISSIONER SULLIVAN: So if there are no other questions, Mr. Chairman, from the rest of the Commission, I'll move to approve item B. 9.

COMMISSIONER VIGIL: Second.

CHAIRMAN MONTOYA: Okay, motion by Commissioner Sullivan, second Commissioner Vigil. Discussion?

The motion to approve Consent Calendar item XII. B. 9 passed by unanimous [4-0] voice vote. [Commissioner Anaya was not present for this action.]

CHAIRMAN MONTOYA: So we're good to move on to the next agenda item, XIII. A. 1. Do we want to proceed with this or do we want to look at breaking for lunch?

COMMISSIONER SULLIVAN: Mr. Chairman, we have our Fire Chief here and his crew and maybe if we could get this one out of the way we could put them back to work.

XIII. STAFF AND ELECTED OFFICIALS' ITEMS

A. Fire Department

1. Update on Wild Land Fire Conditions and Preparedness

CHIEF HOLDEN: Thank you, Mr. Chairman, Commissioner Sullivan. We won't take up a lot of time. Based on the resolution that was approved and adopted by the County Commission back in February we are back today to provide an update on exactly what actions have been taken following the direction from the Commission. And we have with us John Wheeler who is the assistant chief and public information officer for the County Fire Department. Chief Wheeler is a volunteer and provides these services to the County gratis. So we appreciate him being here and getting you all the updates on the department's preparedness activities.

JOHN WHEELER (Assistant Chief): Thanks, Chief. For the record, my name is John Wheeler, Assistant Chief, Santa Fe County Fire Public Information Officer. I'd like to start by thanking Commissioner Campos for your assistance and support regarding some of the initiatives we've undertaken. Let me start by saying that we're doing what we normally do in a bad fire season, but we've been provided with the ability to augment some of that and I'd like to outline it quickly for the Commission, Mr. Chairman, with your permission.

We are hoping on a large scale to inundate the airwaves and the print media with public education information. Now, we've been lucky enough to hopefully be able partner with the state of New Mexico through the New Mexico Office of Homeland Security with some grant monies and some PSAs are being created at the state level and various counties and cities are being provided time in those commercials. That is one avenue that we'll use to educate the populace here in Santa Fe County. Something that we've done since 1996, in earnest since 2000 is we have written op-ed pieces, we've contributed significantly to articles in the media and we've done a lot of TV and radio spots. I myself have done dozens of those over the last few years. We're also hoping to acquire, probably through rental at this stage, and if it's a program that works, a number of the mobile information signs, for example those that are placed on Highway 285 by the Highway Department, we feel those could be used on a daily basis and placed strategically throughout Santa Fe County to alert residents of high risk areas, areas at high risk for wildland urban interface fires, and notify the public in the event of an evacuation or a change in conditions. Because those signs are mobile they could be used anywhere in the county and could be moved very quickly.

A new program that we're hoping to undertake this year is we're going to hire additional staff as temporary employees of the County to provide patrol services in a wildland engine, be available in those areas that are at the highest risk for wildland urban interface events. These firefighters would also be the first contact for the City and the County and their residents and would be available to help people pre-plan or provide

defensible space around their homes, frankly something that Deputy Chief Hank Blackwell has spent a career doing and has been very successful. I'm sure you know that Santa Fe County is one of the foremost leaders in the wildland urban interface community partnership aspects.

Finally, we're partnering with the New Mexico Office of Homeland Security with regard to monies that have been set up based on a disaster declaration based on the potential for this fire season. We will submit costs associated with the hiring of new crew members for this temporary project and the state has indicated that it would look favorably on that. In fact, that's why the fund was created. With that brief statement I would stand for questions and be glad to provide any additional information that may be sought.

CHAIRMAN MONTOYA: Any questions? Commissioner Vigil.

COMMISSIONER VIGIL: Thank you, Mr. Chairman. The questions that I'm getting more recently from residents are with regard to dead pinon trees. The question they ask is not so much can the County come out and dig them up, because they're mostly on private land, but if they as residents – this may not be within your purview – if they as residents actually do the digging themselves, can we actually – isn't there an abate process? Can we pick them up? Can we connect them with a service who might be able to? How can we assist those residents who want to participate in preparing for this by getting rid of their dry trees?

MR. WHEELER: Mr. Chairman, Commissioner, there is in fact something the County can do and I'd like to defer to Deputy Chief Blackwell if I may.

COMMISSIONER VIGIL: Thanks.

HANK BLACKWELL (Deputy Chief): Mr. Chairman, Commissioner Vigil, one of the things that we've had success with over the last five or six years is our Firewise Communities USA program as well as our community fire risk reduction weekends. We're still very active in that. However, in order not to create a conflict of interest with local small business people that actually do this kind of abatement, the only way that we're able to do it – there are a number of criteria. Number one, an entire neighborhood that has to already be an association, has to have some formal structure, has to apply. They have to apply for Firewise Communities USA status. We have to do a number of trainings with the entire neighborhood association. After several months of this, then we actually go through safety briefings and a little bit of training in terms of education, management of fire risk. At that point in time, if the community continues to participate then we can assist them so that they can do this abatement and then this biomass of green waste then is stockpiled in an area that we choose and at certain times during the year we can then go out and reduce this brush, if you will, to chip material that has to remain in the neighborhood and be recycled in the neighborhood.

So that we can do, but again, there has to be quite a bit of organization for us to do it. Other than that there are a number of small businesses throughout the county and surrounding counties that provide these services from single-person businesses all the way to businesses that have a number of individuals as well as many machines that can do this.

But on a one-on-one there's very little we can do.

COMMISSIONER VIGIL: Are we actually keeping an eye out on those dead trees that are within County property? Or do we have an assessment of that at all?

MR. BLACKWELL: Mr. Chairman, Commissioner Vigil, currently, the only assessment of that, the State Forestry Division has done some aerial photography and has estimates of the pinon mortality through the third year of our partnership and our role as science adviser with the NASA Langley satellite project, we've created some data. A program with the satellite actually monitors vegetation health and also mortality that's more accurate than anything we've done. So that's another first in the country that we've been able to do. So we can track the pinon but right now, the County doesn't have resources, in my opinion, sufficient resources to actually look at County property and abating those pinons.

However, in the majority of County property that I'm aware of, in terms of pinon mortality, the problem is not as severe as it is on private property, especially through the I-25 corridor, through Glorieta and on towards Pecos and Rowe. So that's really a private property issue that I think is more critical. And we're working with those neighborhoods. We're actually doing assessments and we're trying to do what we can to guide neighbors in terms of that.

The last thing is most of the pinons that have died, within several years they begin to degrade and if you start looking on the corridor toward Eldorado, a lot of those pinons, with some of these wind events in the last few months are falling. So number one, the red needled are off the pinons so their fire risk is reduced greatly. Secondly, they're starting to fall, so the closer to the ground they get, the less flame height we get. So nature itself is actually starting slowly to abate the problem. It's still a huge problem. I don't want to lessen the impact of that. There's still a huge problem. But again, we're looking at somewhere between 50 and 100 million trees, probably in the Santa Fe County and surrounding areas that have died in the last three years. So it's a huge problem.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: So Mr. Blackwell, and I actually had a meeting with an association last night who brought up this. So can they contact you? You are the staff contact person?

MR. BLACKWELL: Absolutely.

COMMISSIONER VIGIL: So it would be Hank Blackwell. Thank you very much. That's it, Mr. Chairman.

CHAIRMAN MONTOYA: Okay. Any other questions, comments.
Commissioner Campos.

COMMISSIONER CAMPOS: For Mr. Wheeler. Mr. Wheeler, you talked about the PSAs, the public information. When do you think you'll have this actually being broadcast or disseminated?

MR. WHEELER: Mr. Chairman, Commissioner Campos, using County resources it could be fairly soon, probably within the next three weeks. Of course, one of

the problems with this is the attendant costs associated with broadcasting these on network TV. We would have much less costly access to some local channels that would make those times available. They are not desirable times necessarily but the information would get out and that's why I'm hoping in addition to a TV spot that myself and Chief Blackwell have created utilizing the state program and by putting Santa Fe County contact information at the end of the state spot, that we would have better exposure.

COMMISSIONER CAMPOS: The other issue I have is about the Santa Fe Canyon which provides about 40 percent of our drinking water in the community. Do you know what the City is doing there to make it a safer place?

MR. WHEELER: Mr. Chairman, Commissioner Campos, the City in partnership with the National Forest and the state of New Mexico has undertaken numerous projects over the last few years that we're all aware of to cut, thin, and dispose of the slash. Two weeks ago a controlled burn happened at the highest edge in the national forest. They shut the burn down four hours into it because they were beyond their prescriptive zone and didn't feel it was safe. So the easy answer is that all entities involved with that are undertaking mitigation measures but of course the fire danger currently probably prohibits large scale removal of that slash.

MR. BLACKWELL: If I may, also Mr. Chairman, Commissioner Campos, the City at their expense also during fire season, and it's in effect now, provides a security guard behind the gate at the watershed. That has been very helpful. In conjunction with that, one of the things our department did several years ago, there are actually mile markers on the watershed road. On those mile markers now are inscribed the global positioning points so that the security guard can actually call with those and we can actually get air attack much more quickly into the area and more specifically into the area where they might be able to drop retardant.

So we've been able to have a lot of GPS data as well as response data with the Santa Fe Wildfire Operations Plan. We just did a table top last week with the US Forest Service, with State Forestry and with the City in terms of our mutual response plan for wildfire.

COMMISSIONER CAMPOS: Thank you, Mr. Chairman.

CHAIRMAN MONTROYA: Commissioner Anaya.

COMMISSIONER ANAYA: Mr. Chairman, I just wanted to let the Commission know that I was invited to a meeting in Bernalillo County that Commissioner Michael Brashear put on and the people that were there were Sandoval County Commissioners, Torrance County Commissioners, myself, the Village of Tijeras, the Town of Edgewood and San Miguel County, and that was to make sure that we are basically on the same page in terms of the MOAs, MOUs in place for mutual aid and to make sure that we're on the same page in terms of communication.

Stan, I want to thank you and your staff for being there, and if you wanted to add anything to what I just mentioned, you're welcome to, but I wanted to let the Commission know that that conversation is taking place.

CHIEF HOLDEN: Mr. Chairman, Commissioner Anaya, yes, I appreciate the opportunity. It is significant in the eyes of the fire service community that we have such broad support from our Commission and from our elected officials. It does assist us in a great way in getting the information out to the public. Any effort that can be made in setting up and conducting such meetings goes a long way to first of all, making sure from an elected official standpoint that your organizations or your agencies are in fact doing what they should be doing.

But subsequent to that and another benefit is that typically, television stations and radio stations are more likely to attend when our elected officials are involved. And in that particular case we did benefit from having the local media there and they did cover that event and I appreciate your attendance and support, Commissioner, on that even. Thank you.

COMMISSIONER ANAYA: Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Any questions? Anything else, Mr. Wheeler?

MR. WHEELER: Mr. Chairman, Commissioners, thank you. That's it.

CHAIRMAN MONTOYA: Okay. Thank you.

XIII. A. 2. Ordinance No. 2006-4. Approval of Emergency Ordinance Regarding Burn Restrictions in Santa Fe County (PUBLIC HEARING)

MR. BLACKWELL: Mr. Chairman, members of the Commission, we're before you with this emergency ordinance for two reasons. A primary reason is we did come before you with a resolution that you approved that is virtually identical to the language found here in the emergency ordinance. The reason we're before you, the primary reason is without an ordinance, the Fire Department and the Sheriff's Office are unable to enforce the resolution. So we're bringing this back as an emergency ordinance, which is what we've done historically so that we can have enforcement authority for illegal fireworks or illegal burns or what have you. So this gives us again the ability to enforce it.

Secondly, about every thirty days we have to come back before you during fire season as a state requirement that we can only restrict fireworks in 30-day increments. So in essence this provides this 30-day reapproval as well in the form of an emergency ordinance. I'll stand for questions.

CHAIRMAN MONTOYA: Okay, any questions for Hank?

COMMISSIONER ANAYA: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: So this is good for 30 days?

MR. BLACKWELL: Mr. Chairman, Commissioner Anaya, the emergency ordinance, as far as the fireworks restrictions part of it is good for 30 days. So what we will probably do is a month from now, we'll come back before you and with your recommendation

it will just be an extension or renewal. So with your guidance we are happy to put it on the Consent Calendar or stand for questions, either one. Because of the state law we'll have to do that.

MR. ROSS: Mr. Chairman.

CHAIRMAN MONTOYA: Steve.

MR. ROSS: I just want to make some clarifications. This ordinance does not apply to fireworks. Only the resolution applies to fireworks by state law. This resolution applies to the other things that the resolution cannot govern, things like open burning, cigarettes, all that kind of stuff. Fires on County land. The fireworks statutes that we have on the books in New Mexico require that we do these 30-day resolutions to ban fireworks sales. That's not what this is. This is a more general burning restriction. Normally we put the two together but as Mr. Blackwell said, the resolution isn't effective if we can't write tickets out over the resolution. So in the future, I think you're going to expect to see these in these forms. One, an emergency ordinance prohibiting generalized activities that are a threat to life safety, health, etc. And then you're going to see a second 30-day resolution coming forward that's focused only on the fireworks issue. Just to make that clarification.

The other point I'd like to add to all this is that even though this is an emergency ordinance, we did publish notice of this public hearing that we're about to have in the newspaper yesterday. So as to try and inform people of the pendency of the emergency ordinance. This ordinance has unlimited duration but it should only be left in force through the fire emergency and then should be repealed when the fire emergency is over.

CHAIRMAN MONTOYA: Okay. Any other questions? Commissioner Vigil.

COMMISSIONER VIGIL: Could you explain to me what unauthorized - we're prohibiting the unauthorized use of off-road vehicles. Is that where four-wheelers and three-wheelers have free play in County areas, or do we have to post that they are unauthorized to be there. That's such a problem and it's usually a problem because many of those off-road vehicles are actually on private property and that's problematic for us, but if we can enforce those who are on County property, how do we know they're unauthorized? Do we provide notice for that?

MR. BLACKWELL: Mr. Chairman, Commissioner Vigil, in relationship to this ordinance for burn restrictions and for our fire severity, what this allows us to do is on County property, if we do have four-wheeler, motorcycles, three-wheelers, and we know that they are not allowed on County property, it does give at least the Fire Department and the Sheriff's Office some enforcement authority. Secondly to that, in terms of those off-road vehicles, if they do not have approved spark arresters on those vehicles, and again, that would even include chain saws, then we can also enforce the ordinance as well by either citing, issuing a notice of violation or just asking the people to leave. So it does give us some authority as it relates to the fire code and to the fire severity of this season.

I might also add, normally, what we do, in conjunction with the state and the Forest Service and all of our indices that predict for our fire behavior is when those indices do not line up any more as a group in the Santa Fe zone of local, state and federal entities, one of the

things that we can do is we can rescind this based on those indices. We're happy to come back and let you repeal that, but depending again, I'll defer to the County Attorney, normally, what we'll do is issue a press release and say that our restrictions have been rescinded just because of conditions. And so as soon as that happens, all the agencies try to do that in tandem.

CHAIRMAN MONTOYA: We do need to have a public hearing, so at this point I would like to invite anyone who would like to speak on or on behalf of or against this ordinance, if you'd please come forward. Seeing none, Commissioner Vigil.

COMMISSIONER VIGIL: Move to approve Ordinance 2006-4, Emergency ordinance declaring hazardous fire conditions.

CHAIRMAN MONTOYA: Motion by Commissioner Vigil.

COMMISSIONER CAMPOS: Second.

CHAIRMAN MONTOYA: Second, Commissioner Campos.

The motion to approve Ordinance 2006-4 passed by unanimous [5-0] roll call vote with Commissioners Anaya, Campos, Sullivan, Vigil and Montoya all voting in the affirmative.

MR. BLACKWELL: Mr. Chairman, Commissioners, thank you very much.

XIII. B. Housing Department

1. Discussion and Possible Action Concerning Elements of the Affordable Housing Regulations

CHAIRMAN MONTOYA: Shall we move on to the next one then?

XIII. C. Land Use Department

1. Ordinance 2006-__ . An Ordinance Amending Ordinance 2006-02, to Amend Attachment A, The Santa Fe County Affordable Housing Ordinance Map, as Shown on Amended Attachment A Hereto (FIRST PUBLIC HEARING)

MR. ROSS: Mr. Chairman, I think I can take that item. As you recall, when we adopted the affordable housing ordinance we both verbalized where the ordinance was applicable, which is the central and northern Santa Fe area, and we also provided a map as an illustration of where the ordinance was applicable. The map that was attached to the ordinance was in error and you have a corrected map in your packet that is proposed as an amendment to that original ordinance. The text of the ordinance would govern over the incorrect map but just to make sure it's really clear how the ordinance applies in northern Santa Fe County we think it's appropriate and prudent that we amend the original ordinance as set forth in your packet.

Ms. Judy McGowan has a full-sized version of the map that's in your packet with her

today. So this would be the first public hearing.

CHAIRMAN MONTOYA: Okay. Any questions for Steve or for staff? Judy, do you have anything to add? No? Okay. Commissioner Anaya, then Commissioner Sullivan.

COMMISSIONER ANAYA: So what exactly are we doing again, Steve?

MR. ROSS: The original map that was attached to the original affordable housing ordinance a month or so ago had errors in the Agua Fria area and in the Tesuque area. Those errors have been corrected on this map. It implied that the ordinance didn't apply in the Agua Fria area and the Tesuque area and that was incorrect.

COMMISSIONER ANAYA: So you have it eliminated on here?

MR. ROSS: We had to fill in some colors, I believe.

COMMISSIONER ANAYA: So what happens when I have concerns about the community in La Cienega, that they don't want to be included?

MR. ROSS: That's not really relevant for this particular discussion. This is about map amendments that pertain to Agua Fria and Tesuque. We can raise that easily in some other way.

COMMISSIONER ANAYA: Thank you.

CHAIRMAN MONTOYA: Okay. Commissioner Sullivan.

COMMISSIONER SULLIVAN: I just wanted to clarify, Ms. McGowan, that the areas that are shown as public lands, with the cross hatching. Is that a tan color underneath them? In our maps it's tan. In yours it's kind of reddish, I guess.

JUDY MCGOWAN (Senior Planner): The reason why it's cross-hatched instead of a solid color is that we know we have errors in that data layer, so some of those lands may indeed be private. That's an indication that the ordinance is not going to apply on the public lands.

COMMISSIONER SULLIVAN: Okay. So it wouldn't apply on public lands, so for example it wouldn't apply on the State Land Project on Route 14? What's that called?

CHAIRMAN MONTOYA: San Cristobal.

MS. MCGOWAN: Good catch. It should apply in that area.

COMMISSIONER SULLIVAN: Because that's in the Community College District.

MS. MCGOWAN: So we should delete that. They've agreed to zoning under the County regulations. I believe that's correct. Is that correct, Steve?

MR. ROSS: Mr. Chairman, we didn't attempt, in the ordinance, set out which federal lands would nor would not be subject to the ordinance, leaving that for later inquiry if the issue comes up. As you know, we do have some jurisdiction over federal lands, almost none over pueblo lands. So those inquiries are necessarily done on a case-by-case basis. The purpose of the map was to draw a line that shows where the ordinance applies. And it applies presumptively north of that line in the remainder of the county. That was the map error that was originally a problem. It may or may not apply to certain federal lands for certain types of activities but those are necessarily case-by-case inquiries that we can't generalize in a map or in an ordinance. So we didn't attempt to do that in the ordinance.

COMMISSIONER SULLIVAN: Okay, so as you said, it may apply on public lands or it may not. But you've got the underlying color there so that as Mr. Ross says, it will be handled on a case-by-case basis. Because I see also - my other question was on your pueblo lands there you say may be subject to the ordinance in the light blue color. What circumstances would there be that it would apply to pueblo lands?

MR. ROSS: Mr. Chairman, Commissioner Sullivan, I can address that also. As you know, the Pueblo Claims Act in the twenties or the thirties, I can't remember exactly when that federal statute was passed, presumptively established an area four square leagues around each pueblo as Indian reservation. But also recognized by that statute and by subsequent activities of the Pueblo Claims Board and the Court of Claims, etc., there are a number of inholdings within the pueblo boundaries that would be subject to County land use ordinances and regulation. So that's what that may be for. Once again, it's a parcel-by-parcel inquiry. If it's pueblo land, our ordinances don't apply, but if it's not, they do.

COMMISSIONER SULLIVAN: Okay. So that's referring really then to those potential inholdings that might come forward as a land use case.

MR. ROSS: That's correct.

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

CHAIRMAN MONTOYA: Okay. Any other questions for staff? If not, this is a public hearing, first public hearing for this ordinance. Anyone who would like to address the ordinance for or against, please come forward. Okay, seeing none, what are the wishes of the Board?

COMMISSIONER SULLIVAN: We have to have two hearings.

CHAIRMAN MONTOYA: We need two hearings. Okay. So we will have our second one at our next meeting or at the next administrative meeting?

MR. ROSS: Mr. Chairman, we advertised it for the very next meeting.

CHAIRMAN MONTOYA: All right. So we're at 12:30. We're going to break to what time? 2:00? So we'll be back at 2:00.

[The Commission recessed from 12:30 to 2:00]

XIII. B. Housing Department

1. Discussion and Possible Action Concerning Elements of the Affordable Housing Regulations

MR. GONZALEZ: Mr. Chairman, members of the Commission, you have in your packet a memo that was outlining several areas where we think we need some policy direction from the Commission. There are about four areas, I think that we've indicated we need some guidance on in order to finalize the regulations and continue moving forward. With that I'll go ahead and turn it over to Duncan. He did the cover memo and I think he can just tell you what the four issues are that certainly we need guidance on and there may be others that you have at the backs of your minds as well.

CHAIRMAN MONTOYA: Okay.

DUNCAN SIL (Housing Department): Thank you, Mr. Chairman, Commissioners. The memorandum was included in the packet that you guys received and it outlines areas of policy issues that we wanted some direction and guidance from the Commission before we could finalize the regulations.

The first item on the policy issue concerns the distribution of the affordable units in an even manner across the income ranges. And for the sake of not repeating what you probably already read, we could either go directly into that discussion or we could cover all four major items in brief, whatever your preference might be, Mr. Chairman.

CHAIRMAN MONTOYA: Why don't you go over all four, and then we'll have questions.

MR. SIL: Okay. The second policy issue concerns rental prohibitions. The current ordinance allows a rental to the immediate family of the occupant. However, it doesn't have any qualifications concerning that particular issue.

The third major item concerns the limitation of equity or assets that an eligible entry market buyer might have for qualification purposes. And the final major topic policy issue concerns the residual fees cancellation. We wanted to address the basis on which the calculation is made. So with that note, perhaps we could go back to the first policy issue for discussion.

CHAIRMAN MONTOYA: Okay. Any questions for Duncan on the policy issues? Comments? Okay, so you'd like some direction from us in terms of where we're at.

MR. SIL: That's correct, Mr. Chairman, Commissioners. And I have made some recommendations based on our discussions internally as a staff, but they don't have to be the actual recommendations or direction. We're certainly here to receive other suggestions and comments.

CHAIRMAN MONTOYA: Okay. I considered the recommendations that you've outlined for us to be acceptable I think in terms of addressing the issues that are outlined. The distribution of the affordable units, I think lowest income first to me makes sense. I think that's certainly the intent of what we're trying to do, so I think that recommendation is in line. And then also the one with the immediate family member, I think a need must be demonstrated by the original occupant. I think what you've outlined there again is appropriate. And same with number three and number four. I'm in agreement with your recommendations as to how to move forward on these policy issues. I don't know if there's any other comment. So good job, Duncan.

MR. SIL: Thank you. We'll move ahead with it.

CHAIRMAN MONTOYA: Thank you.

XIII. F. Matters from the County Manager

1. Discussion and Direction Regarding a Santa Fe County Housing Authority

CHAIRMAN MONTOYA: Let's go to item . 1 since the Housing staff is here.

MR. GONZALEZ: We do, Mr. Chairman, members of the Commission. I believe you've been provided with a memo just outlining at least one set of options which can be exercised with respect to working with a new format for dealing with housing issues. That would be the memorandum that was prepared and circulated with your materials. I know there was some discussion this morning also at the Housing meeting about possible direction so I guess I'd really like to open it up for comments, discussion and questions from the Commission. We do have housing staff here as well as myself, the deputy County Manager to respond to any questions that you have or take any direction that you're ready to provide us with respect to moving forward.

CHAIRMAN MONTOYA: Okay. Commissioner Vigil.

COMMISSIONER VIGIL: I don't have any questions at this time, Mr.

Chairman.

CHAIRMAN MONTOYA: Okay. Commissioner Campos.

COMMISSIONER CAMPOS: I don't favor this proposal. I've never favored it. I think we can handle this the way we're doing it and do it appropriately. As Commissioner Sullivan mentioned in today's discussion, we're really giving up authority. One question I do have about personnel on page 3, it says a secretary who shall be executive director of the Housing Authority and who shall be removable only for cause. Who selects the secretary? Is it through the Housing Board?

MR. ROSS: Mr. Chairman, Commissioner Campos, it is the Housing Board. And this is of course a statutory requirement. This is right out of the statute.

COMMISSIONER CAMPOS: So if we adopt it we've got to adopt all these requirements out of the statute.

MR. ROSS: Exactly.

COMMISSIONER CAMPOS: So this person is no longer at will and this person is going to be hired by the Housing Board, not the Board of County Commissioners.

MR. ROSS: Correct.

COMMISSIONER CAMPOS: Okay. I don't think it furthers our interest. I think it just increases the bureaucracy.

CHAIRMAN MONTOYA: Increases it? Okay. Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Mr. Chairman. I would agree to move forward with the independent Housing Authority. Because right now I don't have the right or the ability to participate in the housing. And I think if we had an independent Housing Authority I would be able to participate and I think that that would be the right thing to do for the County. You'd have an authority that would pay more attention to what is happening with the Housing Authority and we could get some qualified people on that board to advise us and to really look at it. So I'd be in support of just moving forward with it. Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Okay. Commissioner Sullivan.

COMMISSIONER SULLIVAN: Thank you, Mr. Chairman. As I mentioned

this morning, I feel we ought to explore the option of a Regional Housing Authority. It may be difficult if the City is acting under these same state regulations that we would have to act under. It pretty much separates them from the governing body and I think that's the problem that I see with doing that and is in fact the problem that's occurred once before when the Housing Authority went its own way and ran into financial problems.

If it's because of those kind of statutory issues we couldn't reasonably get together and make a more efficient Housing Authority, then perhaps we could consider changing the statute. Perhaps we could get together with the City and come forward with some legislation that would give both governing bodies some oversight, more than they have with five-year terms and the director selected by the Housing Board itself. I'm not seeing anything in what at least is presented here in the packet to me that's compelling, that says this would work better than what we're doing now. Thank you.

CHAIRMAN MONTOYA: Okay. And I guess I'm of the mind that something needs to be done in terms of different than what we're doing now and if it's a regional concept that's our own, I think that's the direction I'd like to see us go in. I don't know if exploring that relationship with the City might be worthwhile. I don't know. And if not, then maybe at that point take a look at doing something independently. I think being independent has its merits. Certainly I think there's probably a little more flexibility that the Housing Authority may have than they currently have and my understanding is that we're one of the few - is that correct? - that's got this set up the way it is with the Commission overseeing the authority. Is that correct?

MR. GONZALEZ: That's my understanding, Mr. Chairman. I know from the HUD standpoint, dealing with the federal side of the program, they really like to see the independent board model followed just because it puts in place the kinds of directors that develop expertise in the housing area and aren't subject to quite the same fluctuations, I guess political fluctuations in some jurisdictions that occur when you have the sort of model that we have here. But that's just what I understand from talking to them and trying to get their input.

CHAIRMAN MONTOYA: And then I guess I'd like to hear from staff. Robert, what are your thoughts on this? It will impact you.

ROBERT ANAYA (Housing Director): Mr. Chairman, Commissioners, I've gone on record numerous times over the years since I've been at the Housing Authority nearly ten years now, stating that having an authority with a governing body that has the time and resources to invest in housing, if appropriately picked by this body, would be a positive step in the right direction for the creation of affordable housing opportunities. That would be the only general comment that I would have, Mr. Chairman, Commissioners. Mr. Gonzalez is correct in stating that the trend is to encourage local governing bodies to create housing boards. There's a few housing authorities that are actually in the troubled status designation but that are being encouraged by HUD and consultants as well to consider that. It's entirely a policy decision of this body and however appropriate the Commission deems appropriate we'll proceed however you desire. But overall, in leveraging resources and being able to access new types of funds, there's opportunities in creating 501 (c)(3) status associated with that as well that the specific

housing authority uses to create not only single-family housing but multi-family housing as well.

As far as the regional concept is concerned, I have engaged in discussions as early as today at the direction of Commissioner Sullivan to test the waters with the executive director there. He has a board of commissioners appointed by the Mayor. His immediate response was their current circumstances in his opinion, he doesn't want to see that type of move happen on the short term but would like to have some discussions related to how the two housing authorities can work closer together in the acquisition of services.

An example I would offer up is that we have worked our family self-sufficiency program in partnership with the City over the years and coordinated some things in a consortium type fashion, keeping our responsibilities separate. But he did express that he'd be willing to talk about how else we might be able to coordinate activities.

Mr. Chairman, I have no other further comments to add other than to stand for any questions you might have.

CHAIRMAN MONTOYA: So he's open, or she, the executive director at the City?

MR. ANAYA: Mr. Chairman, he didn't say he was open to a regional housing authority right now, frankly. He said he'd be willing to figure out how we could work together and do things, but his autonomy and how they're structured, he didn't come across like he wanted to enter into any discussions on that at this time but wanted to enter into dialogue about how we might work closer together. Overall, I've also been very articulate, or not articulate but clear in stating over the years that I think it's important that at some point, a regional concept is looked at, not only in the city of Santa Fe but throughout the state of New Mexico to maximize efficiencies in finance and in management and in actually delivery of services. And that's also something that the Department of Housing and Urban Development has encouraged as well.

CHAIRMAN MONTOYA: Gerald or Roman, your thoughts on where we need to go?

MR. GONZALEZ: Mr. Chairman, members of the Commission, I guess without a clear-cut sense from the Commission, we could analyze the different options that have been tossed around here this afternoon and come back to you with maybe some more specific kinds of things. I have had the same sense in the past that the City Housing Authority was not open to dealing with the regional concept, but maybe if we take the comments that we've heard today about oversight from the Commission and your concerns in that area and also take a look at how can we empower Housing to continue to move forward and do the kinds of things that we would like to see in the future, we could come to you with a couple alternatives and see what your thoughts are at that point.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: Thank you. Gerald, I'm liking that prospect. There are also quite a few housing experts in the state. I think we had one of them in our Health Policy and Planning Commission. I'd also like to see the pros and cons. While I think an independent authority has it's benefits, I think there are also some drawbacks and we don't have

all of that information before us and I don't feel that I have enough to make an independent decision at this point in time. I'm concerned about relinquishing authority. When I advocated for a housing authority it was my intent for it to be in an advisory capacity and knowing that there was a statutory delineation of creating one, I thought we'd create sort of a hybrid of that.

So I don't think I'm prepared to go forth with an independent authority, at least at this point in time. I'd like to know more pros and cons. What is Brad's name? I would also like to invite someone like Brad Hill, or someone from the housing area who has had an enormous amount of experience with this to give us an assessment of the independent authority versus the oversight through the County Commission. I would be willing for us to gather some more information, Mr. Chairman, before we acted on this.

CHAIRMAN MONTOYA: Okay. Is everyone fine with that?

COMMISSIONER ANAYA: I'm okay with that.

COMMISSIONER CAMPOS: I'm okay.

CHAIRMAN MONTOYA: That's fine. So we'll gather some more information.

COMMISSIONER CAMPOS: I'd just like to recognize our former County Commissioner, Jose Varela Lopez. How are you today. You're not very talkative.

XIII. D. Project & Facilities Management Department

1. Approval of Lease with the New Mexico State Land Office for the Property Where the New Public Works Building will be Located *[Exhibit 3: Amended lease]*

JOSEPH GUTIERREZ (PFMD Director): What I have in front of you today is actually approval of an amended lease, because I've been working with the State Land Office for the last two months on the current lease that the County has with the State Land Office. The current lease is for 34 acres. It's off 599 and the intended purpose is for the new Public Works building. The original lease was drawn up. It's a 25-year lease. It went into effect November 2001. The amount of payment for that lease was \$8,810 for the first two years. At that point it was projected that the County would move into the new Public Works building in November 2003, and at that point the lease moved up to \$20,610 on an annual basis.

If you turn to the last page of the handout that I gave you, it basically refers to the financial obligation the County has with the State Land Office. Since we haven't begun construction on the new Public Works, that's why we went back and negotiated the terms of the lease. The State Land Office has agreed to not hold us to the higher lease payment with this amended lease. So if we were to approve this amended lease, basically we would owe them \$5,000 as opposed to \$45,000 which is shown on the spreadsheet and we would not go to the higher payment of \$20,610 until we actually occupy the building, which at this point we project to be about two years from now, 2 ½ year.

So in essence, by approving this amended lease, we'll save the County somewhere between \$60,000 and \$70,000 based on penalties and interest and those types of things. I stand for questions.

CHAIRMAN MONTOYA: Anyone have any objections to that? Questions?

COMMISSIONER CAMPOS: Makes sense to me.

CHAIRMAN MONTOYA: Yes. Totally. Do we have a motion?

COMMISSIONER VIGIL: Move to approve the lease with the New Mexico State Land Office.

CHAIRMAN MONTOYA: Motion by Commissioner Vigil.

COMMISSIONER CAMPOS: Second.

CHAIRMAN MONTOYA: Second, Commissioner Campos. Discussion?

The motion to approve the State Land Office lease passed by unanimous [5-0] voice vote.

MR. GUTIERREZ: Thank you, Mr. Chairman, Commissioners. Jerry King was going to be here and speak a little bit but I guess he didn't make it.

XIII. D. 2. Request Authorization to Award a Construction Agreement to the Responsive Offeror to RFP #26-00726-PFMD/RH, for Improvements to the San Ysidro River Park and the Santa Fe River Channel between the San Ysidro Crossing and Lopez Lane, Santa Fe County

PAUL OLAFSON (Open Space Director): Before you you have a construction agreement to award to R.L. Leeder. The County has gone out to bid three times on this project. The fourth time we went out to an RFP process which is permitted under a new statute and it allowed us to discuss with the potential contractor ways to work the project. The reason we went out to bid three times was that the bids that came in were well over our estimations of the cost. We were able to negotiate down to the current number that you see before you, inclusive of the gross receipts is \$1,180,784.98. [Exhibit 4] And this is to complete a river restoration project that's approximately one mile long. It stretches from the San Ysidro Crossing on the east or upriver end to the Lopez Lane, which is Caja del Oro, near the County's Agua Fria Fire Station, Agua Fria Park.

The project will consist of a great deal of earthwork, changing the river channels, trying to create sinuosity within the channel, stabilizing the banks and spreading them out so they're not so incised and eroded and cut. Also include some check dams and some bank controls along the broader curve. The original proposals we were receiving ranged between \$1.7 million and \$2.2 million, so we feel that through our negotiations and being able to do some of the work in-house that we have lowered the project to a reasonable number and that we can get the work accomplished. And I'll stand for any questions.

CHAIRMAN MONTOYA: Any questions for Paul?
COMMISSIONER ANAYA: Move for approval.
CHAIRMAN MONTOYA: Motion by Commissioner Anaya.
COMMISSIONER VIGIL: Second.
CHAIRMAN MONTOYA: Second, Commissioner Vigil. Discussion?

The motion to approve the R.L. Leeder contract passed by unanimous [5-0] voice vote.

XIII. D. 3. Request Approval of Amendment #3 to Agreement #22-0098-PW to Increase Compensation and Extend the Time Frame to Allow for the Implementation of Energy Conservation Measures for the New Public Works Building

RUDY GARCIA (PFMD): I'll just kind of skim through this memo that's in your packet there and actually kind of narrow it down. The Board of County Commissioners, back in December directed staff to work with our architect as well as our engineer to actually do some energy efficiencies in our new Public Works facility. We actually did meet with our architect and our engineer and we also did meet with a gentleman from Local Energy. His name is Mark Sardella over the last two months.

Since then, staff and the architects and the engineer as well as Mr. Sardella have actually come to the conclusion that there are some energy efficiencies that can be updated or can be utilized on this building. Some of those items will actually improve the Trombe wall that's actually on the handout there after the memo. That's item number 1 on page 3. So once again, the architect, PFMD as well as the engineer, as well as Mark Sardella from Local Energy, we all came together and we discussed the different issues that were brought up and the need for energy efficiencies. And the items that actually all parties have chosen were item number 1, which is the Trombe wall performance, item number 2 which is improve insulation of the facility, item number 4 is upgrades to the windows in the facility, item number 6 was actually install solar hot water heating for vehicle wash bay. Those are basically the four items that actually we did come together with the conclusion that actually we should go forward with that.

By the County going forward with that it is staff's recommendation that we actually do go forward with the energy efficiencies, but that's actually going to cost a little bit more for architectural and engineering services, as well as some more time for the architects and engineer to adjust the design that he currently has to implement these energy efficiencies. It would actually come and bring the architectural and engineering services to an additional \$40,000 and with an extended time of roughly 90 more days for this project to be designed.

We actually did have a meeting also with the Commissioner Sullivan as well as Commissioner Campos and they actually are recommending that – correct me if I'm wrong,

Commissioners, that we actually add item number five on page 3, which is the hydronic type system, and also add some sort of a wind turbulence energy efficiency to this site. If we do add the wind as well as the hydronic, that actually brings the total architectural/engineering cost to roughly about \$61,250. The time on that will still be 90 days, and the cost for these energy efficiencies, all five of them would actually be about \$345,240.

Actually, I actually do have behind me Michael Freeman. He's from the architectural firm from Freeman and Associates. From Local Energy I have Mark Sardella as well as Frank Curry, and from NMNE Engineering we have John Baumgartel if you have any questions on these technical issues.

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: Mr. Garcia, maybe we could get a brief statement from Mr. Freeman and Mr. Sardella, just outlining the assessments and the options, very briefly.

MICHAEL FREEMAN: Mr. Chairman and County Commissioners, I'm Michael Freeman. I'm the architect for the project with Bauer Freeman McDermott, Architects. As Rudy Garcia said, during the late January meeting of the County Commission, you directed us to investigate both the energy performance of the building and to make recommendations as to how to improve the building. If you recall the history of this project, it was actually initiated at the end of 2001 and then postponed in the middle of the summer of 2003. So the technology has advanced on many of these systems.

In addition, because the Commission has allowed a higher MACC to construct these buildings now we, the architects and engineers are not under quite the same budget pressure as we were originally. So we feel that there is the opportunity to increase the energy performance of the building significantly using the latest technologies and what we've learned now, and we feel that the elements for energy efficiency that the staff has recommended and the engineers concur with are well worth the investment of cost for installing them and a little bit of additional time it would take to engineer those elements.

So as Rudy said, and the staff has concurred on improvements to the solar gain on the solar mass walls, to upgrading the insulation for the building to a recycled cellulose insulation which performs very well and is made up of recycled newspapers, essentially. To upgrade the north side windows to low-heat glass, a very minimal investment for a good payback over time, and to install a solar hot water heater at the vehicle wash building which is an excellent use of that technology.

In addition, there are two other upgrades which we would like to discuss with the Commission. One is the installation of a wind generator that would provide some power to the building and offset the operating costs for electricity from PNM. And the other is to change the gas-fired heating units that we currently have designed to gas-fired hot water heating units. And I think that Mark Sardella probably would be the best person to discuss that option. So unless you have questions of me, I'd like to turn the podium over to Mark.

CHAIRMAN MONTOYA: Questions? Commissioner Anaya.

COMMISSIONER ANAYA: Mr. Chairman, I don't have a question of this gentleman but I do have a question of Rudy or Joseph. I see the list here and we keep talking about upgrading or energy efficiency, but where are we going to get the money from?

MR. GUTIERREZ: Mr. Chairman, Commissioner Anaya, the funds for this building are coming out of an original bond sale that was - there's approximately \$3.1 million left in that. And the balance of those dollars are coming from the last bond sale, which currently there's \$20 million allocated to Public Works, and that's for roads and this building. If we project the cost of this building and we brought you this estimated cost early in December, I believe, there's about \$10 million. We're putting it between \$10 and \$11 million. If we use the high number, \$11 million, then out of the \$20 million we'll be using, what is it? \$6.9 million out of that \$20 million. So there would be available for roads approximately \$13 million. \$23 million for roads and \$7 million for this building. So that's where the funds would come from.

COMMISSIONER ANAYA: Mr. Chairman, if we keep adding and adding, it takes away from our road department and it takes away from our transfer stations that we were trying to upgrade. That's my only concern, Mr. Chairman. Thank you.

CHAIRMAN MONTOYA: Okay. I also have a question. Do you have a question?

COMMISSIONER VIGIL: I do.

CHAIRMAN MONTOYA: Okay. Commissioner Vigil.

COMMISSIONER VIGIL: Joseph, Mr. Freeman, perhaps, if you could answer this question. The costs are upfront for energy efficiency. I'm just wondering if through your analyses you've been able to identify when we would first see a return on this initial cost.

MR. FREEMAN: Yes, we have and Mr. Sardella would probably be the best person to address that.

COMMISSIONER VIGIL: Mr. Sardella can address that. Okay.

MR. FREEMAN: And John Baumgartel who is also here, who is the mechanical engineer for the project.

COMMISSIONER VIGIL: I would like that question answered.

MARK SARDELLA: Mr. Chairman, Commissioner Vigil, I appreciate first of all, your looking at energy efficiency on this project and taking it so seriously, in fact giving my firm direction to undertake these cash flow analyses on these energy efficiency upgrades. We prepared a study, which I understand - I actually sent this over at two minutes after five on the day your packet was due at 5:00 and I had no idea that that wouldn't make it in. But it didn't make it in. But apparently, inserted in your box this week was a report by Local Energy that was done by myself and my associate, Frank Curry, also a professional engineer.

If you have this, I don't know if you have this with you, I have a couple of copies here also if you need them. But in Table 1, right on the inside cover, is the list of the six upgrades that we did analyses on the incremental cost of adopting those upgrades, followed by the annual payments. We assumed that you would borrow the money under the same terms that you're borrowing all of the money for this building. I think it's a five percent interest rate is what we

assumed. And then the next two columns are the approximate payback period in years. That's the time in which you have saved enough money to pay for the entire capital costs including the interest payment to pay for the energy upgrade.

And then the next column is a little bit more interesting. It's when does the cash flow become positive and I think this is very specific to your question. The cash flow turns positive early.

CHAIRMAN MONTOYA: Could you describe it? I don't think any of us have that in front of us. So maybe if you could just describe what the savings are over time and the amounts and that sort of thing.

MR. SARDELLA: Mr. Chairman, I only brought three extra copies of it. If a couple of you could share, I could go into it.

CHAIRMAN MONTOYA: You're on page 2?

MR. SARDELLA: Yes. Just turn over the inside cover on the second page. There's a Table 1 in there that contains a summary of recommendations. And then the six upgrades we looked at in detail. We also looked at a couple of others, by the way. We discussed the wind and the photovoltaics and other things. But the six that we actually did detailed cash flow analysis and payback calculations on are listed in this table. All of them were mentioned by both Rudy Garcia and Michael Freeman. The first being the window upgrade. You can see the incremental cost of doing that low glass on the north side of the building. It would cost you an extra \$1640 but the payback on that is significant enough in reduction of energy costs that your payback would be in one to two years, and in fact you would see positive cash flow just through the reduction of your energy bills in year one for that upgrade. So that clearly we recommend upgrades with very low paybacks like that.

The second measure was improve Trombe wall performance. This is in one that was seen as favorable by everyone that worked on this project. It was to increase the spacing to allow more solar insulation on the Trombe wall, increase the spacing between the building wings. That again would cost you an extra \$29,200 but the payback - you would fully pay that back in ten to eleven years. Once again, since you're borrowing the money, you would actually see positive cash flows through the reduction in your heating bills in year three. So that's also a very fast time to positive cash flow. So also a recommended measure.

The third measure we looked at there is listed as envelope upgrades. These are the ones Michael Freeman just mentioned with the cellulose insulation, improved or reduced air infiltration into the building and several other measures just to basically tighten up the thermal performance and improve the thermal performance of the building. Those measures would cost you about an extra \$49,000 and you would start seeing positive cash flows in year 12 from those.

By the way, all of these positive cash flows, what we're doing is we're assuming that the increase in natural gas costs will increase, and in fact, for the last four years, natural gas costs - I'm sorry, the cost of heating a building with natural gas has increased by between 28 and 29 percent per year for the last four years. For this analysis we used the ten-year average cost increase which is only about 14 percent annual increase in gas costs. So the other thing

you're getting with these measures is some financial security in that you're cutting your use of energy and therefore reducing your vulnerability to higher gas prices in the future. So again, we recommend the envelope upgrades, not just on the payback theory but also on this increased energy security.

The fourth one was the solar vehicle wash. This is adding a solar hot water system to your vehicle wash. I think that's an excellent demonstration to have that on the roof, as well as financially a good idea. I believe your reports show that that's in the 17 to 18-year payback time frame. Again, I think that's a very conservative number because I think gas costs will go up much faster than that and produce even better financial results.

The fifth measure we looked at was the hydronic heating, and although I'm showing a payback period on this, what we've been discussing is not installing the biomass system itself, but merely converting the heating system over to one that can utilize either biomass or solar energy in the future. Right now your building is spec'ed with hot air heating, gas-fired hot air, which means that you're tied into natural gas. And so if the price of natural gas does happen to go up faster than it has been going up on average, then you're tied into that fuel. You're not permanently tied in. You could of course to a retrofit to the building later, to add water-based heat to it, but it's a little more advantageous to do that at the time of construction. So we also recommend, just based on prudence, that you do switch to hydronic heating. I understand it's a very expensive measure and doesn't produce a quick payback.

And the last one we looked at was this cool roof, that you can see did not produce favorable financial results, so we're not obviously recommending that measure.

CHAIRMAN MONTOYA: Okay. Commissioner Vigil.

COMMISSIONER VIGIL: That answers my question. Thank you. More accurately than I expected.

CHAIRMAN MONTOYA: Okay. Rudy, I had a question just regarding kind of along the lines of Commissioner Anaya. We're looking at an increase now of approximately \$40,000 just A & E. Is that because of the change of scope or is this going to be the type of increase we're going to see for A & E services because of trying to get energy efficient buildings?

MR. GARCIA: Mr. Chairman, this \$41,000 is actually just for this project. Whenever we do hire additional A & E services for any additional projects that scope of work is actually already built into the requirements for those new architects and engineers coming on board. So this is for this particular project.

CHAIRMAN MONTOYA: So this is an anomaly. It's not the norm.

MR. GARCIA: That's correct.

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: I think it relates to MACC and the percent. I'm not sure. But I guess the problem we have is that we did bid this thing out first back in 2001 then didn't have money and now we're trying to fix it up so that it is energy efficient. More energy efficient than it was.

CHAIRMAN MONTOYA: Okay. Any other questions. Commissioner Sullivan.

COMMISSIONER SULLIVAN: I wanted to comment on the wind package thing. It wasn't addressed in the report here but there's another report that the mechanical engineer did indicating that we're in a wind zone that's kind of on the edge of what might be effective, although it's hard to tell from the maps that are put out. But we've got average winds of something like 11 miles or so and it takes about seven miles an hour to operate these turbines. So it's hard to tell what the payback would be and I don't know that - I feel that at some point we should take a gamble. This one is only \$50,000, to see if it would be economical in other facilities.

The turbine operation would perhaps buy maybe up to as much as ten percent of the electrical needs for the facility, but we won't know that until we see how it actually operates. There's another alternative to doing that too, that's even less expensive. They can construct the facility that essentially puts an anemometer there and measures the wind speed as a first step. Then if that data indicates the potential for good wind speeds then you can go ahead and put the turbine in without buying the turbine ahead of time and not having it operate up to full capacity.

I just felt that as expensive a building as this is, over \$10 million, that at some point we should be the leader in some of these technologies to at least try them out and if they don't turn positive or even if they just break even, I think we'll have provided a service to other commercial and institutional people that are looking at wind energy on a small basis as opposed to major wind farms.

So that's my thought on that. I feel we have an opportunity here at a minimal expenditure to really see if this is a good idea for the long run. I'd like to see it included.

CHAIRMAN MONTOYA: Is that a motion?

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: I'd just like to advocate for the hydronic system, even though it is \$250,000, it does heat the building with water as opposed to forced air. Even though initially we'll use natural gas, this system can be flexible because we can in the future, if gas prices are high enough, we can use alternative fuels like biomass or even solar. If we go with the plan using natural gas and hot air we won't have that flexibility; we'll be stuck. So even though it's expensive, I advocate the use of it because it's flexible and it would provide us the option of using alternative fuels. And we know we're in an energy crisis. This is an exceptional time in our history. It's not just a luxury anymore. Energy efficiency is a necessity. And I think we as a County have to show leadership in moving forward and setting an example that things can be done right and they should be done right, because if we don't move in that direction, we're going to have big bills for electricity, much bigger than we can probably imagine right now in the next five to ten years. Just more money out of the community, and the threat of losing some of the economic strength that we have and vitality. Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: I applaud you for working on this. I know we're taking sort of baby steps. It would be nice if we could be fully comprehensive and just develop an energy-efficient, state of the art building, although it is quite costly. I'm curious. The National Association of Counties, NACo, had all sorts of federal programs to provide a lot of support for energy efficiency attempts for local governments. Have we been connecting with those resources at all?

MR. GARCIA: Mr. Chairman, Commissioner Vigil, I received some of the e-mails that she sent but I haven't actually been in full communication with her. I guess we will e-mail her back and let her know what the situation is with this first initial building, if that's the direction that the Commission gives us and see whether there is some sort of grant money or something that we can actually benefit from the National Association of Counties.

COMMISSIONER VIGIL: I know the National Association of Counties is strong on this but also there are federal programs and perhaps some of the consultants know more about them and Mark is nodding yes. I'm wondering if we could keep that as a part of the process here because the federal dollars available for projects that we're trying to move forward are there. So rather than imposing the cost totally on Santa Fe County, I know because there are resources available we should be taking advantage of them.

MR. GARCIA: Mr. Chairman, Commissioner Vigil, we will definitely keep in contact with NACo.

COMMISSIONER VIGIL: And as I said, NACo may be just one source. I think there's federal Department of Interior. There's different departments who are providing incentive funding for these projects too.

MR. GARCIA: Mr. Chairman, Commissioners, it's kind of difficult to break it down and it's PFMD's position that we actually do recommend approval of these five different items. If we do have a \$10 million project, the cost of the A & E services as well as the added costs to the project would range anywhere from one to two percent of this project so once again, we just recommend approval of these items.

CHAIRMAN MONTROYA: Okay. Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Mr. Chairman. I know we've been talking about this building for over five years, probably. And I just want to know, if we implement these recommendations that you came forward with, how much longer is this going to take? Are we going to be talking about this building for another ten years or are going to implement it. We keep bringing it back to the Commission and we keep adding and energy efficiency is never enough. And we could go on and on and on. I want to know when, if we implement these five big items, that I see, which will eventually pay back in a short period of time, how, when can we get this building, break ground on it and get it up? I know James Lujan, the Public Works Department, they've been waiting to move from that other spot to the new place and then we can either sell this other spot or put a new building on there, but Rudy, what do you think?

MR. GARCIA: Mr. Chairman, Commissioner Anaya, if these changes actually do get implemented, our architect will have us our full 100 percent construction documents

within 90 days of this project, after those documents are at 100 percent construction documents. We will be able to go out and basically hire a contractor to construct this facility. That will take anywhere from about 30 to 35 days to have us out there in the streets to hopefully get a great contractor to build this facility. So we're looking at breaking ground, hopefully by fall, September.

CHAIRMAN MONTOYA: Of this year?

COMMISSIONER ANAYA: Okay. Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Mr. Chairman, they mentioned five. I'm not sure which five you mean, Rudy, but I would suggest that we go ahead and take the action to direct them to move forward with items 1, 2, 4, 5, 6 and 8, which would be six upgrades.

CHAIRMAN MONTOYA: Commissioner, just so we're sure. Window upgrades, Trombe performance, envelope upgrade, solar vehicle wash, and the hydronic heating with biomass.

COMMISSIONER SULLIVAN: There's one more on the next page. You've got to turn the page. That's the turbine.

CHAIRMAN MONTOYA: Oh, that's the wind-powered turbine package.

MR. GARCIA: We actually did kind of discuss that wind turbine. We're actually going to do a demonstration project that will actually be one kilowatt which will actually require an 80-foot structure out there. So we actually have six items as Commissioner Sullivan said.

CHAIRMAN MONTOYA: So it includes that one?

MR. GARCIA: Yes.

COMMISSIONER ANAYA: If we build it in Stanley, I'm sure that wind generator would work.

COMMISSIONER SULLIVAN: Work overtime. So that would be my suggestion, Mr. Chairman. If the Board is comfortable with that I'll make a motion to that effect.

CHAIRMAN MONTOYA: Okay.

COMMISSIONER CAMPOS: Second.

CHAIRMAN MONTOYA: Motion by Commissioner Sullivan, second by Commissioner Campos. Further discussion?

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

XIII. E. Water Resources Department

1. Resolution No. 2006-57. A Resolution Adopting a Santa Fe County Water Resources Department Line Extension and Water Service Policy

MR. ROSS: Mr. Chairman, Dr. Wust and I are going to collaborate on this. I put on your desks a little bit earlier an improved version of the attachment to the resolution. If you've misplaced that I have a lot of extra copies, but we might want to work from that document.

DR. WUST: Thank you, Mr. Chairman. This is the infamous allocation policy. It's been in the works for a little while. I'll just summarize it and then we can go through some of the details. If you'd like to, Mr. Chairman, I just wanted to let you know that a couple of people have requested that if possible they'd like to have public comment on this particular issue.

CHAIRMAN MONTROYA: Okay.

DR. WUST: The idea of this allocation policy is an observation that we have limited water resources at the moment and even after BDD we'll have another limited resource. And so it behooves us to try to manage it wisely, which means allocating it to particular developments or commercial and residential areas in a proper manner. To date, what we have done is signed water service agreements, those agreements covering the entire amount of water that a particular applicant might want and need and we do an arrangement with water rights and water deliveries, and even though we schedule it some, the water service agreement pretty much covers the whole gamut, which doesn't help us in terms of our water allocation.

Today, for example, we have a supply of 875 acre-feet from the City and we deliver about 340 acre-feet. There are a lot of water service agreements out there that have never been executed in terms of the water deliveries and there are other water service agreements that cover a lot more water than the particular development will be using in the next few years, prior to BDD. So the idea here is to try to use this as a management tool. The other thing I should note is that water service agreements tend to be negotiated one at a time. We've tried to reach a standardized form but we don't have that yet. So this is trying to address both of those.

The first is, and I'll use a simple one first, those water service agreements would be replaced by – I think Steve changed the name. It originally said water service agreement again but it's like a water delivery agreement?

MR. ROSS: Water delivery agreement.

DR. WUST: Water delivery agreement, and that would be our standardized form. We wouldn't have water service agreements anymore. We would have a water delivery agreement. Those would be revised annually, possibly every six months. That's a thing that could be changed in here, six months or a year. So basically, we would just be committing to what kind of water a particular applicant would need in the next year, and we would have a commitment to deliver that along with getting the water rights for that. And it wouldn't extend into ten years or their total needs or things like that. So we would look every – we would be

able to re-evaluate every six months or every year in our own water system about how much water we are delivering, how much we've committed to, and how much we can commit to in the future, that is, how much water we have available to be able to commit to.

So that's the idea of this thing and it's trying to develop a process by which we can manage our water deliveries properly without having it all sitting in a committed pile and not actually delivering it, because that kind of ties everything up. To put it into perspective, if the water service agreements that are further in the agenda here all get approved without any kind of allotment schedule, that's pretty much our 875 acre-feet of water, all committed. It doesn't mean we're delivering it but it's certainly all committed and this is trying to get a clearer handle on that.

With that, both Steve Ross and I are available to answer questions.

CHAIRMAN MONTOYA: Okay. Questions of staff? Commissioner Vigil.

COMMISSIONER VIGIL: I just would like staff to take us through the policy in general and not just the basis for it so that we have at least on the record an understanding of what direction we want to go with this. If that's all right with the chair.

DR. WUST: Mr. Chairman, if it's all right, I'll have Steve Ross do that.

CHAIRMAN MONTOYA: Okay. Steve.

MR. ROSS: Mr. Chairman, members of the Commission, I'd be happy to do that. The guts of the policy are of course on the attachment, not on the resolution. Obviously, as Dr. Wust said, the goal is to stretch our 875 acre-feet as far as we can and hope that we can make it to the date the Buckman Direct Diversion becomes operational before we run out of water. That's of course the concern that resulted in this draft policy to begin with because we're at, as Dr. Wust, pretty close to being out of water on paper, but we're only delivering less than half the amount of the current allocation.

So how this would work is periodically, and the policy says that - the draft policy says that you would do this annually, but I think as staff has talked to a number of people in the last couple weeks and we're going to recommend that we do this biannually. An applicant who wanted water, say, between now and whenever six months from now is, would file an application with the Water Resources Department and say I need to use ten acre-feet in August. And I'd like to become a customer of the Water Resources Department utility for ten acre-feet of water. We would announce a time to administratively submit applications.

Dr. Wust would receive all the applications from all applicants wanting to put ten acre-feet of water to use in a given six-month period and he would receive all those and analyze all the current allocations, which are composed of a number of things, our current deliveries. We aren't going to make people who are already getting water reapply for the water they already have. That's coming off the top. Our existing deliveries would come off the top. There's a certain amount of water allocated to County purposes, primarily affordable housing, that would come off the top. Any allocations we've made pursuant to the affordable housing ordinance, that would come off the top and any existing water service agreements that we currently have would also have to come off the top because those are existing contractual obligations of the County.

What's remaining, Dr. Wust would analyze and then analyze all the applications that have been submitted and determine, one, whether there's enough water to address what folks want for that next six-month period, and if there's not, how we should maybe prioritize those applications. And there's procedure in the policy to do that. And he would bring those spreadsheets to this Board in a formal setting and at that time, we would either approve a schedule of water deliveries that includes all the applied for water, or not, if there's not enough water, and prioritize using the same schedule if there's not enough water. And then as of the date that hearing, Dr. Wust would sign the applications for water service agreements and those would become a water service delivery obligation to the County for that period, let's say six months.

Then those folks would be able to build a project and come into the County and ask for and receive meters, and begin receiving water within that period. This would just cycle on every six-month period indefinitely. And this policy is drafted primarily to address the period prior to the date the Buckman Direct Diversion becomes operational, but it could be used after that date as well. It's not restricted to that. This methodology could be used to allocate water after the Buckman Direct Diversion is operational. It would work fine for that purpose.

So there's a few issues in here that I'll call your attention to. First of all, Dr. Wust is correct. In this policy, we're trying to differentiate between a water service agreement, which we're all familiar with because they're on the agenda frequently. It's how we allocate water and how we have allocated water for a long time here at the County. We also differentiate between that and a water delivery agreement, which will be the application form signed by Dr. Wust after water is scheduled for delivery in a particular six-month period.

In this policy, almost verbatim, is the text of our current water service agreement. And the reason for that is to have all those conditions in here in the text so we don't need to reiterate them and have these multiple page, ten page water service agreements. We intend to have a one-page water service agreement that will be subject to all the terms in this resolution. So a lot of the verbiage will seem familiar to you because it's in our current water service agreements. For example, Article IV, the section on water rights. IV. A. That's in all of our current water service agreements almost verbatim. The only thing we've done – you'll see that there are some refinements in the language in the version that's before you. All we've done is modernize some of the language to try and make it more accurate. Mr. Utton has suggested a number of changes in this particular section because of his expertise with water rights, and we've addressed this distinction we're trying to draw between water service agreements and water delivery agreements, so as to make clear these folks that have water service agreements that nothing is changing here.

For folks who have existing water service agreements, the one thing that will change for them is we're asking them in this policy to tell us how much water – if they need water beginning on July 1, we're asking them to tell us that they need it. And the reason that we're doing this, we're not affecting the allocation, we're not asking them to apply for water pursuant to this policy. We're asking them to tell us how much water they might need in a given period so we don't double schedule that water. So for example, if project-x has an existing water

service agreement for, say, dating from ten years ago, and they are going to develop the project beginning July 1 and they need ten acre-feet of water, but the water service agreement is for 50 acre-feet, we're going to preserve that 50 acre-feet under this proposed policy because we have to. That's an allocation, it's a contractual obligation to the holder of the water service agreement. But, we're asking them to tell us that on July 1 they need ten acre-feet of water. And the reason we're doing that is so that when Dr. Wust does his analysis, he knows to take ten acre-feet of water out of the available water so we know how much is available for delivery pursuant to all the applications that will be delivered.

That's the only thing those folks will have to do is alert us if they need water so we can budget for it. This will become particularly important as we get closer to the operational date of the Buckman Direct Diversion and we're shorter and shorter of water.

As I said, if you take a look at Section IV. C, that's the prioritization section. That section is lifted almost intact from existing utility policy. We have a policy on the books from I think it's 1999 that discusses what happens when we run out of water. How we prioritize the limited amount of water that we might have in a given year, if there's not enough for everybody. And essentially what it does is provides this Board with discretion. Say the requests are 100 acre-feet but we only have 50 left that we can deliver. This might be a scenario that you might envision in 2008 or 2009. If that circumstance presents itself, what we will do is this Board will look at the analysis that Dr. Wust has prepared and look at the request, look at his recommendations and then prioritize according to the factors that are listed there in subsection C. A number of those factors will be familiar to you because they're in existing policy. For example, if somebody is half-way through a phase of development. They're building right now and they need water to complete that phase or face financial difficulties, those folks can get priority for deliveries if there's not enough water. Similarly, we listed things from that prior policy that permits us to prioritize projects and apply water conservation measures above and beyond what are already required, or hook-up existing customers, folks who are not going to be customers who are on wells or other system but who experience problems with their well or their system.

Let's say the well goes dry or the well turns out to have some serious contaminants that they can't use their well, or, as we've seen lately, a community water system develops difficulty with quality or quantity of water and somebody needs to hook up to our system immediately as a matter of public health, safety and welfare. These are all factors that are in the system policy and have just been reworded and modernized to give you the discretion to prioritize among – hopefully we won't end up in that situation but I think it's probably fairly likely, given the current allocation structure and the amount of water we have available that we might hit or we might need to prioritize at some point before the Buckman Direct Diversion becomes operational.

In section V.B, this is boilerplate from our existing water service agreements. These contain the requirements for developers to construct an infrastructure within subdivisions to deliver water to their customers, as well as construct the infrastructure between the County water infrastructure and the development. You'll see a slight change there in V. B. That was –

in that section we are preserving the option of having a separate line extension agreement which could be executed in some cases years before a development actually requires water. That's a practical consideration that we identified in our review of this this week.

So then in Section VI you'll see the application process which is fairly simple. You file an application, you set out how much water you need in the next period and the application will be pre-printed so that all you need to do is put in your name, the amount of water you need and sign it, and there will be a space to talk about water rights or of course you can attach them. And then the application process will be as I just described. First by Dr. Wust, by a given time period, and then brought to you with a complete analysis.

In VII we've put in here, formalized the process to amend service areas in the hopes of making that process transparent. And then of course in VIII we have a number of bulk water service agreements with community systems, preserving the right to not only continue that process but also permit the water that's delivered pursuant to a joint powers agreement, say, with a mutual domestic or some other water association to be taken off the top in the allocation process.

IX contains limitations. Most of this is legal boilerplate to protect the discretion of the Commission. We're saying that when you get an allocation, it's just for that six-month period. If you don't start using the water during that six-month period you have to reapply for the next six-month period. In other words, it's not additive. You don't get to supply this period for ten acre-feet and then in another period for ten acre-feet and say that you have an allocation for 20. Now, I'm going to propose something in paragraph IX. C. We put in a limitation in this paragraph for new water deliveries to support residential or commercial development. And we put in a limitation of 10 acre-feet there. The reason for that limitation is to ensure that people would discipline themselves to come in and ask for what they really need and not create a priority situation for us.

Say somebody came in in a give year and they applied for 200 acre-feet. Well, we're right in a priority situation because we don't have that much water left. So we put in a limitation so that people could not apply for more than a particular amount and force a prioritization. We understand that number, from talking to a number of people in the last week, is unrealistic. So we're going to propose that that number in C be changed from ten to 35.

In the next section, it talks about water rights, cash payments. Our current system is of course to acquire water rights to be delivered to the County in exchange for water deliveries. We've also added the possibility in here, this is really at the recommendation of our water attorney, that we also accept or could accept, should we choose to do so, cash. And then the County would go out and purchase water rights. We've had a concern, myself and our water council, recently, particularly with the City of Santa Fe starting to follow the County model and require folks to go out and acquire water rights, that we may have inadvertently put upward pressure on the market price for water rights. And this is how that occurred. If somebody goes out and acquires like the County does, water in huge blocks, 1000 acre-feet, 200 acre-feet, 400 acre-feet, we tend to pay a lesser price per unit or acre-foot of water than somebody going out and acquiring, say, five acre-feet.

We're observing that folks who acquire five acre-feet of water are more prone to pay more for that acre-foot of water than we would experience buying huge blocks. And that has created upward pressure on the water rights prices, which is affecting our ability to get adequate water rights for our system. So that's the reason for that new idea that we put there in X. A, that we could accept cash in lieu of water rights.

DR. WUST: I'd like to just interject a quick thing on that note. It actually is current policy. As Steve mentioned earlier, sometimes we hook up individual residences due to problems they may have or a neighborhood or something. And it is in the current policy that if they don't have water rights to bring to the table, they can bring forward money because we're not going to make somebody go out and get a quarter acre-foot of water rights. So it's a new idea for larger developments but it's actually consistent with our policy now of hooking up individual residences. I just wanted to add that in there.

CHAIRMAN MONTOYA: Okay. Thank you.

MR. ROSS: Mr. Chairman, the one additional major change, in addition to the policy since it was placed in your packets is in the X. B, the last sentence. And that basically preserves our right, if somebody is asking us to go out and obtain water rights instead of bringing them to us in exchange for a water delivery agreement, that we have the right to request that they deposit money with us that represents the cost of the County transferring those water rights around as they need to be to a County specified point of diversion. This is a new concept. We haven't done this before. Well, we haven't accepted cash in lieu of water rights before for that matter, but we would need to engage our water counsel to do the appropriate transfers of ownership and transfers of location of the water rights that we would acquire. We're going to have people who are requesting to bear those costs and in some cases, they could be substantial, so we're going to ask, in some cases that they put cash up front that the County can draw against to meet those expenses.

So with that we have the remainder of the policy is really boilerplate. Let me call your attention to XII. B. Before, we used to have this service charge, this \$25 service charge. If we're doing this biannually or even annually, this particular paragraph doesn't make any sense to anybody and so we're proposing that that paragraph - it's in all of our standard water service agreements. We call it a standby fee sometimes. But if we're closely scheduling these things at the point like we're proposing, there's really no need for that particular charge. So we're proposing to eliminate that. We think it will cost more to administer charges like that than we'll actually gain from the charges.

With that, I think I've covered everything and Dr. Wust and I will stand for questions.

COMMISSIONER ANAYA: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Mr. Chairman. Steve, would this pertain to the water extension that we talked about a month ago with La Cienega?

DR. WUST: Mr. Chairman, I would also ask Steve Ross to throw in if I'm going off track, but that would be a County project in my view. We would extend a line and therefore we would be able - we're taking people off their residential domestic wells.

So I would put that in the category of a County project and the set-asides for County project, that's where that water would be coming out of. Again, it's a standard policy when you do that kind of thing as a County project that we ask the residents for a hook-up fee, basically, that helps offset water rights that the County has and our infrastructure costs and things like that. That was done when the La Cienega lines were put in before. But in terms of - I don't foresee making the residents come forward and having a bunch of these applications. That would just be a County project.

COMMISSIONER ANAYA: Okay. That was what I wanted to clear up. So this has nothing to do with our County projects.

DR. WUST: Mr. Chairman, Commissioner Anaya, that's correct. That would be this other category.

COMMISSIONER ANAYA: This has to do with developers. Other developments.

DR. WUST: Correct.

COMMISSIONER ANAYA: Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Other questions. Commissioner Campos.

COMMISSIONER CAMPOS: Thank you, Mr. Chairman. Mr. Ross, is this an interim policy between now and the time the Buckman Diversion becomes effective or is it a long-term plan?

MR. ROSS: Mr. Chairman, Commissioner Campos, it was designed to serve as a long-term policy. We think that even after Buckman comes up in line we'll still have substantial demands and the need to manage it in a more sensible way.

COMMISSIONER CAMPOS: Okay. Another question. We have an existing contract relative to the first 500 acre-feet, the ones that were contracted for from the City. Let's say for 100 acre-feet, and they're not using this water. What happens to these folks? Are they totally protected by that contract? They don't have to use the water? They can - how would you handle that?

MR. ROSS: Mr. Chairman, Commissioner Campos, those agreements are valid so long as they aren't conditioned on - a lot of those old water service agreements contain conditions. A typical condition that we've seen in some of the very old water service agreements is that they expire if not acted on in a particular amount of time. We're auditing those contracts right now to see if we need to have some discussions with the holders of them. What we've also seen is that those contracts have been assigned.

COMMISSIONER CAMPOS: Assigned?

MR. ROSS: Assigned. They're freely assignable. Most versions of those older contracts. So we don't - we see the water moving around from place to place. But our intention is to contact those folks and explain our problem and see if we can maybe have the holders of those contracts agree to amend their contracts to come under this scheduling policy and have them agree to schedule their deliveries and abide by the schedule. We don't know if we'll have any success with that. They are valid existing contracts and we have to respect them. But we're going to contact those folks particularly

as we get closer to 2008 and run out of actual water, whether we can free up some more so that folks can go forward with their projects.

COMMISSIONER CAMPOS: There is a possibility that some of these contracts may expire from non-use depending on conditions and terms.

MR. ROSS: There is a possibility. That's correct. We're auditing the contracts right now to identify those. It's not in all of them and it's mostly older ones that contain those kinds of conditions. So the likelihood is, particularly in the very oldest agreements that they may have expired. So we're looking at that right now.

COMMISSIONER CAMPOS: Okay, another question. Let's say for example a developer brings in 100 acre-feet and the only need ten this year and 50 in the next ten years. Under this policy how would their ability to access their full 100 acre-feet be affected?

MR. ROSS: It would only be limited by the amount of wet water we have available. So if we don't run out of water before Buckman becomes operational then it won't be an issue. They'll be able to schedule as they develop out and as the absorption rate permits them to develop those projects. But if for example, they get on the schedule for ten acre-feet and then we just flat run out of water, they would be affected because they wouldn't be able to move forward until the Buckman Direct Diversion project provides more water for the County.

COMMISSIONER CAMPOS: Okay. And the last issue I'd like to discuss is the idea of the County buying water as opposed to having the developers - I agree completely and I've advocated for a change of that policy for a long time because we are affecting the market in a serious way. So now, as I understand this policy, you're saying the developer can bring water to you, or they can just bring you the cash.

MR. ROSS: Right.

COMMISSIONER CAMPOS: Okay.

MR. ROSS: It's written as your choice, though.

COMMISSIONER CAMPOS: It is the Commission choice.

MR. ROSS: Right.

COMMISSIONER CAMPOS: Okay. So that's a good policy I think. If they do have water already they can bring to us, right? But if they don't - of course it's getting more difficult to buy water.

MR. ROSS: That's correct.

COMMISSIONER CAMPOS: In the Middle Rio Grande it's getting more and more difficult to buy water anywhere. In-basin is very expensive.

MR. ROSS: They rising prices have made water hard to find right now. We think there's water still out there but the lack of stability in the prices has made folks hoard water waiting for the price to top out.

COMMISSIONER CAMPOS: Okay. Thank you, Mr. Chairman.

DR. WUST: Mr. Chairman.

CHAIRMAN MONTOYA: Steve.

DR. WUST: If I may add some information for one of Commissioner Campos' questions in terms of additional water. It's not only through the contracts but for example, one of our largest water users is the safety complex and they jail. Greg Parrish and I are working on a conservation plan for the jail. As that goes forward an integral part of that is utilizing the Valle Vista wastewater treatment plan once we get that upgraded in the next couple of years, that's essentially new water too that we can now fold into this new allocation. If we can cut the jail's water use in half, that would be a lot of water that's suddenly available for allocation and it's not dependent on changing an agreement.

Same thing with the New Mexico Department of Military Affairs either practices water conservation or makes a deal, say, with another state agency for water and then we're not supplying them anymore, it would be new water for us to be able to allocate. So we're looking at two routes. One is through water service agreements that we may be able to revise or eliminate. Another is through existing water users, if we could at least reduce the use to have more water available for our system.

COMMISSIONER CAMPOS: Thank you.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: Thank you, Mr. Chairman. I need further clarification. Steve Ross, in the policy it actually states that water service agreements shall not be assignable. Am I to understand that once this policy is adopted that from that point forward, none of the service agreements are assignable but it's possible that the ones that have been approved by the Board of County Commission prior to this policy can be assigned.

MR. ROSS: Mr. Chairman, Commissioner Vigil, the existing contracts, many if not most of them are assignable, freely assignable with a sign-off from the Utility Department. The proposed policy restricts the assignment of these water delivery agreements. I'm trying to change the name so that we're not confusing existing obligations with the scheduled obligations under the new regime. So the reason for the anti-assignment clause is particularly when you're talking about a six-month allocation there's no real reason for assignment and the whole purpose of the policy is to keep a handle on what's going on and understand who's got the water and how much they have and how much we need to deliver.

Making those agreements freely assignable would frustrate that objective, particularly if it's a six-month cycle. There's no practical reason to assign a contract. It just would confuse things. We'd lose track of things.

COMMISSIONER VIGIL: If we enact this today when would the effective date be?

MR. ROSS: Well, it could be today. It could be a date that you fix for the effective date. Right now, the way it's drafted it's effective today.

COMMISSIONER VIGIL: Okay. I also need some real clarification in - before I go there, explain to me why the assessment was made from ten acre-feet to 35 acre-feet. Is that more reasonable?

MR. ROSS: Mr. Chairman, Commissioner Vigil, when we initially settled on the ten acre-feet it was done in a very pragmatic way. Dr. Wust and I couldn't remember a phase coming in for more than 40 units. But we've been corrected recently by people developing projects. And we think that there may be in fact a few developments that could require as much as 35 acre-feet in a particular phase and we might see an application for use of water within six months of 35 acre-feet. It seems a little higher than we thought but we're sure that this is a possibility, so we don't want to set the bar so low that it frustrates projects. We just want it, like I said earlier, we wanted to make sure that we had some bar so people couldn't force a priority situation on us, even though there was no reason for it.

People are going to be limited by what they can do in six months, because once you get on the schedule you have to do what you proposed to do so if you ask for 35 and get 35 and only do 20, you're going to have to reapply for that 15 in the next period. It's incumbent on people under a system like that to really look at the numbers and really ask for only what they need. Because in any ensuing period there could be a shortage.

COMMISSIONER VIGIL: Could you also explain to me how you are distinguishing water service agreements between water delivery agreements?

MR. ROSS: Water delivery agreements are going to be the agreements that are signed and executed when water deliveries are scheduled under this new regime. A water service agreement is what's on the books right now, in force, and it looks like what we're accustomed to seeing. It's a ten or twelve-page long water service agreement. I just wanted to have the terminology different. That's why I changed the terminology in this latest draft because there was a lot of confusion in readers when I had the same phrase used interchangeably for the new types of agreements and the old types of agreements. So I wanted to make sure we could clearly differentiate between the two types. So a water service agreement is a water service agreement that's in force, is a year old or two years old or five years old. A water delivery agreement is an agreement that we would sign after we did the schedule and it would be good for six months.

COMMISSIONER VIGIL: Okay. I guess one of my concerns is - and perhaps this is in the pipeline. This is good. We are actually trying to look at some policy and guidelines for allocating water, which is a very necessary component for addressing such a hot issue in our community. I'm wondering how we're addressing those residents who come to us, such as La Cienega did, saying, Commission, we'd like you to hook up, we'd like to hook up to the County system. The whole issue of current users versus new developments is something that's surfacing a lot. Steve, how would we be addressing that?

DR. WUST: Mr. Chairman, Commissioner Vigil, I actually had that discussion with a number of the residents during the public information meeting where we present our hydrologic model in La Cienega. And it was an interesting discussion. Basically, the approach I was taking and that everybody seemed comfortable with, at least in our conversation group, was that because the County Code, because we have to allow growth to happen, the best protection for the existing users is to prevent a bunch more

domestic wells being drilled. Now, that's the most harmful thing that could happen to them. So by hooking people up to the County system, that keeps them from drilling any more wells and because of our limited resources at the moment that the best use of those limited resources is to at least stop new wells from being drilled.

So my approach is to say I would rather hook the new growth up to our County water system because that at least protects the existing water users and then when BDD comes on line we're going to have a whole bunch more water and with that extra water, then we can look out and say are there existing users now who would like to be hooked up; we would like to hook them up. The goal of course is the more people - in my opinion - the more people hooked up to a community water system the better it is for public health and safety. But currently, with the water resources that we have, to at least stop new wells from being drilled is better for the existing domestic users. And when we talked about that in La Cienega, like I said, the folks who had existing wells, they said they were more comfortable with that than to get themselves off of their own well then have somebody come and drill another well right near them because they wanted to have some growth.

COMMISSIONER VIGIL: I was hoping, Mr. Chairman, for more guidance to deal with those communities who do come to us and request, such as La Cienega did, and while I agree it's probably good policy and concept to promote the developments that are coming on board, how do we provide assistance, how do we prioritize for those communities who want to hook up to our current system? That can easily become compounded as many of these communities are extending water lines and becoming water associations. Are you seeing that as a separate policy?

DR. WUST: Mr. Chairman, Commissioner Vigil, actually that's part of what's in here and I think it goes back to Commissioner Anaya's question that there's a set-aside of a certain amount of County water that can be used for County projects, and I would look at your example as one of those. Someone could come and say our neighborhood would like to hook up to the County system, then we can look, just like the rest of the allocation policy and see what do we have available for County projects and if it's available we could certainly come before the Commission and say, recommend that this is a good project that the County could do to extend its line or to hook people up who are currently on lines.

In terms of the prioritization of how that would go about, we actually discussed that also in La Cienega. And my priority would be if folks have a contamination problem, that to me, since it's a public health issue, is a higher priority than someone who has a decent well but they're worried about it. Just because again, how do we prioritize things? For example, even in La Cienega area, some of the wells down behind the Downs may have some nitrate problems. We haven't done a thorough study of that. That to me is a public health issue and that should take a higher priority than folks who just - I'm not trying to minimize it, but who have concerns about their well for the future, because we have future opportunities to take care of everybody, but how do we prioritize it I think is the real issue.

But we do have some water set aside in this policy and a methodology to do it

under County projects so we can look at those issues as they come before us.

COMMISSIONER VIGIL: Okay. I see that. Thank you, Mr. Chairman.
Thank you, Steve.

CHAIRMAN MONTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: Dr. Wust, it seems to me that there is only a finite amount of water and we really don't want to tap our groundwater unless we absolutely have to at some point. So it seems to me that this is a good policy but we need something else. We need a reuse policy. And the advantage of having County system is that we can also have a County wastewater system that can collect and reuse the water, and I think that's the key to the success of this program. But how do we finance that? If we provide water to growth areas with wastewater systems, that makes a lot of sense because we can collect that water and reuse that water. Is this a necessary part of this discussion?

DR. WUST: Mr. Chairman, Commissioner Campos, reuse is an important part of our water strategy and the first step of that is to get the Valle Vista wastewater treatment plant upgraded because it's not capable of either adding more people or even - it's got a limited life span, let's say in even taking care of the demand now. The money for that is already there. It was set aside as part of my department's budget. But we're moving that forward actually. We're about to put out an RFP on a feasibility study for the technology. The technology I specifically put in the feasibility study would be able to give us the options of treating that water to any grade we want, which means we would have a lot of options on the reuse.

As I mentioned before, that would be an integral strategy in reducing the jail. If we could hook the jail up to our system instead of the state pen where it is now and then we had a return flow line we could reduce their water use significantly by having reuse. The other thing we're looking at in Valle Vista is to have it not only upgraded but expandable. That is, that once it gets going and we see a reuse we can start hooking more people up to it. I'm thinking Santa Fe Brewery, for example. Or anyone in that area. And then as long as we built lines, I would say the best way to fund that is like we do water lines for developments. A new development comes in, wants to use our wastewater system, they get to fund the lines and we would always use the return flow line as part of that. The City of Tucson does that with new subdivisions from their City wastewater treatment plant. And they actually meter the reuse water. It's only for outdoor use but people actually pay. It's a lesser amount than regular, but that way they track and get some funding for it. It can be self-sustaining.

So we're looking at all of that. The first step again is the Valle Vista wastewater treatment plant but we're also in conversation with new applicants for larger developments. If they're building their own wastewater treatment plant we're discussing with them turning that over to us just like we talk to them about turning over water systems to us after they build it. So we're in those discussions also. So all of these are in the mill right at the moment. But that's an important part of our water strategy.

COMMISSIONER CAMPOS: Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Okay. Before we get into any feedback from members of the audience, I'd like to take a five-minute break.

[The Commission recessed for five minutes.]

CHAIRMAN MONTOYA: Let's call the meeting back to order. At this time I know that some people have some concerns about the water service policy. If you would please come forward and identify yourself and your concerns, please.

IKE PINO: Thank you, Mr. Chairman. In listening to the discussion and the questions from staff it sounds like there's a distinct possibility that we could finish the day with a new water service policy. So not leaving anything to chance I have five different questions or issues that I'd like to visit so that I'm clear on how we're going forward. The questions are predicated on discretion, Mr. Chairman, because any policy administration, whether it's at the council, the Commission level, or the administrative level has discretion. And we may be dealing with Mr. Ross and Mr. Wust today but maybe two years from now there's somebody else so we want to make sure that the language in this policy is tight enough so that while there will always be discretion that it's limited within the authority granted by this Commission and this policy.

The first item I'd like to go to is on page 4, paragraph number 4. Paragraph number 4 as written, and here again, this may take some additional language or an interpretation. It says persons desiring new water deliveries during the upcoming year and persons holding valid water service agreements in existence as of the effective date of the document shall fill out an application seeking new water service from the department on or before the date set for the filing of such applications. Then it goes on to talk about the form, etc. Having to limit this discussion to what's actually going on with our project, we have a current subdivision. It's called Windmill Ridge Unit 4, which is entitled, which is recorded, for which all of the water infrastructure has been constructed, for which all of the meters have been purchased, for which we have many contracts for homes that are being built and many closings scheduled for which water rights have been delivered, and for which we have an existing water service agreement.

Now, if a person with discretion is looking at paragraph number 4 they could say, well, you may have an existing water service agreement but you have to line up for water delivery next January for the remaining units that you have in Windmill Ridge Unit 4. Now, I can understand number 4 working in a real good situation where nobody's done anything yet on a project. Maybe they have entitlement. Maybe they have sought no permits. Maybe they haven't started construction. But in a case where all of these particular items have already been delivered - and by the way we're paying standby fees for those houses that aren't built yet - this is essentially an interpretation of this could send us into line.

Now, I understand what Mr. Ross said about priorities, but if we're going to work off a priority list I'd like to see some language that sets that priority list up so it's unassailable and that there's an understanding that projects in this particular situation are at the top of that priority list. That particular project is also delivering affordable housing, so

we pass that test. Either that or some alternate language in here that exempts projects that are in that particular situation, and I venture a guess that there's probably only one or two in the county right now that would probably fall in this category that have gone to this length already based on an existing water service agreement and that wouldn't be well served by the denial of an application for a water delivery agreement for some reason that somebody might decide come January or next July.

On that same page on paragraph number 7, the language there says that any new water deliveries that are scheduled for delivery that are not made in the one-year period shall be cancelled. That's all very clear. What's not clear though is any water that is not scheduled shall be cancelled ostensibly if the water's not being used. So the question I have is what does use mean? Does it mean that I've already put in the infrastructure and purchased the meters and does it mean that I've obtained permits already for houses? We have a situation where we sell a house and then we build it for the buyer. So we don't build spec houses and then sell them but we actually go under contract with the buyer and build a house to their specifications within our production level.

So I could come up to December, say, of any given year and be coming in for ten more building permits at the rate of ten per month, which is what our velocity is, essentially. And technically, not be using any water on those houses because I'm starting to build them. They're sold and I'm starting to build them. But I will have had to have signed a contract with a buyer to build them that home with a promise that there's going to be water delivered. So I think that number 7 needs to be clarified in terms of what does use mean exactly? Does it mean there has to be water flowing through a meter into a sink? If that's the case, that dramatically changes things. Or does it mean that you've gone through the entitlement process, that you've obtained a permit from the County and that perhaps you even have a signed contract, although that would eliminate spec houses.

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN MONTROYA: Commissioner Campos.

COMMISSIONER CAMPOS: What I would suggest, is that if you're raising issues, Mr. Pino, on 4, that we address those issues as staff, and then we go to the next issue and we have interaction before shifting gears. So I would ask for some feedback from staff on paragraph 4, page 4 on the issues raised by Mr. Pino, whoever wants to address them.

CHAIRMAN MONTROYA: Steve.

MR. ROSS: Mr. Chairman, members of the Commission on 4, I think those concerns should be addressed in the last sentence. Remember when we talked about this earlier, I said that existing water service agreements have to be preserved. Those are existing contracts; we're obligated and bound to follow them. And the sole purpose of the first sentence in paragraph 4 is to require folks to let us know when they need water so we don't double schedule it. That's the only purpose for that second clause in the paragraph, the second clause in the first sentence of paragraph 4. The last sentence makes it very clear, I hope, that deliveries shall be included on the annual schedule. In other words,

deliveries that are applied for under an existing water service agreement for which they let us know how much they need, those are existing obligations of the County and we must include those on the schedule. What we're proposing to do is put those below the line, in effect, include those in those items that are not subject to allocation in a subsequent period. But we have to deliver those amounts. We're just asking them to let us know how much they need so we can make sure we don't give that water to somebody else and have a problem. So I think the last sentence is the one that's the key to that question. I hope it's clear.

CHAIRMAN MONTROYA: So does that address the issue in your concern that there be language that exempts certain projects?

MR. PINO: Mr. Chairman, it doesn't. I understand what Mr. Wust is saying. However, the operative words I think are the last half of the last sentence that says, And the deliveries shall be included on the annual schedule. The word shall seems to obviate discretion in this case. As long as somebody has made an application, they're going to be put on the list because of the prior agreement. Is that what you're saying?

MR. ROSS: That's correct.

MR. PINO: If that's the interpretation and that's how this will be administered, Mr. Chairman, then there would be no need to have anything to exempt, any projects under any current situation.

CHAIRMAN MONTROYA: Okay. Then the next one, Steve, regarding the clarification of I guess water delivery?

MR. ROSS: Mr. Chairman, there's going to be a certain amount of pragmatism that has to be applied to this particular paragraph. We know for example that you can't get a certificate of occupancy until there's water in the house. So at some point prior to that time, the water is going to vest, probably with the hanging of a water meter, would be my guess. But there will be a number of different kinds of situations that we'll encounter and we'll have to address those pragmatically. I don't think that paragraph was intended to say that when the new homeowner comes in and turns on the tap then there's the permanent obligation on the part of the County to deliver water takes effect at that point. It's going to be some time well prior to that. Probably the most sensible time is when the meter is hung.

MR. PINO: Mr. Chairman, that certainly isn't unreasonable, because meters are purchased at the outset anyway and it's been at the discretion, really, of the developer when to put the meter. There is a trigger when the County absolutely wants the meter on. Whether we want to trip the meter to make sure that it gets counted in the allocation so that we can close that house in a reasonable time. Here again, as long as there's language that eliminates as much discretion about that, or pragmatism, and intent to memorialize it clearly so that anybody reading it would come to the same conclusion.

Mr. Chairman, on page 8, paragraph C, Mr. Ross indicated that they were recommending a change from ten acre-feet per year to 35. Mr. Chairman, I would simply just speak in favor of that. I'm not speaking on behalf of any other developer or any other

project. That number 35 would work in the case of Rancho Viejo based on the number of houses and the velocity that we've created over the years and the amount of commercial and institutional that we need to service within the next couple of years. Keeping it at ten or anything less than 35 in our case creates this situation. The situation would be that we would need to bring water rights. We would need to bring infrastructure. We would need to pay standby fees, potentially. There's a number of expenses which we necessarily know need to be paid. But if we only did ten acre-feet, if that remained there, under our current water budget, we'd only do 50 houses a year and that wouldn't even come close to amortizing the debt on just the water part of things, to say nothing of concrete, curb and paving and everything else.

On 35 acre-feet, in the case of Rancho Viejo specifically keeps us at a current velocity which we've maintained for the last seven years. So I just wanted to mention that that number seems more reasonable. And you're not dealing with a lot of projects that are going at that velocity anyway, I don't believe. At least not yet.

CHAIRMAN MONTOYA: Okay.

MR. PINO: The second to last item I want to bring up is this: Currently, under the current system, water and entitlement have always been tied by way of coming in with a master plan and having to have water for our first phase of development within a water service agreement. That's why you have that four on your agenda following this thing today. And they Land Use staff has justifiably, within that policy not moved ahead any application that did not meet that requirement. Under this, coming in annually for an application to get water, let me just use the master plan that we currently have tracking within your system. The master plan that we have has been to CCDRC, has been to EZC, and is scheduled for a BCC hearing and an EZA hearing some time in April.

So let's just take the best-case scenario. Conceivably that master plan could be approved in April and recorded some time shortly after that, and then we would make application for development plan which we would hope would track some time in the fall and be approved so that we could record a plat right about the middle of the fall or toward the beginning of winter so that we could start grading on the next phase. That's typically how we time things. Under this scenario we will not have applied for water delivery simply because we're not going to need any in that phase until 2007. So what can occur between now and January 1, 2007, is the approval of a master plan without a delivery agreement, is the approval of a plat and possibly recordation of that plat.

Now I understand that it would be foolish on our part and a great risk anyway to try to sell lots just because we have a recorded plat with a contract and that we would not be able to guarantee water because we don't have a delivery schedule. But heretofore, the two have been inexorably linked so that you had to have the water also. Under the old scenario, we would look long term. For instance, like the 110 acre-feet that we're requesting in today's water service agreement, we're looking long term and went out and purchased water rights for that and had every intention of transferring those water rights to the County as had been required in the past. Under this scenario, it wouldn't make sense for

anybody to transfer that amount of water rights without any guarantee that they're going to get it back and there would be no guarantee inasmuch as there's an annual application.

So we'd probably embark on a lot of water right transfers, which can be done, but it would eliminate picking up the total amount of water rights unless you just wanted to invest in them and hang on to them and potentially use them or sell them at a later date. That's always a possibility. I acknowledge that. However, transfers of water rights would be limited to the amount that you're going to get delivered, it would seem to me, instead of being able to turn that amount over to the County. I always thought it was to the County's advantage to have as many water rights as offsets in Buckman so that when the BDD opens, they have those water rights in store all ready to go ahead and back the water usage coming off the Rio Grande.

So I just point that out because that's my understanding. That's without benefit of having had a chance to talk with staff much about that at all.

Then, just finally, to a point that Commissioner Campos made, Mr. Chairman, about the County getting involved in the water purchasing on behalf of the developers, and maybe, if I understood correctly, developers providing the money to the County, I would just invite you to the possibility that any time that those water rights, sellers out there, people who own water rights, are dealing with all of us, they see deeper pockets when government's coming forward, than they would see from potentially a smaller buyer. In the course of negotiating you see that all the time. When we're looking for water rights, we're competing with Rio Rancho, we're competing with the City of Albuquerque and people who have water rights to sell generally can see a real good possibility of getting maybe a little bit more from them because they're buying them larger. They have a little bit more money.

So I wouldn't suggest maybe that the County go strictly to a situation where that's the only way to get water but maybe make it an either/or situation. Because there may be a lot of potential users who don't have the wherewithal to go out and buy the water rights, or don't know the contacts or don't know how, that the County could better serve.

Then, finally, Commissioner Campos, Mr. Chairman, you don't want to get in the sewer business. We can talk about that at another time.

CHAIRMAN MONTTOYA: Okay.

MS. VAZQUEZ: Hello, my name is Rosanna Vazquez.

CHAIRMAN MONTTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: Mr. Chairman, there was a point that Mr. Pino made, his fourth point as to the master plan of the phase 1 and that water that didn't get any feedback from staff.

MR. ROSS: Mr. Chairman, Commissioner Campos, we're not proposing to change the Land Development Code in this ordinance. So to be consistent, those requirements would be independent of the requirements of this policy. So for example, if, under a given application, one is required by the Code to deposit water rights in the amount of the first sustainable phase, which is what I think the requirement is, then at the

time of final plat approval, then that requirement will persist unless we get instructions to amend the Land Development Code to change that. So what we've been doing lately with tenders of water rights is we've been accepting them under a dedication agreement or some other sort of agreement, holding them, and holding them under our 40-year water plan that protects them against forfeiture, abandonment, what have you. And that system, unless we amended the Code, would persist.

It's certainly possible to do what Mr. Pino said which is to amend the Code to lessen the requirement so that you can supply water rights as you go. But we didn't propose to do that in this policy nor could we. That would have to be an ordinance amendment.

COMMISSIONER CAMPOS: Is that an issue that you think needs to be addressed? Does it create a problem for the developer?

MR. ROSS: I really can't speak to that. I know that it's a burden for developers to locate enough water rights and bring them in in a block to support a phase of the development. This policy gives us an option of course of accepting cash if we want to, but it is a burden. I don't know that it's a burden that's changed by this policy. All that we're doing here is talking about how we're delivering water.

COMMISSIONER CAMPOS: I'm not talking about that policy but about the master plan, phase 1 water requirement.

MR. ROSS: Right. I think the reason those policies are in place, and they date from the mid-nineties is because the County didn't have adequate water rights and the idea was to beef up the County's water rights portfolio through these applications. I'm not sure that situation exists today, but we certainly need quite a bit more water if we're going to fill out our allocation in the Buckman Direct Diversion. The arguments that gave rise to the policy initially probably still exist to some degree although maybe not in as acute a form as they originally were.

DR. WUST: Mr. Chairman, Commissioner Campos, I'll add to that that currently, anyone who hooks up to any community water system except for the County's, the only thing the County requires is what we call a letter of commitment, which is a letter from a system, including the City which says that we are ready, willing and able to serve your development. I could see developing sort of a public thing. That would be different from the scheduling. But in that we could require a total amount of water rights in exchange for a commitment to serve it. It wouldn't be a commitment next year. That's what this allocation of policy is about, and it could have language in there acknowledging that certain commitments may not be fulfilled until after the BDD comes on line, as we do now in current water service agreements.

The other thing is in terms of the amount of water rights brought in, there already is some language in some of our water service agreements and certainly in some of the permit language under the development permits, it says to people that if you bring in water rights and you practice great water conservation and you're not needing all of that, then you can apply some of those water rights to a later development that you'd like to apply it

to, or you can get them back from the County in some respect or we'll buy them from your or something like that at different options that are available to us. That actually is laid out in the current language that if people bring more water rights than they actually need in the future, then there are options available for what to do with those water rights, both for the applicant and for the County.

So I think both of these issues can be addressed fairly easily. It probably will take a little rewriting of some of the documentation but I think we already do address some of those things in some respects and we could do that in this case also.

COMMISSIONER CAMPOS: Thank you, sir.

CHAIRMAN MONTOYA: Okay. I think we're all covered. Commissioner Sullivan.

COMMISSIONER SULLIVAN: Let me ask Roman, we don't require that they have a water service agreement for a master plan phase, do we?

MR. ABEYTA: Mr. Chairman, Commissioner Sullivan, I don't believe we do require a commitment until -

COMMISSIONER SULLIVAN: We changed that a year or two ago.

MR. ABEYTA: Right.

COMMISSIONER SULLIVAN: So there's not a requirement for a water service agreement or a delivery agreement or anything until they get to preliminary or final. So I think at that point, that helps a concern that I've had which is sometimes we look at preliminary and finals that are written on the back of envelopes and aren't very complete documents. This would encourage applicants to have those preliminary and finals ready to go to construction when they get to us and they'd have in hand a water delivery letter, similar to an availability letter from the City, which would be this document, this one-page document Mr. Ross talks about, and they'd be set to go. There shouldn't be any more hurdles at that point in time.

I just want to be clear that I don't think we are requiring and I don't think our Code requires, because I recall changing that. There was a question about the word permits, if you remember, whether permits would be required at the master plan phase, and we took that out. We required that they demonstrate availability or where they were going to get it from, but I don't think we required a physical document in hand. At least I haven't seen that. So that should I think make the process answer at least some of Mr. Pino's questions.

CHAIRMAN MONTOYA: Okay. Rosanna.

MS. VAZQUEZ: Thank you, Mr. Chairman. Following up on Mr. Pino's issue with regards to how this policy would correspond with the land use policy, every master plan that we've submitted we've had to bring forward a water service agreement. It is not written in the ordinance - it has been clarified, Commissioner Sullivan, you're correct, but we have been asked by Land Use staff for a water service agreement, in fact that is why Rancho Viejo is here before you. We had to do it on La Pradera, the amended master plan phases 2 through 6 and we just submitted Santa Fe Canyon Ranch, we submitted the request for the utility boundary extension. Because it was an issue that was

raised at preapplication conference with Land Use.

So while it's not ordinance, I'm a little concerned that we would be able to effect the change of policy in Land Use to correspond with the policy and the resolution set forth in this line extension and allocation. As I read this allocation policy, the underlying premise really is to not have a long-term commitment for water for development and to switch to a yearly allocation is what it looks like here.

Following up on what Ike said, I've got a couple questions on that. Normally, what we've done in the past is applicants have bought water rights to cover all of the entire development. For example, in La Pradera when we came in for the amended master plan, the question that was asked of us was not just a water service agreement for the first phase but show us all the water you have for the entire development. So we essentially in La Pradera put forth all the water rights that we have for the entire development. If we can't be assured, however, of a long-term commitment on a yearly delivery schedule as is being proposed, it makes it very difficult to master plan a large area. You might recall in the College District there's a requirement that the entire village be master planned. So the entire area has to be master planned. So we will go to the expense of - and La Pradera did - of developing that and amending it once they owned the rest of the property for the entire thing.

But to go forward at preliminary as La Pradera did, we needed some sort of assurance that we were going to be able to get a water service agreement and that's why we're here before you this afternoon. I am concerned that this allocation policy, and I'd like an answer with regards to this, is going to make master plans smaller and not coincide with the land use provision in the College District, and it's going to limit phasing. If somebody could address those questions I would like to get an answer on those.

MR. ABEYTA: Mr. Chairman, we're looking into it now, but I don't recall requiring a water service commitment for master plan. In fact, Mr. Pino described his master plan that he currently has in front of a couple of committees right now and he doesn't have a water service agreement for that development.

MS. VAZQUEZ: I think he's got to get it before he goes to BCC and that was why he's here before you. And that was the same policy for Suerte and it was the same request for La Pradera. So it is an issue that we'd like to get resolved. And it's not that we think it will stop this policy but we would like an answer with regard to that so we can figure out how to deal with it in the future?

CHAIRMAN MONTOYA: It was a request from whom?

MS. VAZQUEZ: The Land Use staff. It was a land use request.

CHAIRMAN MONTOYA: It's not in an ordinance, but we're asking for it?

MR. ABEYTA: We're checking with Land Use now, somebody's up there and seeing what we're requiring.

CHAIRMAN MONTOYA: So let's go ahead and move on to your next question, Rosanna.

MS. VAZQUEZ: Thank you, Commissioner. There is a provision in here

with regards to cash instead of water rights. And again I have the same question, how would the cash in lieu of water rights work with the master plan ordinance requirement? So would we not be able to come in at master plan unless the proposed cash – the County bought the water rights, and then we could come in at master plan? How does the cash incentive work with the master plan ordinance?

MR. ROSS: Mr. Chairman, that's one of those details we'll have to work out as we go along. The concept at this point is it would work the same as if somebody deposited water rights. If you deposited cash we'd go out and work on that. We added a sentence to the policy, I think I read it to you earlier that if you don't have water rights at the time that your deliveries are scheduled then there's a problem. You're going to have to come in and deposit replacement water rights. I think the same situation would be true if we didn't get water rights and we didn't have enough water rights to match against physical deliveries.

That's not going to ever be a problem with the current allocation of 875 because we get that water on a wholesale basis from the City of Santa Fe. We don't have to match water rights against those deliveries because the City is holding those 875 acre-feet of water against which they match deliveries. But it could become a theoretical problem after Buckman comes up and running. So we have two or three years to figure that out and come up with coherent policies. We were just trying to preserve your right to accept that option if you think it's a good idea.

MS. VAZQUEZ: My concern, Commissioner, is if this allocation policy is approved today and I have clients who are trying to buy water rights, if it's easier and depending on the cost of that water right to come in and say, Steve, we'd like to put up cash for water rights and get a water delivery agreement. How are we going to price those water rights and how are we going to know if we can go forward on a master plan? Again, I'm going back to some of my clients who've got existing master plans coming in the door, or have current ones right now. That's why the issue becomes a real issue right now.

MR. ROSS: Mr. Chairman, you know our ordinances require a water supply plan, and in certain cases they require water rights and the amendments that we adopted last year to the master plan procedures section of the Code require that you have a plan or you have water rights or you have a well or something you can show to make the initial hurdle. The hurdles get higher as you go through the process. So, for example, preliminary plat, you have to show more than you showed at master plan approval and so on and so forth. I think this particular policy and that ordinance can be read together without any serious issues.

What we're going to have to address is what Ms. Vazquez referred to, which we believe is a Land Use Department internal policy to require a water service agreement if you're going to get water from the County utility. But if my memory serves me correct, this new policy would require a change in those internal policies to make them consistent with current ordinances and with this resolution.

MS. VAZQUEZ: We'd be in agreement if we can make sure that the land

use policies are also going to change with regard to that because it puts us in an awkward position.

CHAIRMAN MONTOYA: You mean the internal, non-written –

MS. VAZQUEZ: Yes, the internal policy.

CHAIRMAN MONTOYA: It's written?

MR. ROSS: We've got it now, Mr. Chairman. It's correct. You don't necessarily need – this is what you need for a master plan: a notice of intent from the County Utility Department. That's easily done, consistent with the requirements of this policy. What you need for preliminary development plan is a water service agreement. This is an internal policy. We'll have to change those words so that they match up with what's in this policy. And for final development plan, this is once again an internal policy, any conditions of the water service agreement – you know our current water service agreements require a transfer of water rights, a transfer of ownership, all those things. Those would be conditions on the water service agreement. This internal policy requires that they be complied with at the time of final plat or development plan submittal.

So some of these policies wouldn't have to harmonize, would have to be adapted so that they harmonize with what's before you if it's adopted.

CHAIRMAN MONTOYA: Okay. When will that happen, Steve?

MR. ROSS: Mr. Chairman, it would have to happen pretty quickly.

CHAIRMAN MONTOYA: Steve.

DR. WUST: Mr. Chairman, I can tell you from our end, since I was the one reviewing a lot of the water availability reports and now Karen Torres is, it wasn't until this policy change that we looked at other things, but by the Code, they just had to say in master plan what they were going to do for water. In fact I remember a few years ago in one of the earlier incarnations of Las Soleras, they actually came forward and said, we'll we're looking to drill a well and we're talking to the City and we're talking to the County. And that was acceptable. We had to look into that, whether that was allowed by the Code and it was. Because all they needed to do in master plan was to tell us what they were doing to pursue water availability. And it was only if they were drilling their own well they had to do the geo-hydro report and demonstrate that, but if they were hooking up to a community water system you didn't need to do all these things in the meantime. So that's at least a way from our end as we reviewed water availability, how we've been dealing with it at the master plan level.

Now, Rosanna's right. In the last year or so, Land Use has been asking for things like that so we've been following their internal policy. That's why we've been doing all this negotiating with water service agreements in order to fulfill this policy.

CHAIRMAN MONTOYA: But it's not really a policy. It's their request. It's nothing being directed by –

DR. WUST: It sounds like a land use policy.

CHAIRMAN MONTOYA: Right. Okay, Rosanna, does that answer your first two questions?

MS. VAZQUEZ: Yes, it does, Commissioner. The other question I had with regards to it is similar to what Ike was talking about with regards to use, and that is what does delivery mean, exactly? Does it mean that you have a finished lot that you can start selling to builders. Builders can buy and they have to build within that year? Or is it a house built and water coming out of the faucet? I wasn't exactly sure what delivery was tied to. And there's actually, on page 5 under the definition of water service line extensions, it refers to a valid water delivery agreement, which presumes you're going to get water that year, or a separate line extension agreement shall be required prior to beginning construction. The commencement of construction is way before a master meter is put on on each lot, and it's way before water is coming out of the faucet.

So I'm not exactly sure and I ask what is delivery and what does it mean in the context of this allocation, just so I can explain to my clients what that year time frame or six-month time frame that water has to be utilized in.

CHAIRMAN MONTOYA: So can we clarify that, Steve, maybe under the definition section on II?

MR. ROSS: Mr. Chairman, we thought about that a little bit and that's the discussion we had a few minutes ago about when delivery happens and my idea was perhaps when the meter is on, but there maybe other considerations that we're unaware of. I'm not sure that it would be a good idea to tie our hands to a particular approach at this point, given we haven't worked with this policy at all. If we put in a definition today that it's when the meter's hung and that isn't the right answer, that would be harmful. So that's why we deliberately left this sort of open-ended and as a work in progress as we work through these details, we can add some detail if we really need to. But we're going to have to get through the first couple cycles to figure out where the problems are and be able to advise you where they are and where things maybe need to be tightened up. For example, if we feel that delivery is being interpreted in a way that is harmful to the County's reason for doing a policy like this in the first place, we would bring that to your attention and propose a way to address that issue. But to define it now, I'm concerned we might tie our hands in an area that we don't have maybe enough information. We certainly could define that. I could write a definition right now that says delivery equals hanging of the meter, but I don't know whether that's right or not.

DR. WUST: Mr. Chairman, I would advise caution as well in echoing what Steve Ross is saying and to give an example that came before this Commission a few years ago. Somebody, I think it was in Eldorado, he said you've got to give me this permit because I've got a meter in. Hadn't turned a shovel full of earth and hadn't done one thing on actually building but he put that meter in there and said therefore I've got claim to this. So I would agree with Steve. I think we can work up some language and certainly hanging a meter works well for the developers who are moving along but we just want to be cautious if we're too specific.

Then if I may, I have one more note I forgot to mention before on the money versus water rights issue, part of our reasoning on that, and I think we can work it out, the

language, is basically how we decide whether it's money or water rights, was that we got concerned because the County was very aggressive on getting water rights for the BDD and then all of a sudden we wondered what if we fill up our whole portfolio, 1700 acre-feet with water rights and somebody comes and says I have more water rights for you, what are we going to do with them. So we wanted to give this option of payment in lieu of water rights, just in case we're not basically having this overabundance of water rights or water rights that we can't use, say Main Stem of the Rio Grande, when we actually need them for wells and things like that. So that's what that was in there for.

And I think that we can work that out with some language also. So I would again echo Steve Ross on both these issues. I think there's some language we could work out but we probably don't want to try to be too specific right at this moment.

CHAIRMAN MONTROYA: Okay. Thank you. Rosanna, anything else?

MS. VAZQUEZ: I'm sorry, I do have a couple more things. And again, the reason I'm making these questions is because we are looking at not a long-term commitment of water for developments with master plan and some have final approval, all the way through. So that's the underlying premise behind some of the questions I'm asking.

The reason the delivery question becomes an issue is there are different types of builders here. There are Rancho Viejo, who somebody sells a lot, they build that house for that sale. There's big builders who've come into Santa Fe recently who will construct all the lots at one time, and then there are the smaller developers who sell off the lots individually or in groups to small, local developers. And so the question of delivery comes up and I'll give you an example. In La Pradera right now, we've got final development plan on phases 2 and 3 and phase 1. We're selling those lots. So if this delivery schedule goes into effect today does that mean that phases 1, 2, and 3, we can't sell those lots individually because those contractors will not be able to build them all simultaneously? Or what does it mean? And that's why the question of delivery comes in and when that's tied, because we need to be able to in good faith talk to these local developers, contractors and say, well, you're not going to be able to build until 2007 or you're not going to be able to build until 2008.

When we were putting those delivery schedules together, on the water service agreements you've already received, we looked at that. Do we tie it to lots, and when they're sold, or do we tie it to water meters, or do we tie it to faucets? Because it is an issue. In the delivery schedules you've gotten, we've tied them to lots sold, because there was concern that we were not going to be able to sell those lots to local developers without being able to give them an assurance that there was water that they could go to and get for that lot. So that was why my question on delivery was raised. I think we can solve it. I don't think it's insurmountable. I just haven't had time in the time I've had to review this to think about it more and come up with a solution on that delivery, but I think it's something we can solve.

I'm sorry. I know I'm taking a while but I've got a couple questions and I

apologize but this allocation policy came to us and I've been trying to review it as Steve makes changes to it. I was concerned that there isn't a criterion for approval or denial of an application that comes in for a water delivery agreement. I spoke to Steve and his answer was, Well, there is no denial of a water delivery agreement, because if we have the water we'll give you a water delivery agreement. And I just want to make sure that that's clear, that anybody who applies for a water delivery agreement is going to be given one if you have the water in hand to do it.

CHAIRMAN MONTOYA: Would Steve or someone respond to that?

MR. ROSS: Mr. Chairman, there are no criteria for award of a water delivery agreement save that the amount proposed to be delivered appears on the schedule. And there are criteria, however, for prioritization. We went over those a little bit earlier.

CHAIRMAN MONTOYA: Okay.

COMMISSIONER VIGIL: Mr. Chairman.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: So in effect to be a little more clear to Ms. Vazquez' question, anybody can bring forth an application, however, they may not conform to our prioritization process and as a result they could possibly be denied even though there's no criteria.

MR. ROSS: Mr. Chairman, Commissioner Vigil, the prioritization process only applies if we don't have enough water left to meet the demand as set forth in the applications. Where we have ample water to make the next six months deliveries, there would be, like for example, a picking and choosing of applicants. You would just simply recognize that you have enough water to meet those demands and then you would then schedule those deliveries. I don't think there would be grounds, at least nothing I can think of right now, save an incomplete application or fraud or something like that, to deny somebody water if you have it. But there would be the possibility or probability that you'd apply criteria if we didn't have enough water and t those criteria are the acceptable criteria as set forth under that prioritization plan.

COMMISSIONER VIGIL: Thank you. Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Dr. Wust.

DR. WUST: Mr. Chairman, Commissioner Vigil, I would also think from a practical matter that we don't deny applications but we do have discretion in terms of the amount of water we may be committing. To use an example, if somebody comes forward every six months and asks for 35 acre-feet and they're not building more than one house in any six months, I think it would be appropriate for us to say we'll give you another commitment but it's for one acre-foot or a half an acre-foot or whatever seems to be the consistent level. So I believe we have that kind of discretion. And we could lay out criteria and a policy but I think the logical conclusion is that we do it from a practical matter. We don't deny but that doesn't mean we have to give everybody everything they ask for. We certainly have that discretion in terms of what we think is realistic and a reasonable delivery schedule.

COMMISSIONER VIGIL: Thank you, Mr. Chairman.

MS. VAZQUEZ: So what I'm understanding then is that delivery is sort of tied to a meter, because in your scenario, Dr. Wust, we couldn't sell the lots, knowing that - like if we applied every six months for 35 acre-feet we could continue selling to small contractors in that scenario. They might not build right away but they'd be assured they had water to that. So what you're saying really ties it more to meters? I'm sorry, but I'm just kind of confused about this policy.

DR. WUST: Mr. Chairman, I think what I said was I think we can work out the language. And I don't want to commit to any specific term at the time, and I believe Ms. Vazquez said the same thing. I think we can reach a solution and I think it's just how we phrase things. We want to be reasonable to everyone but we don't want to tie our hands such that someone can abuse the language in any particular way.

MS. VAZQUEZ: And just a couple comments, Commissioner Campos. Currently I think people - I don't know about a County sewer system and Mr. Pino talked about but there are developments that are trying to put in wastewater systems for reuse. La Pradera is one. Santa Fe Canyon Ranch is coming in with that submittal with that request as well. I think if we can promote that, and it is promoted in the policy that the Steves have put together, because it does prioritize water for people who are using wastewater systems. So I think it gets to your point on that issue.

The question with regards to La Cienega that Commissioner Anaya and Commissioner Vigil raised, I had the same question. If La Cienega comes in or an area comes in that needs water, would that be a project that would be considered a County project, or would they need to fall into the application schedule and go into the delivery schedule and be scheduled like everybody else. How would that work?

MR. ROSS: Mr. Chairman, I'm not completely sure I understood the question.

MS. VAZQUEZ: If La Cienega comes in and they say we want water, are you going to treat them as a County project, or do they have to fill out an application and say we want to get on the delivery schedule; we're going to give you cash, and we've got \$50,000 in cash for you. How are they treated? I thought I heard you say County but then I wasn't sure.

MR. ROSS: Mr. Chairman, if we're talking about the mutual domestic water association in La Cienega, there's a paragraph in here, Section 8, that addresses those issues. The typical way we would make an allocation like that is either through a bulk water supply agreement or a joint powers agreement. If we were to do that under Section 8, that water would come off the top. That would be considered to be a County allocation and would not be available for use by others.

MS. VAZQUEZ: So individual customers would then have to come in and apply? That would be different.

MR. ROSS: That would be different. Mr. Chairman, if an individual came and applied to the County water utility to hook up. Say their well is failing or they don't

like well water any more. They're tired of replacing the pump every two years. They would simply apply to the utility department for a meter and get scheduled and hook up and that would be the end of it.

MS. VAZQUEZ: Commissioner Vigil, we're supportive of the 35 acre-foot number that was suggested by Steve Ross. We're comfortable with that number because typically, what has happened on these master plans is that most of the offsite infrastructure has to be put in prior to phase one. So many developments are faced with having to create a large phase in order to cover the costs of their offsite infrastructure. So we're in support of that 35 acre-foot number.

Again, my only concern, and I think this goes a long way to adopting I believe in theory what we all want, and that is there needs to be some sort of long-term assurance, even if we're scheduling it on a year-to-year basis for developers to come in and master plan a large piece of property like is required in the College District, to buy bulk water rights and transfer in bulk to you. Because this allocation policy doesn't really give anybody the incentive to transfer 50 acre-feet of water to you at this point. So if there was some way that we could come up with a happy medium with regards to that.

This has gone a long way and it corresponds with what we've done on the delivery schedules in the previous water service agreements. I think it would give assurances to developers to bring forward water rights to be used in the 1700 acre-feet at the Buckman Diversion and plan for utilization of that water. Thank you.

CHAIRMAN MONTTOYA: Thank you. Anyone else?

JOHN MCCARTY: Mr. Chairman, members of the Commission, my name is John McCarthy. I appreciate the opportunity to make comments. As I've only had this proposed policy for a matter of hours my questions are probably not as complete as they would be with further review. However, one dimension that we're not considering here is one that we all have to live with as developers or builders and that's the financial community. I would strongly suggest that we bring in some input from the financial community in terms of risk underwriting for development loans, because this policy may be read on the face that your water could go away in six months or 12 months, depending on whatever review cycle you do decide upon.

So in addition to the number of units you're allowed to build, unless you're self-funded, this may be a fatal flaw. As Rosanna Vazquez said, we are not production builders. We build for the small user. So in La Pradera Phase 1 we sold lots in groups of seven to nine lots. So those builders in the future, by extension, if we're under a WDA they would be also at risk for not being able to build if, for example, we had interest rate fluctuations or some other market fluctuation. So these are practical considerations. I ask that we consider.

Also, if we continue to limit the supply of buildable lots or lots with water we have a supply price curve and right now we're facing that as you well know with a high median price. So if there's a rush to build in a six-month period and a builder or developer knows they just have one shot here within this six-month period, I'll warrant that the prices will

tend to drift upward at a faster rate than they are currently now.

A specific situation I would like an answer to is for example, legitimate retiree or someone that's planning for their retirement that wants to build a house in five years, how do we address the fact that they want to buy a lot now and be assured of being able to build that in the future. Now, I ask these questions with full consideration of the intent of this policy and that is to make sure that the water is used. So these are exception items I know that we're addressing with the exception of the financial one.

I'm also hearing an awful lot of subjective interpretations of these issues and it would seem to me a prudent step to have a few discussions, continued discussions with the public sector, perhaps to include someone from the financial community as well as the building communities of the small and large builders before this policy is put to a vote. And a specific situation as well, as an agent, I helped transfer 131 acre-feet of water to the County for the use for the state land. So it seems to me that we have a situation where we acted under a policy, a WSA policy, yet the master plan for the state land of San Cristobal hasn't been put forward, so we're in a straddle position there and I'm not quite sure how that situation would be interpreted or implemented.

And again, the other element here is the vagaries of the Office of the State Engineer could affect what happens on the Buckman Direct Diversion, whether it be transfers of groundwater or future transfers of surface diversion.

So in conclusion I know I've raised some questions but what I'm suggesting is that we have some rather quick additional study periods rather than this ad hoc period or discussion right now so that we have a tighter policy that avoids the law of unintended consequences. Thank you.

CHAIRMAN MONTOYA: Thank you, John. Anyone else? Okay.
Commissioner Campos.

COMMISSIONER CAMPOS: Any comments to Mr. McCarthy's concern about the risk underwriting, the example of the retiree wanting to hold for five years and build. And there was a second point, Mr. McCarthy. What was that?

MR. MCCARTHY: Commissioner Campos, I was also asking about the straddle effect of WSA/WDA, especially with water that's already been transferred for San Cristobal. And also had addressed the fact that we sell to our local builders in groups of six and how do they underwrite, and I'll guarantee the banks scrutinize those small builders very closely and any element of risk that's seen could hurt this segment of our community.

COMMISSIONER CAMPOS: Thank you. Any comments?

MR. ROSS: Well, Mr. Chairman, taking the third point first, which is the financing issue. The problem we face, and it's an unfortunate problem, is that we have limited water resources right now and until the Buckman Direct Diversion come online. In order to stretch those resources as far as possible, staff arrived at this proposal to try and keep the balls in the air as long as we can. But there's going to come a time, probably when we're going to run out of water, and that introduces uncertainty. There's two ways to handle it. Number one, we can continue with business as usual and we'll be out of water to

allocate maybe even at the end of this meeting. The second idea is we can try and move forward and move forward as far as we can.

I think the financing issue is fairly relevant. If you can't do a development because there is not water, because it's all allocated then financing really does become irrelevant. So if we're going to continue moving forward on these projects then I think that certainly the financial community has to be educated on the realities of our current situation so they can respond appropriately. Perhaps they won't be comfortable with the system but the alternative is the water is completely allocated and there's no possibility to move forward. So it's an unfortunate situation we find ourselves in. There's a lot of uncertainties as Mr. McCarthy alludes to in the Buckman Direct Diversion project. There's a lot of permitting issues we have to successfully move through and a lot of agreements with the City that we have to settle and there's a lot of money to raise.

So there's continuing uncertainty, all of which will end once that project comes on line. So we can all hope that that actually occurs. As far as the water service agreement for San Cristobal, that's an existing water service agreement as I said earlier. The terms of that agreement have to be respected and there's no ifs, ands or buts about that. The retiree problem is - if a retiree is going to buy a piece of property and be assured in five years that they can build a house there, there's no certainty on that right now. It's all dependent on Buckman Direct Diversion. If you're retiring and buy a lot it would be a more prudent course of action to build a house immediately because there is some water available now than to wait and hope that all these various elements come together in the Buckman Direct Diversion and that we're able to supply more water.

So this is a pragmatic approach to this problem and it is what it is.

COMMISSIONER CAMPOS: Thank you, Mr. Chairman.

CHAIRMAN MONTTOYA: Okay. Any other questions. John.

MR. MCCARTHY: Mr. Chairman, Commissioner Campos, Mr. Ross, San Cristobal does not have a WSA, however, we did transfer the 131 acre-feet for that project to Buckman. So we don't have a WSA, we just have water sitting there for assignment to the County.

MR. ROSS: Mr. Chairman, the policy addresses that situation. If they're unable to use that water they can have the water back, at any time in fact. But it's preserved there; it's under our 40-year water plan. I'd forgotten - I thought we had a small water service agreement for San Cristobal. I thought it was in Mr. McCarthy's name. But those water rights are there. There's no obligation connected with them in terms of County deliveries at this point because there is no water service agreement if that's correct.

DR. WUST: Mr. Chairman.

CHAIRMAN MONTTOYA: Dr. Wust.

DR. WUST: That actually points up the issue for the County's side, and that is that our purpose, as Commissioner Vigil addressed is trying to deliver water to people, and it's very difficult to tell somebody we can't hook you up because we've got water -

nobody's using it, but all the water is tied up and San Cristobal is a good example that there's a certain amount of water that's tied up even though there's no development going on and we see very clearly that if that development will appear after the BDD comes online, even though that's uncertain, then why can we have a more efficient use and more productive use of our existing water supply which is 875 acre-feet.

Same thing with the people that buy a lot for future use - well, there must be some way the County can actually deliver water to people in that meantime instead of just sitting on it and waiting for someone to have a future use. And that's why we looked at this, as Steve mentioned, from a very pragmatic account of I as a utility operator as well as the Water Resources Department Director, how can I deliver water to people. This is a methodology to say, year-to-year, let's see what kind of deliveries we can make and there are provisions for returning water rights as Steve mentioned and I had mentioned earlier. We can do that, but we really want to get out - there are a number of developments that tied up the water and haven't done anything with it but the water is tied up like a bank account for somebody. So it's something we have to deal with in terms of why aren't we using our delivery. We get asked that by the City, by the way. What do you need another 375 acre-feet for if you're not even delivering the original 500.

It would be nice to be able to produce deliveries out of this. In terms of somebody buying a lot, there is an uncertainty. It pretty much makes a difference in the price of a lot, I would think, if you could guarantee water versus telling somebody they have to drill a well in the future. I don't know if we want to be in that sort of financial kind of evaluation as we go through this thing, but my main approach and why I like this policy is we want to get out of where we tie up large amounts of water for future use when that use isn't being needed at this time, and that's why we like to look at year-to-year.

I think we could look at, if the Commission wishes to go back to the one-year interval if that seems more reasonable to help people plan better, but six months or a year is okay with us.

CHAIRMAN MONTROYA: Okay. Commissioner Anaya.

CHAIRMAN MONTROYA: Mr. Chairman, thank you. Steve, are you comfortable, both Steves, with what you brought forward today, or are you changing anything? Are you completely comfortable with it?

MR. ROSS: Mr. Chairman, Mr. Wust and myself and Mr. Utton drafted it so we're fairly comfortable with it. I have a horrible typo on page 9 to correct but the rest of it I think we've got it worked out, with the changes that we recommended earlier. And the horrible typo on page 9, just for your information, under 10. B, the last interlined sentence there, there's a whole phrase left out of that sentence. That sentence should read, If the County elects to undertake the transfers through the Office of the State Engineer, the applicant shall reimburse the County for all costs associated with the proceedings. That's where we undertake transfers. If we take the burden of running those proceedings before the Office of State Engineer, we're going to we're going to want to be reimbursed for the cost of that, or get a deposit upfront. Sorry about that horrible typo there.

CHAIRMAN MONTOYA: So it should read, If the County elects to undertake the transfers –

MR. ROSS: ...through the Office of the State Engineer, comma, and then the remaining part of the sentence just as it is.

CHAIRMAN MONTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: Mr. Chairman, I think that we don't have much water left and I think we really have to start looking to see how we're going to allocate this water. So I know that there's developers in the audience and they're waiting to get a water service agreement from the County, but there's also the residents in our small communities that also need water and I think by having this extension water service policy in place helps us control the water that we have now, so that we don't give it all away and then when it comes time to serving those small communities out there we wouldn't have anything left. So I'm going to make a motion to approve this extension water service policy with the amendments that we made and the corrections.

COMMISSIONER SULLIVAN: Second.

CHAIRMAN MONTOYA: Motion, second. Discussion?

The motion to approve Resolution 2006-57 as amended passed by unanimous [5-0] voice vote.

COMMISSIONER CAMPOS: Hold on. We have one issue is the effective date that we haven't decided. Do we make it effective at this moment?

MR. ROSS: He said it was immediately.

COMMISSIONER CAMPOS: Or we could set the time. That's unclear to me right now.

COMMISSIONER VIGIL: Mr. Ross, the way this is drafted it's effective immediately is my understanding and why I voted on that motion.

MR. ROSS: That's correct.

COMMISSIONER CAMPOS: So it's effective at this moment. Okay.

- XIII. E.**
- 2. Request for Approval of a Water Service Agreement for Gillentine (Churchill Estates), 1.8 Acre-Feet**
 - 3. Request for Approval of a Water Service Agreement for La Pradera Phases 1-3 20 Acre-feet**
 - 4. Request for Approval of a Water Service Agreement for Rancho Viejo, 110 Acre-Feet**

DR. WUST: Mr. Chairman, I would first bring for your consideration, being as the new allocation policy just came in and kind of changed the way we do water service agreements, that the Commission consider tabling 2, 3, and 4 until April 2nd

meeting so we can reformat those under the new system.

CHAIRMAN MONTTOYA: Is there a motion to table 2, 3 and 4?

COMMISSIONER CAMPOS: So moved.

COMMISSIONER SULLIVAN: Second.

CHAIRMAN MONTTOYA: Motion by Commissioner Campos, second
Commissioner Sullivan.

The motion to table XIII. E. 2, 3, and 4 passed by unanimous [5-0] voice vote.

**XIII. E. 5. Consideration and Approval of Additional Language in
Amendment No. 1 of the Water Resources Agreement with the
City of Santa Fe (Tabled at the March 14, 2006 Regular
Meeting)**

DR. WUST: Mr. Chairman, this relates to the Agua Fria Community Center. We looked at our options for water and one of those options was to tie into the City system with a new master meter that would go into the County system. We have three currently. This has been in front of the Commission before. You voted for an amendment. The amendment you voted for is the bolder language that you see in the packet. It went in front of the PUC of the City and they voted to add some language. That's that second stuff. It looks like a lighter type, I think, in black and white, about staff shall do an accounting of the water going through the meters. And so because they made a change to an amendment that this Commission had previously approved, we needed to bring it back in front of you to see if you agreed with that and it is scheduled in front of the City Council for tomorrow with this very same language, or with whatever changes that this Commission would like to put in.

By the way, Gerald Gonzalez, Steve Ross and myself were at the PUC meeting where this language was proposed and we don't have any problem with it because it's just directing staff to work up an accounting system. And I've already talked to Galen Buller who is the City water director about working up such a thing. We know there's a need to do it anyway because not only are there meters that go from the City to the County but there are meters that go back from the County to the City system. For example, Thornburg property and IAIA. So we think this is actually something we need to do anyway. So staff does not have any issues with that particular language.

COMMISSIONER CAMPOS: Do you have an extra copy, Dr. Wust? I just can't find mine. Oh, it's here. I don't understand the language, the additional. I understand the first part, the City and County shall develop a system for assuring the allocation and deliveries of wholesale water pursuant to paragraph 2 of this agreement.??? Among the four points of delivery are consistent with sound engineering practices. Then the next sentence. It says the City and County long-term planning strategies – what does that

mean? In other words, if the City changes its policy they can change their agreement as to the number of points of delivery? It seems so vague to me. It doesn't have any substance. I just don't get it.

DR. WUST: Mr. Chairman, Commissioner Campos, the language was left a little vague because what we were trying to avoid is any connotation that the City will dictate what the County can do with its water or the County will dictate what the City can do with its water. Basically what this is saying that we realize that certain parts of the City system, just from an engineering standpoint can only deliver a certain amount of water, that the City has its certain planning directors and that plays into its infrastructure; the County has certain planning directors that play into its infrastructure. And this language is trying to say that the staff will make sure that we consider all those things. So in other words, the City won't be able to just say, we're going to turn off the meter when we want and County won't say now that we have a meter we're just going to do anything we want. Because we do have allocation policies and things like that, and it was to demonstrate what is the accounting system because with this we'd have four meters and it would be helpful for all of us to know what kind of deliveries are going to which parts of the system because again, that play into both an engineering and a planning strategy.

I will add that the primary need where we originally looked for this was for the Agua Fria Community Center. However, we are well aware and we have let the City know that there are other facilities in that area that could use a more reliable water supply. La Familia is a good example. There's also a need for fire protection that is needed. Hydrants that are needed there. We also know in the long term that we are already planning to run a line from our BDD water delivery line will be right near there along 599 and so we have a long-term alternative place to bring in water, but this is for the shorter term need until BDD comes online to provide fire protection and water delivery to the various community facilities.

COMMISSIONER CAMPOS: I understand the objective. I don't understand the language, especially the last two. It seems that your ceding authority to the City to determine what our policies are going to be when it's our water that's coming to simply a delivery point. That's how it reads to me.

DR. WUST: Mr. Chairman, I'll defer to the County Attorney on the specifics of the language.

COMMISSIONER VIGIL: Maybe while we're waiting for that, may I pose a question to Steve Wust?

CHAIRMAN MONTROYA: Commissioner Vigil.

COMMISSIONER VIGIL: One of the concerns that I have and that of course is in the district that I represent is that the mutual domestic well association there in their 40-year water plan wants to become a service provider for many of not only the extension for residents but some of the projects, inclusive of the community center. Are they capable of doing that? What is their capacity and how could we work more closely with them so we don't infringe upon that historical area and allow them to gain some

autonomy through their water service system?

DR. WUST: Mr. Chairman, Commissioner Vigil, we were concerned in that discussion about having deliveries from the Agua Fria mutual domestic because they have an agreement with this City to provide supplemental water when they have some problems, and they've been talking to us about providing supplemental water. And we thought if they're asking the City and the County about supplemental water, should we be adding a burden to their system. I don't know the numbers but it sort of suggests to me that maybe their system is not necessarily capable at this time. So because they've talked to us about supplemental water and that will be something we're going to be looking at in the future, especially in our 40-year water plan, particularly when the BDD line comes in, we thought why hook, up to them now and then have to supplement them so they can supply us? It looked better to have County facilities supplied by the County system so we don't put that burden on them. But that's the primary reason. We're not sure of their capacity at this time because they have been talking to the City and the County about supplemental water.

COMMISSIONER VIGIL: And Mr. Wust, I think a meeting has been scheduled for the 13th of April, something like that, with some of the representatives of Agua Fria. I don't know if you've been advised of it but if you haven't, we will advise you because it deals with the water service deliveries area.

DR. WUST: Commissioner Vigil, is that the 13th of April? I'm going to be out of state. But I can send Karen Torres, the County Hydrologist. We'll make sure somebody is there.

COMMISSIONER VIGIL: I don't have my calendar with me but we'll just crunch that out as we need to.

DR. WUST: Let us know and we'll have somebody.

CHAIRMAN MONTROYA: Questions? Again, Commissioner Campos.

COMMISSIONER CAMPOS: Thank you, Mr. Chairman. I have a question for our attorney concerning the proposed amending language which I guess was made in one of the City sub-committees and it's really the last part of that sentence. I understand the first part - allocations and deliveries, pursuant to paragraph 2, among the four points are consistent with sound engineering practices. But after that where it says City and County long-term water strategies, planning policies, resolutions and City and County needs. It seems to me that we're ceding authority to the City to establish how we can use our water. I'm just asking for a comment.

MR. ROSS: Mr. Chairman, Commissioner Campos, the beginning of the sentence makes clear that staff is responsible for developing this system to address all these various points. So unless staff cedes County authority in order to do these things in those discussions, I'm not sure that we're ceding anything in this. It's vague language, to be sure. I understand as you do the issue about engineering because I understand the line that could potentially serve the fourth master meter in Agua Fria may have some engineering issues. City and County long-term water planning strategies - I think the idea here based

on a discussion I heard that night was to ensure that the County's use of the meters was consistent with growth management type policies, plans that the two entities have jointly developed. I assume that means the RPA plan and others.

I guess what this could be interpreted to mean is that the City could advocate that, for example, our master meter in the northwest sector not be planned to support a large amount of growth, because we don't have that identified as a growth priority area. And that - the meters that are located in our growth priority areas should logically see the most and heaviest use. It's admittedly vague language but it's up to City and County staff to work through that language and come up with some sort of a strategy or system for allocating the deliveries amongst those four meters.

COMMISSIONER CAMPOS: Okay. Well, Dr. Wust, do you have a comment? I'm just not comfortable with that language and I would prefer that it not be there. I think it's just something to play with. I think we're ceding some authority here.

CHAIRMAN MONTOYA: The very last piece?

COMMISSIONER CAMPOS: Yes. Where it starts City and County long-term water planning strategies, policies and resolution, and City and County needs. It seems like the City again is using its water system to control what's happening outside of its jurisdiction. They do take the big brother role regularly and I think this is just more of that.

CHAIRMAN MONTOYA: So where would you suggest striking from? That last comma?

COMMISSIONER CAMPOS: Yes, after sound engineering practices.

CHAIRMAN MONTOYA: Period. And strike all the rest.

COMMISSIONER CAMPOS: I don't know if the City will accept that, but it's consistent with their agreement that consent shall not be unreasonably withheld and I think that should be the controlling language. And let them do their policies within their jurisdiction and we'll do our policies within our jurisdiction. That makes sense.

CHAIRMAN MONTOYA: Any other questions, comments for staff.

COMMISSIONER VIGIL: Mr. Chairman.

CHAIRMAN MONTOYA: If we make this recommendation this has to go back before the City process or not?

MR. ROSS: Mr. Chairman, Commissioner Vigil, it's on the agenda for Wednesday night's Council meeting.

CHAIRMAN MONTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: Just from a pragmatic perspective, Mr. Ross, what would happen if we deleted this? This would go immediately back to the City Council for its consideration tomorrow night? Is that what you're saying?

MR. ROSS: Mr. Chairman, Commissioner Campos, that's correct. We'll probably e-mail any changes you make tonight to the appropriate parties.

COMMISSIONER CAMPOS: And if the City balks? I assume we have an enforcement agreement based on shall not unreasonably withhold a distribution meter.

MR. ROSS: Mr. Chairman, Commissioner Campos, that language is standard in agreements and its meaning is fairly clear.

COMMISSIONER CAMPOS: It's fairly clear. Okay.

COMMISSIONER ANAYA: Move for approval as amended.

COMMISSIONER VIGIL: Second.

CHAIRMAN MONTTOYA: Okay, I have a motion by Commissioner Anaya as amended. Was that to approve the striking of the language that Commissioner Campos suggested?

COMMISSIONER ANAYA: Yes.

COMMISSIONER VIGIL: Yes.

CHAIRMAN MONTTOYA: Okay. Any other discussion?

The motion to approve the amendment to the agreement with the City, as amended, passed by unanimous [5-0] voice vote.

COMMISSIONER ANAYA: Mr. Chairman.

CHAIRMAN MONTTOYA: Commissioner Anaya.

COMMISSIONER ANAYA: I want to go back to the water service policy just for a real quick second to make sure that under item 4. B.1, was that - I believe the motion was for six months, not for one year. Did you get that, Steve?

MR. ROSS: Commissioner Anaya, Commissioner Sullivan and I were just talking about that. We thought we heard you say that but we wanted to check in with you. The once would be changed to twice.

COMMISSIONER ANAYA: Right. Just checking. Thank you.

COMMISSIONER SULLIVAN: And then Mr. Ross, would that mean that the second line would say water deliveries for the upcoming six months instead of a year?

MR. ROSS: Yes, that's right.

COMMISSIONER SULLIVAN: Does everyone see where I am?

CHAIRMAN MONTTOYA: You're back on the water service policy?

COMMISSIONER SULLIVAN: We're back on the water service resolution. It was just unclear whether it was a year or six months that we were going to do this. Staff was recommending six months, I guess, after some thought, rather than doing it just once a year. Which sounds reasonable.

CHAIRMAN MONTTOYA: What page are you on?

COMMISSIONER SULLIVAN: Page 3 of the interlineated version, B.1, annual schedule of new water deliveries. And it says once each calendar year. And staff recommended during their discussion that that be six months. So I was just asking Commissioner Anaya what his motion was, whether it was for the year or for the six months.

COMMISSIONER ANAYA: I had written down six months, so I was just checking with them to see if they had written six months.

CHAIRMAN MONTTOYA: Oh.

MR. ROSS: Mr. Chairman, the corresponding change was in 9. C, which is where we changed the ten to 35. Those were both recommendations.

COMMISSIONER SULLIVAN: Those were both staff recommendations and I just wanted to be clear from my own understanding that that was your motion and that that was also clear to the seconder. I think I was the seconder. So now it's clear to the seconder. And just to be sure that we're understanding, Mr. Wust, I thought I heard April 2, but did you mean April 25th. You said something about the staff recommendation on tabling those water service agreements, those next three items until April 2? Did you say 2 or 35?

DR. WUST: No, Mr. Chairman, Commissioner Sullivan, I think I said the second meeting in April. I'm not going to be here for the first meeting.

COMMISSIONER SULLIVAN: Okay, so the second meeting in April would be the 25th, administrative meeting. Okay. I just wanted to be clear on that because April 2 I think is a Sunday and I just didn't want ????

MR. ROSS: Mr. Chairman, that would be consistent with our rules of order as well. Things get tabled from the admin meeting to the next admin meeting.

COMMISSIONER SULLIVAN: Thank you, Commissioner Anaya, for clearing that up.

XIII. E. 6. Reconsideration of the Approval on February 28, 2006 of the Water Service Agreement for Sonterra LLC (Commissioner Sullivan)

COMMISSIONER SULLIVAN: Mr. Chairman, I brought this forward in light of the staff working on this resolution. That was again an agreement that included three phases that went through the year 2010 where 35 acre-feet of water was being requested, and it seemed to me to be a prime candidate for this allocation policy that we just initiated. So I would ask the Commission first for approval for reconsideration and then if the Commission is in agreement with that, for it to be tabled for resubmittal under the new policy, April 25th. So I guess the first motion I would make is to request that that matter be put before the Commission for reconsideration.

CHAIRMAN MONTTOYA: So we have a motion.

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN MONTTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: I think I need more information before seconding such a motion, from Legal and maybe from staff. Any legal issues jump out at you, based on that proposed motion by Commissioner Sullivan?

MR. ROSS: Mr. Chairman, Commissioner Campos, it's consistent with the new paragraph of the rules of order that we adopted in January that permits a

reconsideration of an item at the next meeting of the type that the matter was passed in. So its consistent with our rules of order.

COMMISSIONER CAMPOS: Okay. Dr. Wust, any comments on that?

DR. WUST: Mr. Chairman, Commissioner Campos, no. We can work with it either way, since we were already delivery scheduling, whether we do that through the existing agreement or through the – or formatting it in the new agreement, I think we'll work with it either way.

CHAIRMAN MONTOYA: We have a motion. We need to second it if we're going to have any further discussion.

COMMISSIONER SULLIVAN: Just to clarify the motion, Mr. Chairman. This was kind of an odd situation where the whole development was considered as one phase, just to refresh your memory, and as such – but then they had schedules of 11 acre-feet over a four-year period until 2010, or a three-year period. So I think it's a prime candidate for exactly what this water policy is. We'd be setting aside at least 22 acre-feet of water that wouldn't be needed until 2009, 2010 and at that point in time hopefully we'll have Buckman on board.

CHAIRMAN MONTOYA: Okay. We have your motion, Commissioner. Do we have a second?

COMMISSIONER CAMPOS: Mr. Chairman, the attorney for the applicant is here and maybe she could provide additional information as to if there's any prejudice or any opposition to the motion to table. I'd like to hear her. I think the motion was a little premature without having adequate time to have a discussion.

COMMISSIONER SULLIVAN: I'll withdraw the motion for discussion, Mr. Chairman.

CHAIRMAN MONTOYA: The motion to reconsider. Steve, in order to discuss this we have to have it off the reconsider list, don't we?

MR. ROSS: Mr. Chairman, I think what Commissioner Sullivan is advocating for is what amounts to – we've had a presentation, essentially a staff presentation from Commissioner Sullivan and we can permit affected parties to speak this point without having a motion on the floor. You don't necessarily have to have a motion on the floor to have some discussion about it. And we certainly can get there at some point if it's going to proceed further. But I don't think this is an inappropriate request.

COMMISSIONER CAMPOS: If Ms. Vazquez wants to take a position on behalf of her client concerning the Sonterra LLC suggestion that the matter be tabled and brought under the new policy.

MS. VAZQUEZ: Mr. Chairman, Commissioners, we're all tired right now, so is your question that we table or that you reconsider and then bring it back under the current policy?

COMMISSIONER CAMPOS: Yes. That's the suggestion made by Commissioner Sullivan.

MS. VAZQUEZ: Oh. On behalf of my clients I would request that you not

reconsider it. The Montoya family submitted for master plan approval in 2000 and shortly after, the College District was put together. And it took them a while to acquire the sufficient water rights that they needed to put together a phase 1. We did that in 2004. As a result of my accident, we didn't come in and really start working towards doing that until we started working with Steve on the allocation policy. We've been waiting a while. We are ready to submit for preliminary. We're going to submit next month. We've created our first phase in reliance of the amount of water that we're going to get under this water service agreement.

That development has got a lot of offsite infrastructure because we're tying into the sewer system down off State Road 14. The water line has got to be extended all the way down there. There needs to be contributions to Rancho Viejo Boulevard. There needs to be the completion of a road that's out there. There's a lot of offsite costs. So what my clients were trying to do is put together a phase that was big enough so that they could deal with and contract with a contractor to build those homes.

We've met with many contractors and this was the issue I raised during the allocation. Many contractors will not enter into an agreement with you to build those homes unless you show them that they've got water that they can build out for a period of time. Because the costs are so high. So this is a perfect example of it. What I tried to do, Commissioner Campos, on that delivery schedule, and I know it goes out to 2010, but it was a good faith effort by my client to figure out the uses of that water, and to work with the County for being able to plan that water. And that was the reason why we did it.

Now, we did it not in consultation with - we've got several potential buyers on that, not in consultation with any of them, but when we got the water service agreement we did contact - there's three potential buyers on this property, and let them know that we had a water service agreement so there would be water so they could phase that development over a three year period. We're in negotiations now. This is one of the examples and I would request that you keep the water service agreement intact and keep the delivery schedule because I think it still helps Steve and Steve with the planning of the water.

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN MONTTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: Dr. Wust, Ms. Vazquez, let me finish a question for you Ms. Vazquez. This, the agreement is to build out over a period of time and use only s-number of acre-feet each year. But you're still tying up all of the water. How would that work? Maybe Dr. Wust or Mr. Ross could address that issue.

DR. WUST: Mr. Chairman, Commissioner Campos, if this water service agreement is left as is, I believe with the new allocation policy that this just puts them into that priority level that existing water service agreements, they still have to come for their delivery schedule every six months. So we'd still be allocating it just like everybody else, with an existing water service agreement. So the only difference would be on this is that this in essence puts them on a priority state, but they still have to come for the allocation as

opposed to if this is eliminated then it comes just as a new delivery schedule and then every six months they're coming through without this existing water service agreement.

COMMISSIONER CAMPOS: So there really is no bias in this case, I don't think. No harmful effect by reconsidering it.

DR. WUST: Mr. Chairman, Commissioner Campos, if I'm understanding your question, it won't make any difference in terms of how much water we're supposed to be delivering year to year. It will just make a difference in basically we have a commitment to deliver that water. So when they come with their delivery schedule then we'll meet it and then they get one of the first priorities. But it shouldn't make any difference in the amount of water we deliver because this delivery scheduling was part of the water service agreement that came in before.

COMMISSIONER CAMPOS: Okay. Any other comment from staff? Anybody else have any input on this particular question? Okay. Thank you, Mr. Chairman.

COMMISSIONER SULLIVAN: I have a question.

COMMISSIONER VIGIL: Could I go first.

CHAIRMAN MONTOYA: Commissioner Vigil.

COMMISSIONER VIGIL: Thanks. I guess for staff, what I'm hearing you say, actually, Steve, is it's half dozen of one and six in the other with this. Is that what you're saying? Except because we're actually committed to this.

DR. WUST: Mr. Chairman, Commissioner Vigil, that's essentially for my purposes a practical matter. It's not going to make much difference in what we're doing with this allocation policy.

COMMISSIONER VIGIL: Okay. Thank you. That's all I need.

CHAIRMAN MONTOYA: Commissioner Sullivan.

COMMISSIONER SULLIVAN: I just wanted to ask the applicant, how much water is needed for the first phase?

MS. VAZQUEZ: We were going to use the full 35 acre-feet available to the Montoyas, plus the water for the 30 percent affordable housing that we were going to need. We were looking at approximately 178 units, assuming a water budget of .20. We're going to try to get lower than that. When we've worked with the contractors they're really looking at 200 in order to cover the infrastructure costs. We're trying to get a close as what they needed with the infrastructure cost as we could but working within the limitations of the water.

COMMISSIONER SULLIVAN: So your first phase is the 35 acre-feet, plus whatever is being delivered for affordable housing by the County.

MS. VAZQUEZ: Mr. Chairman, Commissioners, that's how it's being assigned now.

COMMISSIONER SULLIVAN: Okay, so when you come in for the water delivery policy, you won't be coming in with 11 acre-feet. According to your schedule, you'll be coming in for 35 acre-feet. Is that correct?

MS. VAZQUEZ: No, that's not, sir. The delivery schedule was set out for

how much water would be needed on a per-year basis. That is separate than application for approval of preliminary for that many lots. And so we would get preliminary for the full phase 1, approximately 178 to 200 units, and then we would phase it out over that time schedule, that delivery schedule that was attached to the water service agreement.

COMMISSIONER SULLIVAN: Okay. So the agreement says the County shall provide you 11 acre-feet every year. What if we get into that situation in this resolution where we're out of water?

MS. VAZQUEZ: Well, Mr. Chairman, Commissioners, what I'm hearing is that that's not going to happen before the BDD, so I -

COMMISSIONER SULLIVAN: I didn't hear that.

MS. VAZQUEZ: I asked that question myself. I asked that specific question to see whether or not - there is a provision in the water service agreement, Commissioner, that does protect you and that is precisely your point. If the County falls short, in the event of shortages for actual wet water, the County then can take a look at it and redistribute that water, and you're protected under the water service agreement with that clause as well.

COMMISSIONER SULLIVAN: So in the event - so when you say this to some homebuilder like Longford Homes, they will understand that even though there's a water service agreement, there's a caveat in the water service agreement that says that you will be doing this allocation submittal for deliveries and there could arrive a point in time where the County has run out of water, in which case they would have to make appropriate cut backs.

MS. VAZQUEZ: Mr. Chairman, Commissioners, that's been a really sticky point but that's what we've tried to do and in fact what's happened is that's prohibited a lot of the local builders to actually give us a bid on this project because they're concerned about that. But that's how we've been proceeding with the delivery schedule and -

COMMISSIONER SULLIVAN: That is your understanding then, that you have an agreement but that agreement is subject to the availability of wet water and is also subject to the allocation schedule outlined in Exhibit B. Is that correct?

MS. VAZQUEZ: Attached to the water service agreement? Yes.

COMMISSIONER SULLIVAN: Okay. Thank you, Mr. Chairman.

CHAIRMAN MONTOYA: Okay. Any other questions of staff?

COMMISSIONER SULLIVAN: I think Mr. Chairman, you know my opinion on this. I think that the purpose of locking up so much water is for land speculation and we don't have that luxury at this point in our water allocations. So if the Commission doesn't want to reconsider then that's it's their prerogative of course.

COMMISSIONER VIGIL: My only concern, Mr. Chairman, with this is why is it that we're reconsidering only this one particular project when there are other projects out there? And I see some unfairness to that.

COMMISSIONER SULLIVAN: Mr. Chairman, could I respond?

CHAIRMAN MONTOYA: Commissioner Sullivan.

COMMISSIONER SULLIVAN: I would only say, and it's a good question, Commissioner Vigil, but this is the only one that falls within the 30-day window of Board action that can be reconsidered for that reason. Now, I think the staff did say that they were going to go back to existing agreement holders and ask for their concurrence for amendments to the water service agreements in light of what our emergency situation is here on wet water. So I imagine that they will do that and if we don't reconsider here, they will also do that with the Sonterra application and I would hope that Sonterra would be a little more realistic in their application. But that's the only reason this specific one is here, Commissioner Vigil, only because it was acted on at the last Commission meeting, the last Commission administrative meeting.

COMMISSIONER VIGIL: Is there a 30-day limitation for reconsideration, Mr. Ross?

MR. ROSS: Mr. Chairman, Commissioner Vigil, it's not specifically 30 days. A motion to reconsider must be made at the next meeting of the type that the meeting consisted of. So for example, motions to reconsider items that are approved at an administrative meeting must be voted to reconsider at the following administrative meeting. Otherwise you can't make a motion to reconsider that. It would be out of order. So there is sort of a 30-day, 31-day, depending on how you count it. February it would be a 28-day window on the opportunity to reconsider any item. That makes sense under general principles of order. You don't want things to be uncertain for more than a limited amount of time.

COMMISSIONER VIGIL: Thank you, Mr. Chairman. Thank you, Steve.

CHAIRMAN MONTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: Mr. Chairman, I don't see how a motion to reconsider would further the public interest. I think the water service agreement is pretty consistent with our policy anyway. I think it will be on the priority and they're bringing in basin water to the system. I just don't see any advantage of it, other than symbolic. So I wouldn't support it.

CHAIRMAN MONTOYA: I feel the same way.

COMMISSIONER VIGIL: So do you dare propose a motion?

CHAIRMAN MONTOYA: It doesn't seem like you'll get a second but you can try.

COMMISSIONER SULLIVAN: Just don't come to me, guys, when you run out of water in January. That's all I can suggest to you, but I appreciate the comments and the consideration of my colleagues and I respect that.

CHAIRMAN MONTOYA: Okay. I have a commitment in about 45 minutes in Chimayo.

MR. ABEYTA: Mr. Chairman, we would like to postpone item F. 3 to the next meeting, and also G. 1 and G.2. But we do want to just have you approve the resolution for the strategic plan that we're currently undertaking. Other than that, I don't know of any other lengthy updates that we have from the County Manager's office, then

we could go into executive session.

COMMISSIONER SULLIVAN: Let me, Mr. Chairman, let me ask a question. G. 2 is an item, is an amendment to the CDM contract that the Buckman board has already approved. Is that not right, Mr. Ross.

MR. ROSS: That's correct, Mr. Chairman.

COMMISSIONER SULLIVAN: As I recall that agreement, it has over 100 pages in it. And the Buckman board has approved it. I don't know what it does to our schedule but I can tell you as a Buckman board member that I would recommend we move forward with it, if the Commission is comfortable with that. It's a fairly lengthy agreement. It's been hacked over by both the City Attorney and the County Attorney and unless, Mr. Ross you have some red flags that we should know about at this point.

MR. ROSS: Mr. Chairman, Commissioner Sullivan, we were just looking at the time and knowing that we've been here since 8:30 and knowing about Commissioner Montoya's situation and also knowing that this particular agreement isn't on any kind of a critical path. This is the - it pertains to the agreement on the OC and they are billing and being paid pursuant to that amendment already. This is kind of a technicality that we need to close up at some point.

COMMISSIONER SULLIVAN: If it's not on the critical path - I was just concerned that we wouldn't put ourselves in the situation as being pointed at by the City or by anybody as holding up the Buckman process. This is a routine contract amendment approval and I just didn't want to get us into hot water.

CHAIRMAN MONTOYA: So we will postpone F. 3, G. 1, G. 2. And we'll act on F. 2 and 4?

MR. ABEYTA: Yes, Mr. Chairman, and G. 3 in the executive session.

CHAIRMAN MONTOYA: Okay so F. 2, Resolution 2006-58.

MR. ABEYTA: Mr. Chairman, as the Commission is aware, we're undergoing a strategic plan for managing Santa Fe County growth. We are requesting approval of the resolution that states, now, therefore be it resolved by the Board of County Commissioners of Santa Fe County that one, a strategic plan for managing Santa Fe County growth will be undertaken that will describe a desired future for Santa Fe County, fit with existing plans, describe what is needed to achieve this future, act as a guide to budget decision making, act as a guide to departmental and BCC decision making, and provide clarity about responsibility for implementation of results.

Two, the strategic planning approach will outline three directions for strategic planning, internal organization, land use and infrastructure and supporting resources.

Three, this strategic planning approach will create clusters that will consider internal organization, land use and infrastructure, information technology, facilities and workforce development.

Four, action plans will be developed for each cluster, and five, priorities will be identified and the sequence of high priority actions will be determined, and six, the Board of County Commissioners supports this effort.

Thank you, Mr. Chairman.

CHAIRMAN MONTTOYA: Okay. Any questions?

COMMISSIONER ANAYA: So moved.

COMMISSIONER CAMPOS: Second.

CHAIRMAN MONTTOYA: Motion, Commissioner Anaya, second,
Commissioner Campos. Discussion?

COMMISSIONER SULLIVAN: Earlier I expressed my disappointment with the services provided by the facilitator who's been retained for this. Will he continue to be active in this effort?

MR. ABEYTA: Mr. Chairman, Commissioner Sullivan, he will be over the next probably couple of month and then at that point we will fill that strategic planner that we have to take over from there. But he is engaged and his purpose is to get us started and get the ball rolling in a sense, and we'll pick it up from there.

COMMISSIONER SULLIVAN: Because most of the substance and memoranda that I've seen regarding strategic planning have County Manager, and not from the facilitator. So is there -

MR. ABEYTA: Mr. Chairman, Commissioner Sullivan, that's actually been prepared by the facilitator and Jack Kolkmeier forwarded it to the Manager's office for comments and meetings and then we've distributed it on to the Commission. So actually most of the work that's been done to this point has been done by the facilitator and Jack Kolkmeier.

COMMISSIONER SULLIVAN: Well, and that was one of my concerns before too, was that the facilitator was just echoing the comments of the County Planning Department and wasn't doing an independent thought analysis himself and making independent recommendations but just echoing or parroting what the Planning Department was recommending and we could get that input directly from the Planning Department and we wouldn't have to pay \$17,500. I guess the best I can do is ask that you convey that the facilitator act as his own consultant and identify those ideas that are his and those that are the County's or the County staff's so that we can make our own judgments on those memoranda.

MR. ABEYTA: Mr. Chairman, Commissioner Sullivan, we'll do that.

COMMISSIONER SULLIVAN: Thank you, Mr. Chairman.

CHAIRMAN MONTTOYA: Okay. Commissioner Vigil, did you have something?

COMMISSIONER VIGIL: I like him.

COMMISSIONER SULLIVAN: I like him too, I just -

COMMISSIONER VIGIL: I think he's doing a very good job.

COMMISSIONER SULLIVAN: That I disagree with.

COMMISSIONER VIGIL: You weren't here at the strategic planning when the other Commissioners were here when he actually facilitating identifying those. That was a half a day or maybe more than a half a day thing and I thought he did a good job.

COMMISSIONER SULLIVAN: It was his six months in the Eldorado planning process and I was not at all happy with any of the activities or events or resolutions that he undertook for that. So that's where my comments derive from.

CHAIRMAN MONTOYA: Commissioner Campos.

COMMISSIONER CAMPOS: I think the process is going well and I think that some of the credit certainly has to go to Mr. Moore.

CHAIRMAN MONTOYA: I'll just echo that too. He's not only done I think a great job in terms of moving us forward here within the County itself, County staff, but also if we were to point in the Pojoaque Valley Planning Committee and brought him in for a couple of sessions there and he moved us along too. I guess sometimes chicken, sometimes feathers. It's one of those situations, depending on the eye of the beholder. So anyway, we have a motion and a second.

The motion to approve Resolution 2006-58 passed by unanimous [5-0] voice vote.

XIII. F. 4. Update on Various Issues

MR. ABEYTA: Mr. Chairman, we don't have anything major to discuss right now. Thank you.

COMMISSIONER VIGIL: Mr. Chairman, if I could just – we all received a letter from our County Clerk requesting that she actually through her own budget be able to pay the poll workers some additional money and I think that's a wonderful incentive. And I think this could probably be done administratively, and I for one favor Gerald going forth and doing that. And no action is required on this, I think. If an elected official actually wants to make that request, Valerie Espinoza had the courtesy of bringing this issue forward to us but I don't believe it's an action that's required by the BCC. I would just encourage Gerald to work through this.

MR. GONZALEZ: I'd be glad to do that, Commissioner Vigil.

XIII. G. Matters from the County Attorney

1. Executive session

- a. Discussion of pending or threatened litigation**
- b. Limited personnel issues**
- c. Discussion of possible purchase, acquisition or disposal of real property or water rights**

Commissioner Vigil moved to go into executive session pursuant to NMSA Section 10-15-1-H (7, 2, and 8) to discuss the matters delineated above.

Commissioner Campos 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 5:50 to 7:20.]

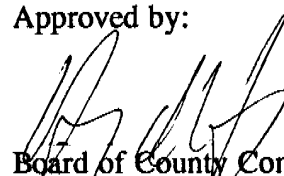
Commissioner Campos moved to come out of executive session having discussed only matters a and b, and Commissioner Sullivan seconded. The motion passed by unanimous [3-1] voice vote. [Commissioners Montoya and Anaya were not present for this action.

COMMISSIONER VIGIL: I don't believe we need to take action on anything so I'll use the discretion of the chair and just adjourn.

XIV. ADJOURNMENT

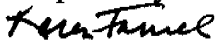
Vice Chairman Vigil declared this meeting adjourned at approximately 7:20 p.m.

Approved by:



Board of County Commissioners
Harry Montoya, Chairman

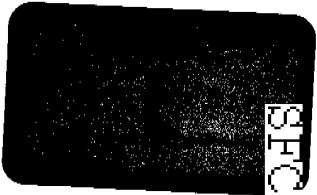
Respectfully submitted:


Karen Farrell, Wordswork
227 E. Palace Avenue
Santa Fe, NM 87501

ATTEST TO:


VALERIE ESPINOZA
SANTA FE COUNTY CLERK





SHC

CLERK RECORDED 05/17/2006

Stage 3 Water Use Restrictions

1. Vehicle Washing at Residences is Prohibited
 - Vehicle washing at commercial car washes is limited to once per month
2. One Day per Week Outdoor Watering Restriction
 - Odd-addresses: Tuesdays
 - Even-addresses: Fridays
3. No new turf seed or sod may be planted
4. All swimming pools must be covered when not in use
5. The use of ornamental fountains is prohibited
6. Lodging facilities shall not change the sheets and towels more than once every four days for guests staying more than one night
7. Water Use Violation Fees
 - Violating the restrictions described above and other restrictions results in fees being placed on the customer's water bill.
 - 1st Violation: \$20 2nd Violation: \$50 3rd Violation: \$100 4th+ Violations: \$200
 - Water service may be suspended for repeat violators

2006 Capital Outlay
San Miguel County



SAC
CLERK RECORDED 05/17/2006

ENTITY	PROJECT TITLE	AMOUNT	Fund
Santa Fe Co	Agua Fria 2400 Block Sewerline	\$75,000	GF
Santa Fe Co	Agua Fria Community Center Addition	50000	GF
Santa Fe Co	Agua Fria Water Rights/System Improvement	200,000	GF
Santa Fe Co	Agua Fria Water Rights/System Improvement	500,000	STB
Santa Fe Co	Agua Fria/Rumbo Al Sur Sewer Line Extend	50,000	GF
Santa Fe Co	Arroyo Chamiso Trail Extension Project	80,000	GF
Santa Fe Co	Chimayo Barela Compound Improve	50,000	GF
Santa Fe Co	Cundiyo Meeting Facility	100,000	GF
Santa Fe Co	El Dorado Senior Center	150,000	VETO
Santa Fe Co	El Dorado Senior Center	250,000	VETO
Santa Fe Co	El Dorado Soccer Field	25,000	VETO
Santa Fe Co	El Dorado Soccer Field	50,000	VETO
Santa Fe Co	El Vadito de Cerrillos Desalination Project	293,867	GF
Santa Fe Co	Pojoaque Valley AG Commerce Center	100,000	GF
Santa Fe Co	Pojoaque Valley Community Center	200,000	GF
Santa Fe Co	Pojoaque Valley Irrigation District Improve	50,000	GF
Santa Fe Co	Pojoaque Valley Senior Center	200,000	GF
Santa Fe Co	Santa Fe Bikeways & Horse Trails	3,500,000	GF
Santa Fe Co	Santa Fe Co Fairgrounds Improvem	200,000	GF
Santa Fe Co	Santa Fe Co Fairgrounds Improvem	100,000	STB
Santa Fe Co	Santa Fe Co Open Space Land Purchase	400,000	GF
Santa Fe Co	Santa Fe Co Ravens Ridge Road Improvement	75,000	VETO
Santa Fe Co	Santa Fe Co Wastewater Treatment Plant	2,000,000	GF
Santa Fe Co	Santa Fe Co Women's Health Services Complex	1,050,000	GF
Santa Fe Co	Santa Fe Co Women's Health Services Complex	1,000,000	STB
Santa Fe Co	Santa Fe Co Youth & Agriculture Facility	150,000	GF
Santa Fe Co	Santa Fe Co Youth Shelter/Family Services Facility	240,000	GF
Santa Fe Co	Santa Fe Mountain Center Construct	280,000	GF
Santa Fe Co	Santa Fe Mountain Center Construct	250,000	STB
Santa Fe Co	Santa Fe Opera Wastewater Treatment Plant	270,000	GF
Santa Fe Co	Santa Fe River Crossing/Bridge at Camino Real Pk	250,000	GF
Santa Fe Co	Santa Fe Senior Housing Project	55,000	GF
Santa Fe Co	Youth Shelter & Family Services Facility	375,000	GF
Santa Fe Co	Esperanza Shelter Admin Complex-Sfe Co	425,000	GF
Santa Fe Co	Esperanza Shelter Admin Complex-Sfe Co	400,000	STB
Santa Fe Co	Galisteo Park & Playgrounds Const	80,000	VETO
Santa Fe Co	Mayfield Road Project Improvements-La Cienega	47,000	GF
Santa Fe Co	Paseo de Terceror/Via Don Toribio Sewer Line Ext	50,000	GF

NEW MEXICO STATE LAND OFFICE
FIRST AMENDMENT TO COMMERCIAL LEASE

(BL-1540)

The First Lease Amendment to Commercial Business Lease ("First Amendment") is made as of the _____th day of April 2006, to be effective as of the date of signing by all parties, between the New Mexico Commissioner of Public Lands ("Lessor") and Santa Fe County ("Lessee").

WHEREAS, the parties entered into a Commercial Lease numbered BL-1540 effective November 13, 2001, (the "Lease"), for the lease of certain lands located in Santa Fe County, New Mexico, more particularly described on Exhibit A attached hereto and made a part hereof;

WHEREAS, the parties desire to amend the Lease as set forth herein in order to insure the operation of Lessee's business and occupation of the land;

NOW, THEREFORE, the parties agree as follows:

1. Clause 5. "Rent": "Rent" in Clause 5. of the Lease is amended in its entirety to read as follows:
 - A. **Annual Rent:** Lessee shall pay Lessor an initial payment of five thousand eight hundred twenty (\$5,820.00) and an annual rent of Eight Thousand Eight hundred ten dollars (\$8,810.00), which includes the ten dollar (\$10.00) amount described in Clause 9.A.1, until occupancy of the facility, and thereafter the rent will be adjusted as set out in Clause 10.A.2 of the Lease. Rent is to be due on or before the Effective Date and on or before each Lease Anniversary thereafter until this Lease shall have been terminated in accordance with its terms. Interest on delinquent rent payments shall accrue from the date the payment becomes due at the rate of one percent (1%) a month or any fraction of a month until received by Lessor in full. In addition, each late payment shall be accompanied by a late processing fee of five dollars (\$5.00).
 - B. Lessee shall notify Lessor by certified mail when the facility is occupied and the rent set out in 10.A.2 is effective.
2. The parties agree that the Lease is in full force and effect on the date hereof and has not been amended or modified in any way except as set forth herein.
3. The First Amendment shall be governed by and construed in accordance with the laws of the State of New Mexico.
4. Each person executing this First Amendment in a representative capacity represents and warrants that he or she has full, complete and lawful authority to execute this Amendment in

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CLERK RECORDED 05/17/2006

such representative capacity and to bind the party on whose behalf he executes the First Amendment.

LESSEE:
SANTA FE COUNTY

LESSOR:
**NEW MEXICO COMMISSIONER OF
PUBLIC LANDS**

By: Harry B. Montoya, Chairperson
Santa Fe Board of County Commissioners

By: JERRY KING
Assistant Commissioner of
Surface Resource Management

ATTEST

By: Valerie Espinoza
Santa Fe County Clerk

APPROVED AS TO FORM:

By: _____
Stephen C. Ross
Santa Fe Count Attorney

Date

SFC CLERK RECORDED 05/17/2006

LEASE DUE DATES	AMOUNT DUE	AMOUNT PAID	BALANCE	LATE FEES	INTEREST	TOTAL DUE
12-Nov-01	\$8,810.00	\$8,810.00	\$0.00			\$0.00
12-Nov-02	\$8,810.00	\$8,810.00	\$0.00		\$0.00	\$0.00
12-Nov-03	\$20,610.00	\$20,610.00	\$0.00			\$0.00
12-Nov-04	\$20,816.00		\$20,816.00	\$5.00	\$2,914.24	\$23,735.24
12-Nov-05	\$21,024.00		\$21,024.00	\$5.00	\$420.48	\$21,449.48
Total	\$80,070.00	\$38,230.00	\$41,840.00	\$10.00	\$3,334.72	\$45,184.72

(Interest is calculated at 1% per month for each month the payment is late)

RL LEEDER CONSTRUCTION COMPANY 03-27-06
SAN YSIDRO RIVER PARK & SANTA FE RIVER RESTORATION
Santa Fe County Open Space and Trails Division



SEC. CLERK RECORDED 05/17/2006

WORK ITEM NO.	SHORT DESCRIPTION	UNIT	QTY.	UNIT PRICE	TOTAL
GENERAL					
				Subtotal 	\$ 153,900.00
CHANNEL EARTHWORK (Sta. 10+70 to Sta. 51+00)					
				Subtotal 	\$431,550.00
GRADE CONTROL STRUCTURE #1					
				Subtotal 	\$ 167,913.00
BOULDER PLACEMENT					
				Subtotal 	\$ 85,175.00
PARK SITE GRADING, PARKING LOT, PAVED TRAIL					
				Subtotal	\$62,525.80
UNPAVED TRAIL PREPARATION					
				Subtotal \$	\$ 52,960.00
REVEGETATION					
				Subtotal	\$146,300.00
				BASE COST \$	1,100,323.80
				GRT 7.3125% \$	80,461.18
				PROJECT TOTAL \$	1,180,784.98