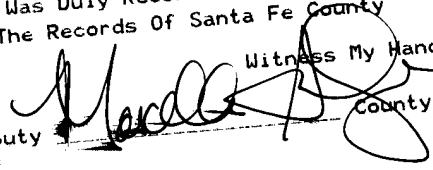


SANTA FE
BOARD OF COUNTY COMMISSIONERS
REGULAR MEETING

June 10, 2008

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



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss
I Hereby Certify That This Instrument Was Filed for
Record On The 28TH Day Of July, A.D., 2008 at 16:22
And Was Duly Recorded as Instrument # 1533456
Of The Records Of Santa Fe County
Deputy  Witness My Hand And Seal Of Office
Valerie Espinoza
County Clerk, Santa Fe, NM

BCC MINUTES
PAGES: 125

SANTA FE COUNTY
REGULAR MEETING
BOARD OF COUNTY COMMISSIONERS

June 10, 2008

This regular meeting (morning session) of the Santa Fe Board of County Commissioners was called to order at approximately 10:07 a.m. by Chair Jack Sullivan, in the Santa Fe County Commission Chambers, Santa Fe, New Mexico.

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

Members Present:

- Commissioner Jack Sullivan, Chair
- Commissioner Paul Campos, Vice Chairman
- Commissioner Harry Montoya
- Commissioner Mike Anaya
- Commissioner Virginia Vigil,

Members Absent:

[None]

V. INVOCATION

An invocation was given by County Chaplain Jose Villegas.

VI. APPROVAL OF THE AGENDA

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- B. Tabled or Withdrawn Items**

CHAIRMAN SULLIVAN: Just for general reference, we have two items to discuss this morning in this session and one will deal with North Central Regional Transit District and transit planning and the other item, which is actually three separate items, will deal with Santa Fe Studios and the proposed economic development project with La Luz Holdings and Santa Fe Film and Media Studios.

Then this afternoon at 1:00 we're going to have a study session on affordable housing development that will go from about 1:00 to approximately 2:30. Then at 3:00 we will

reconvene for the balance of our County Commission meeting with the items that you see on the agenda for that, as well as for public hearings, starting some time after 5:00. So with that then, Mr. Abeyta, do we have amendments or any withdrawn items?

ROMAN ABEYTA (County Manager): Mr. Chair, we do have amendments. Only three of them, all under XII, the 3:00 session. The first being we added an item C under Matters from the Commission which is discussion and possible approval for expenditure of discretionary funds in the amount of \$10,800 for NMSU 4-H program. And then under Public Hearings, Mr. Chair, page 4 of the agenda, A. Growth Management Department, staff is requesting tabling of item #3, the Joe Mier variance, and we have received a written request from Robert Casados for item #4, AFDRC Case V 07-5470, the Robert Casados Variance. So staff is requesting that item #3 and item #4 under Public Hearings be tabled. And there are no further changes from staff.

COMMISSIONER MONTOYA: Move for approval as amended.

CHAIRMAN SULLIVAN: We have a motion for approval as amended by Commissioner Montoya.

COMMISSIONER CAMPOS: Second.

CHAIRMAN SULLIVAN: Second, Commissioner Campos. Discussion?

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

VII. APPROVAL OF CONSENT CALENDAR

A. Consent Calendar Withdrawals

XIII. CONSENT CALENDAR

A. Miscellaneous

1. Approval of Amendment No. 2 to the RECC Joint Powers Agreement to Include the Town of Edgewood (Community Services Department)

CHAIRMAN SULLIVAN: What's the wishes of the Board?

COMMISSIONER CAMPOS: Move to approve.

COMMISSIONER MONTOYA: Second.

CHAIRMAN SULLIVAN: Motion and a second to approve the one item on the Consent Calendar, which deals with amendment #2 to the RECC joint powers agreement. Any discussion on that motion?

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

VIII. APPROVAL OF MINUTES

A. May 13, 2008

CHAIRMAN SULLIVAN: I have some administrative corrections to those. Are there any other changes or corrections to those minutes?

COMMISSIONER CAMPOS: Mr. Chair, are those spelling changes?

CHAIRMAN SULLIVAN: All of those are typographical changes, Commissioner Campos, with the exception of one, and I'll point that out to the Board. It was a little unclear. On page 80, we were hearing a case having to do with the Oliver Road Business Park master plat authorization and there were three of us here at the time and the minutes indicate the motion was passed by a unanimous 2-0 vote, and it says Commissioner Montoya was not present. First of all, I don't think it could have been passed if it was a 2-0 vote, and there was myself and Commissioner Vigil and Commissioner Anaya were present and Commissioner Montoya had been earlier but he wasn't here at that time. So I'm assuming that that was a 3-0 vote. But I just point it out for the recorder to check on that, to check the tape because I don't think – if someone didn't vote then it couldn't have passed – well, yes it could have. 2-0. It could have passed. Is that right, Mr. Ross? It could have passed. With three present we have a quorum. So if it were 2-0. So that was one I needed to check on, whether there was a 3-0 vote or whether there was two voting and one non-voting. Because usually when there's a non-voting I'll say one non-voting. So that was the only thing, Commissioner Campos. The rest were typographicals.

COMMISSIONER CAMPOS: Mr. Chair, are you suggesting that we have this matter reviewed and decided at the next meeting? Or do you want –

CHAIRMAN SULLIVAN: No, I would just want to clarify it in the minutes, because either way it will pass. If it's a 2-0 vote and there were only three of us there, the motion would have passed. But we need to be sure that the record is correct, whether it was 2-0 or 3-0. So whichever it is, I think just if the recorder corrects that we'll be all right. Any other questions or amendments?

COMMISSIONER VIGIL: Mr. Chair.

CHAIRMAN SULLIVAN: Commissioner Vigil.

COMMISSIONER VIGIL: Just for clarification purposes, based on my recollection and for the review purposes, there were only two of us here at the time the vote was taken, and Commissioner Montoya did come in afterwards but when the actual verbal vote was taken I think it was 2-0. So when you review that, if you can validate that. I would appreciate it.

CHAIRMAN SULLIVAN: I think it was only –

COMMISSIONER VIGIL: It was only yourself and myself.

CHAIRMAN SULLIVAN: But the record shows that Commissioner Anaya made the motion. He made the motion and you seconded it.

COMMISSIONER VIGIL: Then perhaps that needs to be clarified.

CHAIRMAN SULLIVAN: Yes. So my suggestion is we approve the minutes with the clarification, unless you all are not comfortable with that and we hold that off to the

next meeting. Whatever you all want to do.

COMMISSIONER CAMPOS: Mr. Chair, I think it's better to hold off till the next meeting so we have a report. Because if there were only two people present you didn't have quorum and the vote cannot stand.

CHAIRMAN SULLIVAN: Well, that's true too. So I'm just not clear. What's the pleasure then? Would you like to hold off on these minutes until that's clarified?

COMMISSIONER CAMPOS: Or we could approve them right now with that exception, or we could wait.

CHAIRMAN SULLIVAN: Approve the minutes as amended with the exception of that portion pertaining to CDRC Case M/P 08-5040. If that's what you'd like to do.

COMMISSIONER CAMPOS: So moved.

CHAIRMAN SULLIVAN: Okay, so we have a motion to approve the minutes with the amendments with the exception of that portion of the minutes relating to that particular case. Is there a second?

COMMISSIONER VIGIL: Second.

CHAIRMAN SULLIVAN: Discussion?

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

IX. MATTERS OF PUBLIC CONCERN –NON-ACTION ITEMS

CHAIRMAN SULLIVAN: This is an opportunity for anyone who is here this morning to bring an item forward the Commission if they like, that is not going to be discussed on the agenda today. Something that is not on our agenda either this morning or later on this afternoon. Come on forward, ma'am.

REBECCA PROCTOR: Good morning, Commissioners. My name is Rebecca Proctor. I'm a resident of Eldorado and I represent the startup committee for the Citizens Energy Board. We'd like to read a statement that we hope will be the opening of a conversation with the County Commission, and so I'll just proceed to that right away. It's very brief. We also sent this item to you by email early this morning, so you'll have a chance to look at it later. My colleague is going to give you a hard copy so you'll have something to refer to, and I will just read that, and one of my colleagues wants to make a brief comment afterwards if there's time.

CHAIRMAN SULLIVAN: Go ahead.

MS. PROCTOR: Thank you. This is a proposal for a Citizens Energy Board for Santa Fe County. Energy impacts the lives of all citizens of Santa Fe County. It is also basic to our economy. Energy prices have more than tripled in the last ten years and doubled in the last two. More increases can be expected, along with shortages and panic due to peaking rates of extraction. As the earth's finite supply of oil, gas and coal dwindles we will have to transition to an economy based on renewable energy for future generations to live tolerably.

In this crisis we propose that citizens and County work together to develop a viable

In this crisis we propose that citizens and County work together to develop a viable energy strategy. Besides the economic fallout, fossil fuels are poisoning the planet. The US electric power industry alone discharges more than a billion pounds of toxins a year, a leading contributor to global warming. Moreover, the political influence of such industries has crippled the exercise of government by and for the people. The survival of human society in Santa Fe County depends on goods that are transported long distances. Given how much of the world lives in poverty already, even small reductions in supplies can lead to major conflicts for resources that will disrupt our distant lines of supply. A local, non-fossil fuel-based economy becomes more urgent by the day. The communities that make this transition first will suffer the least.

Inasmuch as local citizens are the base of the new economy the transition process thus comes from them. Therefore we request that the Board of County Commissioners begin this transition by establishing, by ordinance, a Citizens Energy Board, with a steering committee to get it up on its feet. The CEB, the Citizens Energy Board that is, would have representation from local business, non-government organizations, City and County energy planners, sovereign pueblos, and citizens from each county district. It would conduct studies, outreach and education, and craft ordinances relating to energy matters.

Until the CEB is established the steering committee would act as in interim board of advisors. We'd like to put this forth for consideration and we are hoping that you'll put this on the agenda for the next BCC meeting. Thank you.

CHAIRMAN SULLIVAN: Okay. Thank you. And let me have your name again, please.

MS. PROCTOR: My name is Rebecca Proctor.

CHAIRMAN SULLIVAN: And there was someone else who wanted to speak also, Ms. Proctor.

MS. PROCTOR: I think we have at least one other person who'd like to speak briefly.

CHAIRMAN SULLIVAN: Okay. Come on up.

DAVID BACON: Mr. Chair, Commissioners, since we never know what the future is going to look like, we have these times when things change, and they change irrevocably. We know now with the recent meltdown of the stock market due to the most historically high rise in oil prices ever seen to what many geologists are calling the end of a whole geological era now. An era that is going to be underlined by climate disruptions, many disruptions in the way we do business. And we know that we've pinned our economy and our way of life to a non-sustainable paradigm and it's broken. It's utterly broken, totally failed. All we can do in the current paradigm is look at it fail, or we can take pro-active steps to remedy the failure.

The only way that we can do that is by working together as a community. This proposal empowers the community in a basic, fundamental way. It does empower it by ordinance. It doesn't empower it by resolution, by memorial, by advisory, but by ordinance. It's a direct empowerment.

It's at this time that we need this power to change the way that we do business. And to change it to a fundamental paradigm of a local energy economy. We've depended on an international community, a national government and a state government. None of them are addressing this situation. This situation will only be addressed at the local level. The tools are here now; the technology is here; the will is here. The intelligence of this community is here to make this paradigm shift. Energy is only one interlocking circle of things that arise immediately when you look at survival. Energy, food and water are the basis of survival. Energy is very important, obviously.

So this is a beginning. This is a beginning of a dialogue, not only with the governmental structure of Santa Fe County but with the citizens of Santa Fe County. So it is in that light that we've put it forth. It isn't a proposal to disempower anyone. It's a proposal to empower the community to make decisions, to drive into law the vision that we have of the future we want to see in Santa Fe County. The best of this country has always been when power is brought back to the citizens. When the citizens stand up and demand it. The end of slavery was that way. The end of the disenfranchisement of women was that way, and this is in its own way the same urge. I don't even want to use the term demand. This is simply a return to a fundamental democracy and a fundamental structure that will allow us not only to survive in the incredible global macroeconomic meltdown we're seeing but will allow us to thrive and will allow us as a county to begin to turn toward a sustainable future. Thank you very much.

COMMISSIONER CAMPOS: Mr. Chair.

CHAIRMAN SULLIVAN: Commissioner Campos.

COMMISSIONER CAMPOS: Mr. Bacon, we've had an ad hoc community group for about two years discussing many of these issues. I think it would be wise to talk to these folks and also the City of Santa Fe. When we say the county, we have to include the city. It has to be one organization, I think. I don't think you can have a city organization and the county. We have to have an organization that's inclusive. So, Mr. Abeyta, I think we need to have that conversation. I think the City of Santa Fe has to be part of this group, just like the ad hoc group has been.

MR. BACON: I absolutely agree, Commissioner Campos. We structured this on the basis of the fact that we all live in the county, so it's clearly a document that's only the very beginning, but certainly it would have to include in the deepest sense every citizen of the county. So absolutely, it would have to include the city. The structure as we see it would be worked out with an ongoing discussion with the steering committee with County/City staff and with a larger discussion within the community also.

COMMISSIONER CAMPOS: Maybe we need to convene the ad hoc group again to discuss this and get the City involved right up front. I think it's essential. And the pueblos. And all of the communities – the Town of Edgewood, the Town of Española. They're part of the county, half of it is. And we need to have everybody at the table. So let's have an ad hoc group meeting in the near couple of weeks, and let's see where we want to go on this.

MR. BACON: That sounds good. Thank you.

CHAIRMAN SULLIVAN: Thank you, Mr. Bacon. Anyone else like to address?

Okay, if not, we'll move forward.

COMMISSIONER MONTOYA: Mr. Chair.

CHAIRMAN SULLIVAN: Commissioner Montoya.

COMMISSIONER MONTOYA: Just quickly. Roman, we're having the intergovernmental summit, so maybe this could be a topic of discussion. I know we're working on the agenda so maybe we could put that on.

MR. ABEYTA: Okay.

CHAIRMAN SULLIVAN: Okay. Appreciate that thought.

X. MORNING SESSION

A. Consideration of and Approval of Resolution No. 2008-___, a Resolution Terminating Participation In the Intergovernmental Contract for the North Central Regional Transit District and Withdrawing from the District (Commissioner Sullivan) (Tabled on April 29, 2008)

CHAIRMAN SULLIVAN: I just want to kick things off by mentioning that it's the intent of all of the Commission to have good quality and better quality transit in Santa Fe County. So the intent of this resolution, contrary to what a few persons have emailed us is not to do away with transit in Santa Fe County but to improve transit in Santa Fe County. So I think we'll start, Mr. Abeyta, with you and Jack Kolkmeier could perhaps bring us up to date on what's transpired since our last meeting. We also have some other individuals in the chambers today. We have staff from the North Central Regional Transit District. We have a board member, Councilor, welcome, from the Transit District as well. I think I saw a City Councilor – there he is. There's Miguel back there. We have a City Councilor, Miguel Chavez as well. We also have some members from the City's Transit Advisory Board present, Mr. Collin Messer and another member who have indicated that they'd like to make a brief presentation to the Board about City/County transit opportunities. So we have a good wealth of people here to talk about this issue. So Roman, I think we'll just start it off with you and perhaps Mr. Kolkmeier.

MR. ABEYTA: Thank you, Mr. Chair. Staff has been attending several meetings that included the North Central Regional Transit District, members of the Department of Transportation and also members of the MRCOG to discuss the county's transportation needs. The Commission gave us direction when this proposal first came forward for a transit tax. The Commission was very concerned about the possibility of being faced with two taxes. One for the North Central Regional Transit District and another perhaps in the near future for the Rail Runner. And so with that we started attending meetings that were coordinated by the North Central Regional Transit District and we have been working through that issue. But with that, Mr. Chair, I'd like to ask Jack Kolkmeier to come forward and get into the details of those sessions that we had and also give you a little bit of staff's perspective on this.

JACK KOLKMEYER (Land Use Administrator): Thank you, Roman. Good morning, Commission. Thank you, Mr. Chair. As Roman has just reiterated, we did commence

the task force with the appropriate members and the meetings have actually started to become very fruitful and there's a joint powers agreement that is on the table as we speak and still being worked on, some of the finer details.

The problem, however, that we see and the challenge and the dilemma that we are facing is that we need the time to be able to complete this work and bring it together without pressure in making these decisions and pushing us in directions that might be premature at this time. As you know, when we began to have the dialogue and talk about the creation of Regional Transit Authorities almost ten years ago the focus at that time was on park 'n' ride and the Eldorado commuter train. So during the past two years the nature of the regional transit has shifted, and maybe shifted forever with the advent of the Rail Runner. Our problem now is that we have many competing players and not enough focus and coordination on the real transportation needs of the metro area and a rural landscape that is entirely dependent on the automobile.

If, however, all parties – Santa Fe County, the City of Santa Fe, the Department of Transportation, the North Central Regional Transit District and its county and municipal members, and the Rio Metro Transit District and its county and municipal members from the greater Albuquerque area are willing to work together, and most importantly to make compromises and create a unified transit program that will be a superlative one.

If we aren't willing to do that the system will be fragmented, disconnected, and ultimately unsuccessful. The key element in the situation that we're in right now is the willingness to work together and to compromise. So we're faced with a dilemma. Either work together or go our own separate way. For Santa Fe County, that means that if decide the NCRTD is the right way to go, that way needs to be cooperative or we should withdraw and focus our efforts with the City and the DOT, which is clearly an option for us. And then work in some other manner with the NCRTD and the Rio Metro RTD.

The strong hand for the County at this particular moment is that we have only one transit program, so we're at the very beginning of what we're doing. That transit program is the greater Eldorado express. It's a program run and operated by the NCRTD and it's proving at this point to be very successful. The latest figures show between 59 and 61 percent average daily ridership, and some days there's standing room only. This success has to be built upon. The RTD can do that or the County could continue that program under our own contractual agreements. We have a contract with the North Central RTD right now and have paid for service up through January 2009. So we can go either way. But if we're not willing to be cooperative for the future needs of our program then we have again a dilemma.

There's also the concern that if we withdraw from the NCRTD we will lose federal funding. Right now we don't get direct federal funding because we don't have our own transit programs. Federal funding comes to us through the RTD or potentially could come through a collaboration with the City.

So what do we need to do? Well, it seems pretty clear that at this point we need to take the time to do it correctly. We created a task force of all the parties to start a dialogue to figure out what to do, and we've made significant progress. But we have not concluded that work.

There should be no ultimatums and no deadlines until the work is finished. The RTD should allow Santa Fe County enough time to work through these issues. Santa Fe County should state that it will work with the results of the group provided that the following can be accomplished: Get clear about how much an integrated system is going to cost and be open and honest with the public about these costs. Don't tax the public twice. Spend the funds on programs that build successful connections and relationships and assure broad, regional agreement.

To do this, all parties need to step up to the plate and work together. We're not working together. The NCRTD needs to back off creating a pressured environment that only results in an uncoordinated course of action. We need to allow the proper amount of time to work together, and everyone, all of us, need to work together. The City and the County have to work on a transit program together. Is the City willing to do this? We haven't heard that commitment clearly. The DOT has to acknowledge that intercity and intercommunity connections to the Rail Runner are pivotal to its success and support these programs. Is the DOT willing to do that? Including clarity on how to have a singular supportive GRT tax. The RTDs, both of them, have to provide services that connect to the Rail Runner as well as to provide their own connecting programs. Are the RTDs willing to do that?

If all parties are willing to work together, we'll be successfully. If there's not the willingness to do this from all parties the County should withdraw from the NCRTD and focus on continuing to provide the basic services we have already planned, either in conjunction with the City, or through our own contractual services.

The NCRTD is somewhat ambivalent. If they provide more time to Santa Fe County to work on this we will expend more time and more energy and still not be in agreement. The County, therefore, needs to decide both from a technical perspective and probably also from a political perspective, what course of action it wants to take and if agreement can be reached by all parties, the County needs to abide by that.

So in conclusion, we need to hear what each party is willing to do at this point, and if there is not the willingness to cooperate Santa Fe County should consider withdrawing from the NCRTD. Those are my comments. Thank you, Mr. Chair.

CHAIRMAN SULLIVAN: Thank you, Jack. Appreciate that concise summary. Commissioner Campos has a question.

COMMISSIONER CAMPOS: Mr. Kolkmeier, has the North Central made an ultimatum to the County as to dates of election and things of that sort?

MR. KOLKMEYER: Mr. Chair, Commissioner Campos, at the last NCRTD board meeting on Friday there was an item before them to extend the 75-day legal period that we have for the GRT issue and that was unanimously voted against by the NCRTD board. So the ultimatum is now clearly on the table.

COMMISSIONER CAMPOS: So the choice is we have to put it on our agenda and approve putting this matter on the ballot for November. Is that right?

MR. KOLKMEYER: That's correct. Or withdraw.

COMMISSIONER CAMPOS: Or withdraw.

MR. KOLKMEYER: Or the NCRTD could possibly have a special session after

hearing what transpires today and come up with some compromise position to allow us to have a little bit more time. There's really three options still available.

COMMISSIONER CAMPOS: Okay. Thank you.

COMMISSIONER MONTOYA: Mr. Chair.

CHAIRMAN SULLIVAN: Commissioner Montoya.

COMMISSIONER MONTOYA: Jack, you mentioned a dilemma in terms of our future needs. What are some of those future needs or the dilemma that we're facing in terms of your comment?

MR. KOLKMEYER: From the County's perspective, Commissioner Montoya, we have four areas that we really need to focus on. The largest population area that we have is the Eldorado area and that service is going forward. We need to work on connecting the Community College District, which is our primary growth area. We need to be working on connecting our Rail Runner stop at 599 and I-25 into the city and fourthly, into the northern county communities and to the northern part of the state. So all of that hasn't come together yet although the NCRTD has a service plan that's been laid out there, but that's our dilemma is we need everybody at the table, not just the RTD – the DOT and the City of Santa Fe as well.

COMMISSIONER MONTOYA: Okay. And then the other comment that you made in terms of we need the time to get this done in a way that this task force has begun. How long do you see that timeframe being?

MR. KOLKMEYER: Mr. Chair, Commissioner Montoya, it seems to me that given the work that we've done to this point we could conclude that in 30 days. But everybody has to be in agreement with what the results are or the fear that the NCRTD has that we continue to do 30 more days, we reach agreement, and then the County still wouldn't be in agreement with what that is. The real dilemma is we're going to have to figure out how we work our way through that, and if the task force is in agreement, we will as Santa Fe County be in agreement with those results.

COMMISSIONER MONTOYA: Okay. And then I guess – well, I'll ask the other parties, but I think the stipulations that you've set forth are reasonable. So I would support the stipulations that you're recommending to us in terms of our deliberation.

MR. KOLKMEYER: Thank you, Commissioner.

CHAIRMAN SULLIVAN: Commissioner Vigil.

COMMISSIONER VIGIL: Jack, with regard to the progress that's been made, it seems to me it's been quite a bit, from the starting point to where we've been now. For clarification purposes, I think the timeline does allow to at least have one more public meeting before the board of the RTD reconvenes. I didn't know that they had the possibility of having a special meeting. But if we were to allow staff and really everyone who's been working on this cooperatively to work and bring this back on the 24th for our regularly scheduled meeting, do you believe that we might be able to make further progress. And I'm also looking at progress with regard to beyond the GRT. I want sunset clauses discussed. I want to know the full parameters of this GRT. And I think we probably can, but I want your opinion on that.

MR. KOLKMEYER: Thank you, Mr. Chair, Commissioner Vigil. It's my

understanding that the 75-day end date is July 6th. So yes, we do have time. The concern was that there may not be a quorum at the June 24th Board of County Commission meeting.

COMMISSIONER VIGIL: There will be.

MR. KOLKMEYER: So if there is a quorum then I would feel comfortable that we could work it out by that time and come back one more time and conclude – then we would have the full work of the task force in front of us. Because then the issue becomes the task force work and the joint powers agreement that's laid out, do we want to proceed on our transit program in that manner, or do we want to look at doing it in some other fashion, that is, with the City or to create our own RTD. The problem with creating another RTD is we're just continuing then, possibly, to fragment our efforts. It seems this is the time to push it together. Take a careful look and see if it works that way, and then make the decision. So according to what information we have July 6th would be that cutoff date. We'd have one more opportunity.

COMMISSIONER VIGIL: Okay. And I guess my concern with this is the fragmentation issue. We constantly preach regionalization and our considering removing ourselves from the RTD is really the total opposite of what we're preaching. So my concern is even though I know a lot of progress has been made, so long as we have the opportunity to continue to make progress, I think that's the direction we should go. Thank you, Mr. Chair.

CHAIRMAN SULLIVAN: Thank you, Jack.

COMMISSIONER MONTOYA: Mr. Chair.

CHAIRMAN SULLIVAN: Commissioner Montoya.

COMMISSIONER MONTOYA: Based on those comments then, and the stipulations that you've set forth then, if we do have time, I would move that we table this till the next Board meeting.

COMMISSIONER VIGIL: Second.

CHAIRMAN SULLIVAN: Commissioner, could we – I think we could take that tabling motion very quickly, but I wanted to give the Transit Advisory Board folks that are here that asked to – and I said I would give them an opportunity to make a presentation to the Board. Thank you, Jack.

MR. KOLKMEYER: You're welcome.

CHAIRMAN SULLIVAN: Mr. Messer, would you like to come forward. I think rather than having people come back again on the 24th if you're here we certainly want to hear what you have to say. And I neglected to recognize the Department of Transportation in our general introductions here this morning. We have Mr. Guerrerortiz of the Department of Transportation behind you, and the sergeant at arms by the door is Mr. Anaya, also with the Department of Transportation. Go ahead, Mr. Messer.

COLLIN MESSER: Mr. Chair, members of the Commission, thank you for giving us an opportunity to speak. My name is Collin Messer. Again, I chair the City Transit Advisory Board. I've been involved with the system since its inception in the early 90s. I want to apologize for not bringing the Commission a resolution from our board, which we would have taken action on on Saturday because of my lack of attendance at last weekend's emergency board meeting. No vote was taken. However, I feel that if we had had a quorum and had voted,

action would have been taken to reject the resolution in front of you and actually to add withdrawal from the NCRTD. And also to add some language in our resolution to support a potential City and County RTD.

The Transit Advisory Board has heard from the NCRTD on numerous occasions as we have heard from riders on the Eldorado Express Route G. A main concern of our board since the beginning has been the quality and cost of service for the Eldorado Express. While ridership today is standing room only, I feel this is due to \$4/gallon gasoline and not necessarily the marketing efforts of the NCRTD. We have looked at operating costs of the NCRTD's service in the region and compared that to similar service statewide and seen a nearly double the cost per trip with overhead costs considered.

On close analysis we feel more and better service could be provided for less. This is a unique point in City and County history when the need for public transportation is acute. I believe the City and County have an opportunity to partner and to develop our own RTD based on the work that the members of our board have done in developing the Regional Transit District framework, coupled with our experience as the largest transit provider in the northern part of the state.

The City of Santa Fe, in cooperation with the State Department of Transportation and the Mid-Region Council of Governments stands ready with a service plan to meet the train in December. Furthermore, in cooperation with the County, we can combine resources to continue and enhance service to Eldorado and elsewhere in the county, affordably and efficiently. In closing, I believe that a permanent transit fund is essential to sustain public transportation. However, the proposed resolution in front of you is not the instrument with which to do that. Thank you.

CHAIRMAN SULLIVAN: Thank you, Mr. Messer. Commissioner Vigil has a question.

COMMISSIONER VIGIL: Could you tell me how the Transit Advisory Board was formed and whether or not your capacity extends beyond advising, and to whom you normally advise, and whether or not that advisement has been done?

MR. MESSER: Yes, Mr. Chair and Madam Commissioner, we have started the board in 1992 and we are advisory board to the Mayor.

COMMISSIONER VIGIL: Okay. The Mayor only, or the Mayor and the City Councilors?

MR. MESSER: And the Council, when requested. Yes.

COMMISSIONER VIGIL: Have you proposed this advisement to them? I see Councilor Miguel Chavez there looking like he may want to be able to respond, but have you proposed this advisement to your governing body?

MR. MESSER: We have discussed it; it's not been formally presented.

COMMISSIONER VIGIL: And have they discussed it?

MR. MESSER: I'm not sure of that.

COMMISSIONER VIGIL: Okay. Thank you very much. Thank you, Mr. Chair.

COMMISSIONER MONTROYA: Mr. Chair.

COMMISSIONER MONTOYA: Okay, so this resolution as it stands, you don't support this. You don't think this is what needs to be done at this point.

MR. MESSER: Mr. Chair, Commissioner Montoya, I believe it is rushing the matter a bit. We need more planning.

COMMISSIONER MONTOYA: Okay. Thank you.

CHAIRMAN SULLIVAN: Let me be clear. You feel that the current resolution that's here is a resolution to withdraw from the NCRTD.

MR. MESSER: That was discussed with our board, yes, in prior meetings, and it would have been on the table Saturday, I believe.

CHAIRMAN SULLIVAN: And is your board in favor of that?

MR. MESSER: I believe we would have a majority, yes.

CHAIRMAN SULLIVAN: So I'm a little unclear, you think your board would be in favor or not in favor of this resolution. This resolution is to withdraw.

MR. MESSER: I believe not in favor – no, I'm sorry. The resolution to withdraw, yes. Yes, withdraw. I'm sorry. I was talking about the tax.

CHAIRMAN SULLIVAN: Oh, you're talking about the tax. Not in favor of the tax. So you feel, and I assume perhaps later formally from your board once they get back together, you would be then I think, for clarification, Commissioner Montoya, you would have the resolution, which is to withdraw.

MR. MESSER: Yes. I favor your resolution. I apologize.

CHAIRMAN SULLIVAN: Thank you for clearing that up, Commissioner. And I think there's another member of your board here. Would you like to speak?

SUSAN MASSLER: My name is Susan Massler. I'm on the Transit Advisory Board for the City. We have discussed this over and over and over again, and we have seen Carol, who is here, is also on the board, and she has worked to help form the NCRTD. We have discussed this and we really feel that we're not getting what we wanted from the North Central Regional Transit District, and if we had had a quorum on Saturday for our special meeting we definitely would have voted to advise the City to withdraw from NCRTD.

The City does listen to us. We are one of the most active boards in the city and we just wanted to be here today to let the County Commission know that this is what we are going to be recommending to the City.

CHAIRMAN SULLIVAN: Thank you, Ma'am. And I think Councilor Calvert is on your board too, is that correct? All right. Go ahead. And would you identify yourself please.

CAROL RAYMOND: I'm Carol Raymond. I'm also on the City of Santa Fe Transit Advisory Board. Back in the late 90s we started having discussions about how to create the NCRTD. At that time we were going to be calling it an Authority. It later got changed to the word District. We had a series of meetings throughout the whole region to gather people together – the pueblos, Los Alamos, Española, Rio Arriba County – to discuss the mandate of what that district would do and what were the different transit needs of the entire region.

We were able to help in the statewide effort to pass the enabling legislation that allowed

We were able to help in the statewide effort to pass the enabling legislation that allowed New Mexico to form the NCRTD and then we joined together to write the bylaws and jump through all the hoops required by the legislation to create the NCRTD. It was certified by the Transportation Commission. Many of us on our board were intimately involved in that. I have three boxes full of documents for all the meetings that we spent, all volunteer, to form that district.

We had big dreams for the district. We had kind of a wish list of transit programs that were going to be put in place by the district. One of the first things that was on the agenda was for the district to be intimately involved in commuter rail into Santa Fe, and granted, they had just been formed, but when it came up to the board to be able to take possession of the 18-mile rail corridor, absolutely free, because the state was paying for it, they rejected that plan. This would have been a chance for this region – Santa Fe, Santa Fe County, and the rest of the North Central Regional Transit District to be able to have intimate control of commuter rail into this area. That was the first thing that was kind of for us, checked off our list of big dreams for that district.

Very soon after they were formed the State took over the park ‘n’ ride, the fixed-route park ‘n’ ride. And this was the second thing on our list of big dreams for the district. A fixed-route bus system to allow the regions to be connected to each other. The State now runs that. A third thing was a top of the line Eldorado commuter system into Santa Fe. Our board has been the recipient of complaints from the riders about that system. We have pressed hard for the district to increase the marketing for that system and increase the schedule for that system. There are, as you know intimately, there are 9,000 people in Eldorado who could be served better by the fixed-route bus system into Santa Fe, and of course Santa Fe needs to be able to get its workers in this time of gas price inflation, effectively.

So this is frustrating for us about the quality of that system. So what we’re looking at is a choice about the quality control of transit and financial control of transit for our region. I don’t happen to believe that pulling out of the district would fragment our transit efforts. Any district created by the City of Santa Fe and the County of Santa Fe would be able to utilize cost efficiencies that are just not available in the district and then be able to create memorandums of agreement for any other transit systems that we need to jointly operate or cooperate in with this other district.

So I think it’s very important to look at this very carefully. I don’t believe – personally, I don’t believe that the task force is listening closely to the needs of Santa Fe County. I don’t feel that those needs are represented on that task force right now. Thank you very much for the opportunity to speak.

CHAIRMAN SULLIVAN: Thank you, Carol. Appreciate that. And I believe Councilor Chavez – did you have a question for Carol, Commissioner?

COMMISSIONER ANAYA: No, no questions.

MIGUEL CHAVEZ: Mr. Chair and members of the Commission, I’ll try to be brief. I really respect the work that volunteers – the time and effort that volunteers dedicate to helping us to come to some of the solutions that we’re facing, and I find myself in opposition to

the Transportation Advisory Board's position. And I know that Carol Raymond has extensive experience, being, I guess the general manager of Santa Fe Southern and having all the history that she brings to you.

I, as a City Councilor, introduced the resolution to establish the North Central Regional Transit District, introduced the follow-up resolution to become a member of the North Central Regional Transit District, and I agree fully with Commissioner Vigil. I think that it will unravel some of the efforts that this regional cooperation has established. There's a foundation there that we need to build on. We need to recognize that Los Alamos County really jump-started whatever it is that we're doing, and you can pick at it and it can always be better, but Los Alamos County invested a million dollars, I believe, to help jump-start that Eldorado route. So let's keep that in mind if we will.

The task force, the work that's been done to date is phenomenal. Commissioner Sullivan, I was critical at first because I was concerned that we would unravel the efforts, but the question that you raised about double taxation, and the impact that the Rail Runner will have on our internal system, and also the RTD programs, I think was well founded. But there are solutions now that we have before us. If we start talking about withdrawing, losing that regional focus and that perspective, some of that funding could go away. At a minimum, the funding from Los Alamos County for the three years could go away.

Deadlines, I don't like deadlines. I don't signing contracts with due dates. But if we don't have a due date and if we're not on task then what are we doing? We're going to be on a treadmill that just keeps going and going and going and going. But if I could, Commissioner Sullivan, you recognized some of the other parties that were involved in the task force to deal with the budgetary issues, the financial plan that goes along with the service plan that's been adjusted to meet those new projected numbers. So I'd like to leave time for staff and the other parties that have made commitments to make this Regional Transit District work. Thank you.

CHAIRMAN SULLIVAN: Councilor, let me ask you a question. One of the issues is, I think that the Transit Advisory Board has brought up, is local control of our transit future, and Santa Fe City and Santa Fe County are certainly a region, so I think you look at that as a region. Do you think in these discussions, if we think we can conclude this in two weeks, but if we can't conclude it in two weeks, so I'd have two questions. One, do you think the RTD would be amenable to an extension in order to go beyond the 24th? Because this is an important question.

COUNCILOR CHAVEZ: Well, you have to understand, you're a governing body of five. The RTD has many members. Taos just voted to become a member last week. I can't speak for all of the members. I can say that all of the members voted to decide on this gross receipts that's been reduced, okay, to meet your request. So no, I can't answer that question, but I do know that ten percent of the Santa Fe Trails routes are in the county right now, so we've been a regional system for a long time, before the RTD even came on the scene, because we're the ones providing the service.

So it's easy for me to say that somebody else can do the work after it's already been started. That's easy to do.

CHAIRMAN SULLIVAN: Let me ask one other question then. Do you think the RTD would be amenable to that portion of the funds, the 1/16 that would not be going to the Rail Runner, going locally to the City and County of Santa Fe directly and allowing them to have their own decisions with regard to transit?

COUNCILOR CHAVEZ: I guess they're writing the check. I can't answer that question for them either. They've agreed to a funding mechanism. If that's not good enough, then you need to ask them those questions, Commissioner. I'm not going to.

CHAIRMAN SULLIVAN: Okay. We have members of the Transit Authority board here. Commissioner Anaya.

COMMISSIONER ANAYA: Yes. Thank you, Mr. Chair. I'd like to call up our vice chair, Alfred Herrera who wants to speak, the Councilor from Española.

CHAIRMAN SULLIVAN: Good morning, Mr. Herrera.

ALFRED HERRERA: Good morning, Mr. Chair, members of the Commission. First of all I want to say, I looked over there, saw Commissioner Montoya there and there was one starting, opening comment I wanted to make. I wanted to thank the people that participated in this last primary election and congratulate you on your efforts and those that participated in our great democratic process.

I want to start off by just mentioning, making a couple of points that are really important. It has amazed me how much work the task force has done through about – probably a little over a month of work. Six meetings have taken place. That's time away from our individual jobs to participate in this, not only has the RTD been a part of it, gosh, Commissioner Sullivan, you've taken some of your valuable time. I have also. But it just points to the fact there is so much passion, I suppose, in what we're doing here. And I think it's really important to emphasize that. And it also amazes me how much we can accomplish in a collaborative, cooperative way. Commissioner Vigil, I thank you very much for your comment. The last time I spoke before this Commission there was a question that was asked by Commissioner Campos about what are we doing with sewer lines in the Santa Cruz area. I'm happy to report that since then, we have actually met as a subcommittee and have actually reached out to that surrounding area and have made State Road 76 a top priority to get sewer lines in there and we're working very, very hard to do that.

So that's another example as to how we can accomplish things in a very cooperative way, in a collaborative way. In terms of the task force itself, I feel strongly that the tremendous work that has been done in about a little over a month, people needed to be commended. But the very issue at the forefront was the issue of double taxation, which many of us were concerned. House Bill 400. I believe that that issue has been take care of. I believe that the parties, New Mexico Department of Transportation, the Rio Metro RTD, have really stepped up to the plate and really put forth a leadership effort to try to mitigate some of the issues and concerns that you all had on behalf of your constituents.

I believe that the task force has in fact come up with a method to take care of some of these issues. And we as an RTD listen to you all as one of our members in the RTD. The draft joint powers agreement – gosh, as many of you know the wheels of bureaucracy turn very, very

slow, but if you look at a one-month timeframe I think in this case they turn extremely fast. And yes, the draft joint power agreement has not been completed, but we're committed to stay the course and be able to do what we need to do. Perhaps within a couple of weeks we can have a finalization on this and continue with the whole notion of the joint powers agreement and the different agreements that need to be put out.

The 1/8 gross receipts tax, the staff has worked very hard to put together a financial budget, but also at the same time put together a service plan because bear in mind that the service plan has in fact changed to be able to meet the needs of Santa Fe County and the City of Santa Fe and this whole area. So that has also been taken into consideration. The remainder of the gross receipts tax, the 1/8 gross receipts tax, has been identified to go specifically to surface transportation within the city and county for the RTD to provide those services. The Rail Runner would in fact be taken care of. Gosh, I almost feel like we've taken over our own destiny and come together in a collaborative way, and that's very exciting. I felt that House Bill 400 was not really allowing us to do that.

Now we're in a position down to the governance that's been talked about to be able to do. So I believe that through this regional effort and a more efficient operation as part of that we can truly meet the objectives. I certainly appreciate the comments made by the Transportation Advisory Group. They also have a mechanism through the City of Santa Fe to be able to bring their needs to the forefront and quite frankly, there's nothing to preclude them to come before a governing body and present some of their ideas and their issue. The greater Eldorado standing room only, Commissioner Sullivan, you're to be commended because part of your effort was to plant the seed along with Los Alamos and other people to be able to see that come to pass. That's success that we can already point to. But we need to really continue to work together in a collaborative and regional way.

I certainly, with your permission, Commissioner, would like to call on the Department of Transportation and the Rio Metro. I really would like for them to just make very, very brief remarks, because I think it's important for you all to listen from them, from their perspective and really get an idea as to whether or not we truly are committed. And I can stand before you say that we are in fact committed, and we can certainly meet, Commissioner Vigil, I feel confident that we can meet your June 24th deadline in terms of a final draft, hopefully approved draft, for the RTD. I feel – I'm an optimistic kind of guy. What can I say? And I feel that we can truly do that and meet your needs. I think we've been extremely, extremely responsive, Mr. Chair. I'd like to with your permission to just have Pego and Bruce from the two entities to make very brief remarks that you can hear from them in terms of their commitment at the table.

CHAIRMAN SULLIVAN: Thank you, Councilor. I think that would be useful. I know we're short on time because we have another pressing issue. Let me ask you just a similar question to the one I asked Councilor Chavez. Do you think as a member of the board that the board would be amenable to an agreement whereby the other 1/16 that is generated from this 1/8 GRT would come to Santa Fe County for use by the City and County as the City and County see fit, either through a JPA that they may develop, or through a mechanism whereby the City and County have an approval function for the usage of those funds? Does that – we're

trying to address the local control issue. As one board member, what would be your thinking on that?

COUNCILOR HERRERA: Mr. Chair, certainly we are responsive to the needs and the concerns of the membership within the RTD. I feel confident that the RTD board would certainly entertain and consider that request, coming from Santa Fe County if those are your wished. I can't tell you how the RTD would respond to that. The two things that we need to keep in mind, we need to make sure that we don't come into this idea of a regional district but yet at the same time try to kind of separate it and break out certain pieces and certain components. If we're not able meet the needs of Santa Fe County, which I believe we can in terms of what your needs are, with the money that's going to be generated, then we certainly can always look at other options. There's nothing – the door is not closed. This is your organization. This is my organization, and we need to work to meet what's in the best interest of those people that we represent. So without saying that they go one way or the other, I can certainly commit to the fact that they would certainly consider something like that, still with the idea of maintaining the integrity of the district notion and how we regionalize and provide services in a regional sense.

CHAIRMAN SULLIVAN: Who would you like from Rio Metro to speak?

COUNCILOR HERRERA: I'd like to call on Department of Transportation, the Rio Metro very quickly. Pego and Bruce.

CHAIRMAN SULLIVAN: Good morning, Mr. Guerrerortiz.

PATRICIO GUERRERORTIZ: Mr. Chair, County Commissioners, my name is Patricio Guerrerortiz. I'm Deputy Secretary for Programs and Infrastructure, and I have been a member of this task force. I was called in, requested by the Commission a few days ago. And in reality, the success that we have seen so far in negotiating this truly government to government kind of agreement is something remarkable. I think that when you have bureaucracies at work you can expect some delays. This task force has been driven, and I think that there are some realistic deadlines that we have. We have to have deadlines. Everything in life has a deadline. So if we didn't have something to look forward to, something to aim at then we would be spinning our wheels.

This JPA that you have seen, I'd say at least three of the members of this Commission must have seen, was directed to them, was emailed to them on Friday, gives a very clear example of what, again, that government to government cooperation and government to government agreement can be all about. And we have the state government working with local government to make something that is of clear interest of those local governments as well as the state to being in place when it needs to be in place. I think we're going to be awakened to a very tough reality this summer when we have the prices of gasoline and other fuels go beyond expectations and I'd say that at least we have it in our plans, by the end of this year we'll have an alternative to driving back and forth.

And today we have a very successful alternative right now with the park 'n' ride. And the park 'n' ride, if I may say parenthetically, is right now operating at 76 percent occupancy. We have seen a growth in the ridership that was beyond expectations, and that is something that

we need to recognize. It is an effort that is going to take us in a different direction and that is going to give us some alternatives today as we see the prices of fossil fuels go up. The JPA that you have in front of you, that you will have completed, I hope, within the next few days. We're going to be meeting on Thursday, by the way, to discuss, one more time, the different issues and the different concerns that have, the different ideas that we have regarding these agreements, will provide a flexibility.

This is a process. This is not the ultimate goal. This is a process. We're trying to bring in alternative modes of transportation that will be available for the people in New Mexico, starting with a corridor that encapsules from Belen all the way to Santa Fe and beyond. The fact that you have a Regional Transit District in place already makes it easier for this agreement to be achievable in a timely basis. And you have the Rio Metro RTD which is already an agency that exists that could come to the table to negotiate. So we have the two RTDs that exist and the DOT. I think that this – this is the first step. What you do in the future is still an open question. You can do all kinds of things. This doesn't tie you – an agreement that you sign today will not tie you forever. It's an initial step, and I think that you have to keep that in mind. Transit needs to play a major role in the way we move people and products in New Mexico. There is no other question. There's no other alternative. We have to introduce different modes of transportation.

Now, how do we do that? I think that this JPA is showing – is opening the door. This is one way of doing it. It is not going to tie you forever. You can always modify it in the future as you see the reality evolve, and it's a commendable effort, and I think that I would be remiss if I didn't recognize the effort by Santa Fe County and the representatives from the Rio Metro RTD, the representatives from Rio Arriba County, Los Alamos, who have been present in this task force, putting their best effort and their best ideas together in order to make it work.

CHAIRMAN SULLIVAN: Thank you, Pego. I guess the one concern that still is on the table, and I'll get to Commissioner Montoya then, is that, as you know, the JPA only relates to funding the Rail Runner operations, and that's of course of most importance to you and the DOT and the Governor's office. What it so far has not included and in fact there's been some resistance to having it included is how the balance of that GRT will be implemented in Santa Fe County. And we've seen a lot of service plans but we haven't seen any MOUs, we haven't seen any guarantees. And that's why I brought forward the option that we either have a hand in that decision making, or that those funds through the RTD simply come to Santa Fe County. Because we can fine-tune this JPA but all the versions that I've seen do not answer the Santa Fe County question of how do we, in cooperation with the City of Santa Fe put together this joint process to provide intermodal transit to the Rail Runner, to and from the Rail Runner. And that's what we're missing. I hear you saying we're going to accomplish that in two weeks, and I really look forward to it because in six weeks we haven't even vaguely addressed that issue.

So I think I'm a little skeptical that we're going to get that done in two weeks and that we'll be right back here with the same refined JPA but with Santa Fe County's concerns unresolved. And that's my concern, and I think you understand that, don't you?

MR. GUERRERORTIZ: Mr. Chair, Commissioners, absolutely. You're

absolutely right. The agreement is a three-party JPA. It's for the operation of what we consider the main trunk line. You have to have connectors, you have to have the ability to reach people who are removed from this corridor or who are lateral to this corridor. Absolutely. All I'm saying is that this is the first step. I don't think you can have transit in New Mexico or in this corridor without including the rail

CHAIRMAN SULLIVAN: I understand.

MR. GUERRERORTIZ: And the rail, vice versa. The rail would not be as effective as it could be if the connectivity is not there to include all the parts of the region that need to have the mobility within the corridor.

CHAIRMAN SULLIVAN: And that connectivity is what's so far missing. Commissioner Anaya.

COMMISSIONER ANAYA: As the chairman of the North Central Regional Transit District I'd like to again thank our members for being here, our councilors from Santa Fe and Española, and the DOT. I think that we have been working very well. I heard that we weren't willing to work. We're working. We're listening. And the City Transit District, this is the first time I've heard the issues that you've brought up. You're always welcome to come to the Regional Transit District and share your ideas. We're there to listen. This Commission has always talked about regionalization. We've always talked about regional water. We've always talked about regional sewer. We're doing the regional solid waste. Even today, today a lady brought up a proposal saying that she wants to do a Citizens Energy Board. And what was the first thing out of this Commission's mouth? We need to include. We need to include the tribes. We need to include Española. We need to include – we don't need to not include. The first thing out of the Commission's mouth was include, not take away. Include the pueblos. Include them at the intergovernmental summit. That's what I heard, not take away.

Our congressional delegation, our state and federal congressional delegation and our representatives from the state of New Mexico, our Governor, has always talked about regionalization, partnering with people. Today we're going to hear a partnership on our media, including people, not excluding people. I think it's important that we stay in the NCRTD and continue to work out the issues that we have. The City has issues? Let's talk about them. If the County has issues, let's talk about them. Again, I think we've come a long way. This task force has done incredible, incredible work. And if it wasn't for all of you out there it wouldn't have happened. So I would just encourage that we stay in the NCRTD, and there's some signatures that have gone around that I've passed out about people wanting the bus service that we have provided and the NCRTD has worked hard to stay in place. So thank you, Mr. Chair, and I'm ready to move on.

CHAIRMAN SULLIVAN: Thank you, Commissioner. I had a question about these signatures. My understanding is that the bus driver on the Eldorado route made an announcement yesterday that the County Commission would be acting today, and if they took action to withdraw from the RTD that there would be no bus service tomorrow. Now – and this resulted in this. My understanding from Mr. Kolkmeier that the contract with All Aboard America is through the end of the year. Can someone from NCRTD verify that? And was this

driver instructed to make this political announcement to the ridership?

JOSETTE LUCERO: Mr. Chair, I'm not aware of that instruction.

CHAIRMAN SULLIVAN: You're not aware of it? Would you like the names of the people to whom he made that announcement?

MS. LUCERO: Sure.

CHAIRMAN SULLIVAN: Here they are. Here's a copy. Perhaps, Ms. Lucero, you could verify that the All America contract, because that's what I've been asked, is through the end of the year. Is that correct?

MS. LUCERO: You are correct, Mr. Chair. It's through September 30th and thirty days by both parties to withdraw on whatever matter.

CHAIRMAN SULLIVAN: So at the worst, this service wouldn't be terminated for 30 days and in any event, certainly Santa Fe County as Mr. Kolkmeier brought up as one of the options could itself contract with All Aboard America.

MS. LUCERO: Correct.

CHAIRMAN SULLIVAN: Okay. Thank you for clarifying that. I know Commissioner Anaya wants to move ahead but we do have one gentleman from the Rio Metro and I appreciate your coming up today and helping us out here.

BRUCE ROSARIO: Thank you, Mr. Chair. For the record, my name is Bruce Rosario with the Rio Metro Regional Transit District, which his comprised of entities within Sandoval, Bernalillo and Valencia counties. I know you're running long on the agenda. I'll make this real quick. Just let me add my words to all my other predecessor speakers. I think the task force has been going very well. As you Mr. Chair and Commissioners, we've been meeting since the beginning of May. We started out with many different ideas. Now we have a format. We have a draft JPA. I'm in agreement with all the clauses within that JPA. That's why we're continuing to meet. We're making progress. I think we can have something for you next meeting, which will be on the 24th of this month. That's it. If there's any questions I'd be happy to answer them.

CHAIRMAN SULLIVAN: Let me just ask Bruce, do you think that something will include Santa Fe County's concerns regarding the connectivity transit, or are you just in that next two weeks going to focus on this JPA between the transit districts?

MR. ROSARIO: Mr. Chair, Commissioners, my opinion that a JPA which is really concentrating on funding and management of the Rail Runner service should concentrate on those items. I believe the issue that you've raised is a very important issue but that's an issue between the City of Santa Fe, the County of Santa Fe, and the North Central RTD. I don't see that being directly in this JPA. However, I do think the JPA can reference an agreement between the various entities as to how that money, the County regional transit gross receipts tax, how that would be directed to be expended or the process for determining expenditure of those funds. But my personal viewpoint is that it muddies things up, because then you can start – I can start going back into Rio Metro and putting a bunch of items in there as to what we want to see happening up here. What we want to see happening down there. I think the connections to the Rail Runner stations, the connections to employment and destination centers need to be part

of your respective service plans and agreed to by the boards of directors of the respective RTDs and the member entities to those RTDs. Personally, I do not see it properly fitting into this JPA.

CHAIRMAN SULLIVAN: But could the JPA simply say that the other 1/16 will go to Santa Fe County, and Santa Fe County would be a signatory to it?

MR. ROSARIO: It could say that. It could say it goes to the City and County. It could say it goes to NCRTD and funding and expenditure will be determined through such and such a process. It can give the process – again, I do not think it should explicitly say how it would be spent. If you want to change that manner of the services being funded, you have to come back and change the JPA which means that there's three or four other entities that have to be involved.

CHAIRMAN SULLIVAN: I understand. I'm just trying to see what – I think the Commission has an anticipation here that everything is going to be resolved by the 24th, and I'm seeing a lot of progress, having attended at least three of these meetings, towards that first question that the Commission had, which is the double taxation, and how we all cooperatively fund the Rail Runner. I'm not seeing the progress in the other area and I don't think, by that, I mean we have to settle on what all of the routes are at this time, but I think we have to have that flexibility to continue to have input into it. I think that's what you hear the City saying, the City Transit Advisory Board saying, and that's what I'm saying, is that the RTD has not been a good mechanism for that. It just simply hasn't. It's too large and unwieldy an organization for us to work with the City cooperatively on this urban transit problem.

So if you think that – if this isn't the mechanism, well, what is, is my question I guess.

MR. ROSARIO: Mr. Chair, Commissioners, let me punt and let me think about it and come back to our Thursday meeting with maybe some options for you.

CHAIRMAN SULLIVAN: All right. Fair enough. Thanks a lot. We're going to have to move on. Did you have something quick you wanted to say, Josette?

MS. LUCERO: Real quickly, Mr. Chair, and I'm hearing your concern and we have worked with the City staff and Santa Fe County staff on that 1/16 portion of the transit. And we've incorporated what they've given us into the service plan and currently, Santa Fe County as a whole will be receiving 106 percent of the returns. So you guys are getting more than what you'll be putting in. So just to let you know that we've been –

CHAIRMAN SULLIVAN: That includes \$250,000 of your administrative expenses though, right? As part of that return.

MS. LUCERO: We're getting that out of grant money now. Not out of the GRT funds.

CHAIRMAN SULLIVAN: But that's how you – I looked at your form. That's how you computed 106 percent. Okay. Well, I think we have a copy of that and I appreciate your bringing that forward. Okay, we had a motion quite some time ago. Thank you for your patience, Commissioner Montoya, to table this, and I'm quite frankly skeptical that we're going to get these answers and this flexibility in two weeks, but I'm willing to believe in miracles and so we had a motion from Commissioner Montoya and I think it was seconded by Commissioner Vigil, as I recall, for tabling of this until the June 24th meeting.

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

CHAIRMAN SULLIVAN: Thank you everyone for your being here. This was quite helpful to get these issues out and to start that discussion process. We're going to take a four-minute break here and then we're going to get right into the Santa Fe Studios issue and move forward on those items X, B, C, and D.

[The Commission recessed from 11:35 to 11:50.]

CHAIRMAN SULLIVAN: I'd like to come back into session please. What I'd like to propose to the Commission is that we make a little bit of a change to our scheduling here so that we give the Santa Fe Studios adequate time. We're in touch with the Housing folks who are scheduled in at 1:00, and to back them up to 2:00. They think they can complete their presentation in an hour. So I think we'll have perhaps an hour here to deal with questions and answers on Santa Fe and about a quarter of one or ten of one we'll go to lunch, and we'll come back at 2:00 for the housing work session. Mr. Abeyta, is that the current plan as I understand it?

MR. ABEYTA: Mr. Chair, yes, that is, and I spoke with Housing. They'll be ready to go from 2:00 to 3:00.

CHAIRMAN SULLIVAN: All right. Is that all right with the Board? Otherwise, you get no lunch. Take your pick.

X. B. Consideration and Approval of Ordinance No. 2008-7, an Ordinance Approving a Santa Fe County Economic Development Project With La Luz Holdings, LLC and Santa Fe Film and Media Studios, Inc. Approving the Project Participation and Land Transfer Agreement (Final Public Hearing)

CHAIRMAN SULLIVAN: Mr. Ross or Mr. Abeyta, who will take this?

MR. ROSS: Mr. Chair, these three items, B, C, and D are all related and they all relate to the proposed economic development project, with these two entities, La Luz Holdings as proposed landowner, and Santa Fe Film and Media Studios, who will operate film and media studios on the property. Item B of course is the ordinance that approves the proposed economic development project. This is required of course by the State Economic Development Act and our County ordinance, I believe it's 1996-7. Item C is a simple housekeeping resolution to designate the County Manager to go to the closing of this transaction when it occurs, and execute relevant documents in connection therewith, and item D is the inducement resolution for the proposed IRB financing of improvements to the property, which as we know is all raw land.

I left on your desks just underneath the agenda today three items. One item was a slightly revised project participation agreement, and the second was a slightly revised LEDA performance agreement, and the third, just to remind you of the situation on the ground, was

this colored plat that you should find. That's always helpful for me to refer to the plat so you can understand how the proposed development of the property is going to do.

Once again, the highpoints of the proposed deal, which is embodied in these three items, B, C and D, is that it's proposed that La Luz, LLC is going to purchase our County Economic Development Park, all 65 acres of it, for around \$2.6 million, which is the current appraised value of the property. Recently we had an appraisal done, a reappraisal of the property by the same appraiser that did the initial appraisal. We need to do this to establish the purchase price, and the property has appreciated in value to some extent over the last year. So that is the proposed purchase price, which represents, once again, the fair market value of the property.

As you will recall, the County master planned the property and divided it into four parcels. The proposal here is to readjust those lines to accommodate the proposed development on the property and create a fifth lot, which is the blue lot on the left-hand side, upper left hand side of the diagram. We've been calling that the override parcel, I think. We've also referred to it as the project participation parcel. This is the commercial development that will be developed in conjunction with the main studio property. We need to do a quick lot line adjustment to create that lot. Otherwise, the project is developed in entities, three phases that are shown on the diagram. Phase 1, Phase 2 and Phase 3. Now, you'll notice some small letters under Phase 1. There's an A and B designated there. This represents sub-phasing of Phase 1. Mr. Hool can certainly talk about this but there – is the objective of course would be to develop as much of Phase 1 as is feasible, given the financing that's available. But a realistic estimate by both the County and the Santa Fe Studios folks is that that may not be possible, so they want to make sure that they bite off something, as a first phase of this development, that's reasonable. So all these agreements are written to provide that a Phase 1A will be done initially, and then Phase 1B will be done subsequently. We'll talk about that a little bit more in a minute and Mr. Hool can certainly talk about that some. But Phase 1A would consist of two sound stages and associated structures, businesses. Phase 1B will be two more sound studios, and then you'll see Phase 2, additional soundstages, Phase 3, some other items. And then of course Phase 4 is really the future development parcel.

So of these various phases, Phase 1A will be designated as an economic development parcel. The LLC, La Luz LLC will purchase the property for a fair market value. That doesn't invoke the principles of the Economic Development Act, but it is proposed on Phase 1A that assistance, pursuant to the Economic Development Act be provided. And those things are as follows: It's proposed that the County will provide some assistance to the parcel in terms of water from the County utility, around 16 acre-feet, for Phase 1A, and if the entire Phase 1 is feasible that number would go up a bit. It's also proposed that we assist – the County assist the project with some broadband Internet services. We're currently working on the LambdaRail project with a number of other governmental entities. That seems to be the most feasible way to provide broadband Internet to the site, but there may be other ways to address that as well.

It's also proposed that the County provide necessary improvements to the water and sewer infrastructure that's currently present on the property. It's inadequate for the purposes that are proposed. Also that the County work with the State Highway Department to provide

necessary improvements to Highway 14. There will need to be accel and decel lanes provided at the entrance to the facility. And finally, it's proposed that the County will assist by being the fiscal agent for state grants that are expected to assist the property.

In exchange for all this, the Santa Fe Studios, under the LEDA part of the project, has agreed to provide 500,000 hours of above minimum wage jobs in connection with Phase 1A of the project, or if Phase 1 is feasible, 800,000 hours of above minimum wage jobs.

COMMISSIONER MONTOYA: Steve, where's that?

MR. ROSS: 7.2.1 in the project participation agreement.

CHAIRMAN SULLIVAN: Is that all?

MR. ROSS: I was just going to describe a couple other items. We've had a lot of questions about the security. Obviously LEDA, the Local Economic Development Act requires that the County and state assistance to Phase 1A or Phase 1 be subject to security in the event the project does not occur, to guarantee that the state and County funds that are provided to the project are not wasted. And so that is essentially the purpose of the LEDA performance agreement which is the second document you have, and that provides for the recording of mortgages and a number of other options, including a right to repurchase in the event that the project does not succeed. We can talk about the details of that if you like. Finally, I mentioned the commercial parcel on the upper left-hand portion of the diagram. We are calling that the override parcel. You'll see it referred to in the various documents by that name. It's about 17 acres. It's intended to be the location of commercial businesses that will support the operations of the studio, so we anticipate they will be film or film-related businesses, or businesses that will support the main complex in some manner.

The applicant proposes that the County share in the – hopefully in the success of the override parcel, and the agreements provide that the County will be entitled to a two percent participation in revenue from leases that are entered into on that commercial party for ten years from the date of the Certificate of Occupancy on the first studio, and a two percent participation in sales from that parcel for a period of twenty years. Any sale that occurs on that parcel for twenty years entitles the County to a two percent revenue.

Now, the a reason I handed you agreement is there are a few changes that the lawyers have worked on in the last two weeks since we last were in front of you. I'll just run through some of those quickly. If you take a look at the project participation and land transfer agreement that's on your table and look down at E, you'll see that there are numerous references to this concept in the agreement. It's discussing the broadband internet subject I mentioned earlier. We've broadened that language out a bit in case the National LambdaRail project becomes infeasible to provide that we will work on that or any other feasible broadband internet connection.

We have fixed, essentially grammar and writing in H and in P, and in Q, on page 3. You'll take a look down at the next substantive change is the bottom of page 3, paragraph 1.6. We have added language to the end of that paragraph, which is a single sentence, to provide that the effective date of the agreement is the date it's approved by the New Mexico State Board of Finance. Because this is both a project participation agreement and essentially a real estate

purchase agreement, there are a number of dates that create obligations on the parties related to the real estate transaction, that really need to be triggered by the approval of the Board of Finance and not by the signing of the agreement.

The next minor change is in 1.10, you can see that there was a sentence added onto that, beginning "Notwithstanding". That's just to provide for a possible change in the exact acreage, if that's needed during the replatting of the parcel that we propose. In paragraph 1.11, the very next paragraph, the reference to Phase 1A is in correct; that should be Phase 1. We've got that corrected. Paragraph 1.15, we amended the purchase price to reflect the appraised value, and that also appears in paragraph 2.2. If you take a look at page 6, at the bottom of the page, 4.1.d), it's the same change I referred to on page 1. That's to describe more accurately the County's obligations with respect to the broadband Internet. And if you take a look at page 7, we added a sentence at the beginning of the first long, unnumbered paragraph, we added a sentence to the end of that paragraph, it begins with "Prior to closing". This is just to clarify that we are going to process the lot line adjustments and lot split as I described earlier.

Then if you take a look at page 8, paragraph 4.4, we didn't have anything in the agreement to describe when the 60-day inspection period would begin, so we added in that paragraph the words "shall commence on the effective date". Then if you take a look on page 9, paragraph 5.3 –

CHAIRMAN SULLIVAN: It looks like you eliminated 5.1.6.

MR. ROSS: There was a placeholder in the proposed agreement, 5.1.6, that concerned unknown conditions that we didn't know whether they would arise and they have not arisen, so we eliminated that placeholder and renumbered 5.1.7 to be 5.1.6. There are no other conditions to any parties obligations that are not stated specifically in here. And the same thing is true, old paragraph 5.2.5 had the same thing, had a placeholder in it.

So if you take a look at paragraph 5.3 on page 9, we rewrote that paragraph fairly substantially to clarify it. Same thing with 5.3.1. One thing you will notice is that we eliminated an override agreement, an override security agreement, we incorporated the provisions into this agreement for simplicity. Originally we discussed adding two additional agreements that seemed unnecessary after we took a look at how the agreement was shaping up. And 5.3.1.2 we added a cross-reference. And in 5.3.1.5, this is a substantive change. We clarified, because it wasn't clear before, when the ten-year period during which the County would be entitled to revenue from the override parcel would commence. And we all discussed it and we agreed that a good starting point would be a Certificate of Occupancy for the two soundstages that are contemplated in Phase 1A. So once those soundstages are created then the 10-year right of the County to receive that two percent lease override would commence.

5.3.2, that paragraph was rewritten just to make it clearer and to improve the grammar a bit. Take a look at the next page, page 11, this is more cleanup. 5.3.2.4 is the new number. We just cleaned up, clarified that language, such as I described earlier. And if you take a look at just in the next paragraph, 5.3.3.1 and subsequent paragraphs, these are provisions that were originally anticipated to be in an override parcel security agreement, and an override parcel agreement. These provisions are fairly standard real estate language, fairly standard stuff. This

securitizes the lease and sale overrides that are provided on the commercial parcel. These aren't required by LEDA; these are being offered by the proponents as an incentive for this deal.

So then if you move on to page 13, right at the top of the page, about the LambdaRail or broadband network, same stuff. Paragraph A, below that, the language concerning the water, once again, that language has just been clarified. No substantive changes there. The large paragraph that doesn't have a number that starts "The Qualifying Entity..." Once again, there were typos in that paragraph that we corrected. If you take a look at paragraph 5.4.2, we added a cross-reference there to Section 2 of the agreement. We're trying to clear up as many details in the agreement that we can, and cross-referencing certainly helps with that.

If you take a look at Part 2 of the agreement which begins on page 15, this is the project participation part of the agreement, take a look at Section 7.2. We've corrected the reference in that paragraph mistakenly referring to Exhibit G; we've corrected that to refer to Exhibit D. And then a substantive change on page 16, this is where we clarify that the expectation of the project in terms of the number of hours of jobs to be created are a total of 800,000 hours for Phase 1 in its entirety, and 500,000 hours of that has been apportioned to Phase 1A.

CHAIRMAN SULLIVAN: But Phase 1 has no time, right?

MR. ROSS: Phase 1 has no time.

CHAIRMAN SULLIVAN: Because before it was 800,000 hours in five years, and now it's 500,000 hours in five years. Is that right?

MR. ROSS: Six years.

CHAIRMAN SULLIVAN: Is it six years?

MR. ROSS: Six years, yes. The agreement has been revised to provide for 500,000 within six years. So that coincides with the 36-month requirement to begin building, and the 36 months thereafter to complete the construction of the facility. There are some clarifications in the paragraph that starts just below that, "Such jobs..." And then some new material after the semi-colon in the second sentence.

CHAIRMAN SULLIVAN: What paragraph are you on?

MR. ROSS: Under 7.2.1 we have an (a) and a (b) and then a paragraph that has no number or letter, that starts "Such jobs..." If you take a look in the second full sentence of that you'll see a semi-colon. Then you'll see the words "if a production is contracted for or originated by the Qualifying Entity or its subtenants before the [inaudible], if it is filmed somewhere else, jobs created shall be credited towards the economic goals of Section 7.2.1 (a). In other words if the building is only partly constructed but Santa Fe Studios is able to arrange for a production and film it elsewhere in the community, they would get credit under this proposed language for the jobs that were created in connection with that production.

And we added – actually this paragraph that starts "Notwithstanding the time periods", this was moved from somewhere else, I believe. And what this provides for is if the project is delayed without fault of Santa Fe Studios or La Luz, LLC, that the time to perform the economic objectives in 7.2.1(a) would be extended by that same amount of time.

Moving to the next page, page 17, 7.3, Failure to Perform; Remedies, these are all clarifications and language simplifications from the earlier agreement. There are quite a few

changes, but we thought it was helpful to provide some clarifications and examples of how that paragraph might work.

If you move on to page 18, in 9.2, it says Operations Start-up. There was a mistaken reference to 72 months there. It's been corrected to 36 months. And then if you take a look immediately below, 9.3, Phasing, there were a number of cross-references at the end of that paragraph that were incorrect and we've corrected them here.

COMMISSIONER MONTOYA: Steve, you're on 17? Or 18?

MR. ROSS: Oh, okay. By the time I've gotten down to what I thought was 18 I think your agreement, because there's some deletions or additions, my page numbers don't meet yours. I was just talking about under schedule for LEDA project development, I think it's on your page 17. Then we were on 9.3 below that, Phasing. There should be three sentences under Phasing, and we clarified the cross-references in the last sentence there. To the LEDA performance and right of purchase agreement, the project participation agreement, the legal parcel mortgage, etc. This is discussing, and this concept runs throughout the agreement, the possibility that financing will be available to do the entire Phase 1. So rather than requiring us all to come back and amend the agreement and go back to the Board of Finance and have the amendment approved, this permits the project to encompass the whole Phase 1 and then the LEDA obligations – the mortgages, the security, all that stuff – would automatically encompass all of Phase 1 if it's possible to do the whole thing. And I think that's the objective if at all possible, is to do the whole thing.

Now I think if you turn to the next page you'll see some paragraphs titled Term and Termination. There was so left over language in the paragraph titled Term that we deleted. It was a vestige of an earlier transaction when we were discussing long-term leases instead of sale of the property.

CHAIRMAN SULLIVAN: In the performance agreement or the project participation agreement?

MR. ROSS: Project participation agreement. And I think it's probably on page 18. So the term under that paragraph of the agreement is until the entity is released. There's a possibility or a procedure in the other agreement that if or when the Studio's project delivers the 500,000 or 80,000 hours of jobs they can ask for release of their obligations, release of the LEDA mortgage on the parcel, and so the agreement is in force until that occurs or until other events that are discussed in the LEDA performance agreement take place.

The same concepts are repeated in minor changes to the Termination paragraph which now reads, "Exercise of the County's right to repurchase shall terminate the agreement." Then I provided a however paragraph which was in the earlier agreement. So then I hope it's on page 19, if you look under Appropriations. This is standard language that is required by the New Mexico Bateman Act. We've added a little language in here to provide a procedure in the unlikely event that either the County or the state refuses to appropriate, as is permitted by the Bateman Act. This is boilerplate from other agreements that we've worked on.

We've clarified the language in the paragraph marked Release, so that it now reads "Upon satisfaction of the County's obligation pursuant to this PPA the Qualifying Entity shall

release the County.” It’s just improving language there to make it defensible. And I think those are the only remaining changes to the project participation agreement.

Now, if you turn to the other agreement, which is called the LEDA performance and right of repurchase agreement, this is the agreement that describes the security required by the Local Economic Development Act. The changes in this agreement are far fewer than the other agreement. The first such change is on the second page of my copy under the recital marked H. The two recitals have been combined and clarified, as well as clarifications have been made to paragraph I and J. The most significant change there is the recital that begins “The parties intend that a LEDA parcel mortgage...” You see that recital there? What that means is that the mortgages, the security that’s called for in this agreement, won’t be recorded until the County actually puts some money into the project.

So then we have added some – if you take a look at page 4, I hope it’s page 4, Section 3. It should say Release of LEDA Parcel Mortgage. We’ve added some clarifying language to the title of 2 and the title of 3 (a) so they now read Release of LEDA Parcel Mortgage, Modification of Mortgage to Adjust Land Encumbered, and you’ll see under 3 (a) Full Release of Mortgage upon Satisfaction of Economic Development Goals.

So then if you take a look at page 5, under Full or Partial Release; Substitution of Collateral. You’ll see additional language has been provided in sub (a), sub (b) on that page. What we’re trying to do there is clarify how the substitution of collateral that’s proposed in here would work. So that there’s no question about how that will work. Essentially, the problem is that the 500,000 or 800,000 hours that are going to be delivered are going to be delivered over time and at some point the Studios will have partially performed their obligations under LEDA and we need a way to determine how to adjust things like collateral that this calls for and other items if substitution of collateral is needed at some point subsequent to the time when this agreement is entered into.

And then I’ll just skip quickly through the next page, items 2, 3, 4 – that’s all boilerplate and clarifications concerning the letters of credit and substitution of collateral provision. I think I’ll just move on through those unless you have some specific questions, as well as the large A there, the County shall have 90 days from receipt of a request for full release. And so all of this in subsequent pages are just clarifications. All the way through large paragraph 9, Right of Repurchase by County, it’s on my page 8. The only other substantive change in here, aside from clarifications, under 9 (d), it should start “If the County does not give notice to La Luz of the its exercise of the right of repurchase within such 90-day period, that concerns the right of the County to repurchase if the project fails. There’s terms in here that describe how that occurs. This just provides the reciprocal of the previous paragraph, which provides that we have 90 days to exercise our right to repurchase and (d) says that if we don’t exercise our right of repurchase within that 90 days that we’ve waived that right.

So that’s the only other substantive change in that agreement, and at this point I think I’ll stop this boring recitation of changes and invite any questions and certainly Mr. Hool is here. He’d like to make a brief presentation concerning the project’s objectives.

CHAIRMAN SULLIVAN: Okay. Thank you. I think I recall Commissioner

Campos had a question.

COMMISSIONER CAMPOS: Mr. Ross, minimum wage, how is that defined in the agreement?

MR. ROSS: Well, it's not defined in the agreement. The way I would define it is in the county, it's the federal minimum wage and in the city it's the City minimum wage.

COMMISSIONER CAMPOS: Okay, because we had this discussion last week and I would ask the Commissioners to maybe consider that we apply the City minimum wage. We define minimum wage as being \$9.50 or whatever the City is at this point.

MR. ROSS: I guess my concern is that we don't have an ordinance.

COMMISSIONER CAMPOS: We don't need an ordinance. We have an agreement, don't we? Where we can define minimum wage.

MR. ROSS: We could see if the proponents would agree to that.

COMMISSIONER CAMPOS: Second question, the two percent on the override, explain how that works.

MR. ROSS: Well, if for example, let's take a sale from the override parcel. Let's say Warner Brothers comes in and wants to put their own facility on the site, and they want to buy a piece of land to put that parcel on and it's valued at a million dollars. Once that sale was closed the County would get two percent of that, which is \$20,000.

COMMISSIONER CAMPOS: So two percent you think is a fair term?

MR. ROSS: Well, it's what's been offered. Certainly there's no obligation – typically in economic development projects the governments are subsidizing the economic development. In this case the proponent of the project is paying full market value for the property, and providing this override on the back-end so if they're successful the County can also be successful. So I don't really have any way to evaluate it other than that. It's a bonus.

COMMISSIONER CAMPOS: And then you have a ten-year cap on that?

MR. ROSS: There's a ten-year cap on leases and a 20-year cap on sales.

COMMISSIONER CAMPOS: Now, LambdaRail, we talked about that the other day too and you indicated that it would be quite expensive to make this connection.

MR. ROSS: Well, we're not really sure, Commissioner Campos, what it's going to cost. There's this governmental effort called the LambdaRail. The LambdaRail has now reached Albuquerque and the struggle is to get this broadband internet service up to Santa Fe. All the governments involved in that project are working diligently to get that to happen. There is some internet service provided by Qwest in the right-of-way on Highway 14. It's probably inadequate for their purposes. So we were hoping that the LambdaRail would provide the necessary broadband service that they need to do this kind of high-tech work.

The actual connection to the LambdaRail, I understand is fairly inexpensive. It's the cost to get it to Santa Fe that's sort of the unknown at this point.

COMMISSIONER CAMPOS: The actual cost of digging the trench and laying the line?

MR. ROSS: I'm not sure it's even that simple. There may already be physical infrastructure. It's getting access to it that may be the challenge. There are lots of different

options that are being discussed, some of which are essentially no cost to the affected local governments. We wanted to cap the potential cost of providing this service. We did that in the agreement at a million dollars. Talking to staff I don't think it will cost anywhere near that.

COMMISSIONER CAMPOS: So that would be a million dollars to the County.

MR. ROSS: Correct.

COMMISSIONER CAMPOS: And is that a – if the situation were a million dollars is the cost, where is the County going to come up with the resources to pay for it?

MR. ROSS: Well, we do have cash reserves and of course we will be receiving \$2.6 million from this transaction.

COMMISSIONER CAMPOS: Thank you, Mr. Chair.

CHAIRMAN SULLIVAN: Okay. Any other questions for Mr. Ross? I've got a couple. Mr. Ross, I just wanted to understand what some of the major changes were from the original concept and presentation that we approved. Perhaps you can correct me if I'm wrong on these. Number one that I saw was that originally, Santa Fe Studios was going to pay for the road improvements, the accel/decel lanes. Now I see that the County is going to pay for that?

MR. ROSS: Right. The change from some of the original proposals that were discussed with this body and discussed certainly with staff over the last four of five months related to primarily the electric infrastructure and the necessity for a substation to be located to provide electrical power for the facility. The belief is that the Studios will have to incur that expense themselves without governmental participation and that's a price tag, it could be as much as \$7 or \$8 million. I think it was at that time that we began discussing whether the County could – since originally we talked about participating in the electrical substation, so at that point I believe is when the discussions turned to well, let's have the County provide improvements to Highway 14 in conjunction with the Highway Department.

CHAIRMAN SULLIVAN: Okay. Because I recall during the initial presentation when we gave the go-ahead in principle, Mr. Hool commenting that they were going to have to pay for the sub-station and this was a cost that they hadn't anticipated but a cost that they were going to absorb. I hadn't recalled them saying that they were going to ask the County to pay for the road improvements. How much are the road improvements going to cost?

MR. ROSS: It's potentially over a million dollars. We have a grant from the state right now to study the issue, which is my understanding has been contracted or is in the process of being contracted. We'll know more when the preliminary engineering report is in from that.

CHAIRMAN SULLIVAN: Okay.

MR. ROSS: We're hoping to do most of through state grants.

CHAIRMAN SULLIVAN: Then another – okay, so we've picked up a million bucks there. Another change that I saw was they originally were going to start, anticipated in paragraph 9.1 starting the project in a year, and now they're saying three years. What occasioned that delay?

MR. ROSS: I'm not 100 percent sure. I think it's all about flexibility to ensure that the project is successful. We have of course a period right now when borrowing money is a

little bit less certain than it was even a year ago. I think that's probably what led to that change, but I think Mr. Hool can certainly address that.

CHAIRMAN SULLIVAN: Okay. I guess he'll discuss that when he comes up. So it's three years. So nothing may happen out here for three years. Is that – technically?

MR. ROSS: Potentially.

CHAIRMAN SULLIVAN: Potentially the situation. Okay. And then I also recall in the first draft that there was 800,000 hours contributed and now it's 500,000 hours in the first – again it was 800,00 in the first five years, now it's 500,000 hours in the first six years, of jobs. Do you know what occasioned that reduction?

MR. ROSS: Yes. Originally, the plan was to do the entire Phase 1, which are all the items that are listed under Phase 1 on the site plan. They've scaled down their expectations a little, along with the issues I described earlier in the financial markets. And so the determination was made that Phase 1A would contribute more like 500,000 hours, as compared with Phase 1B which would contribute approximately 300,000 hours.

CHAIRMAN SULLIVAN: Okay. 500,000 hours would be about 50 jobs a year. Do we know – assuming someone is working 2,000 hours over five years.

MR. ROSS: I'm a lawyer; I don't do math. Mr. Poster does. He's here.

CHAIRMAN SULLIVAN: Well, with 800,000 I came up with 80 jobs a year. So my question is how many of those are construction jobs which of course are temporary and how many of those are permanent jobs?

MR. ROSS: I think Mr. Poster has looked at that. I don't know exactly, but that's certainly a question for him. The 800,000 hours came from – my understanding is from the commitment that Lions Gate made in Rio Rancho. It's the very same commitment.

CHAIRMAN SULLIVAN: Okay. Okay, then, yes, 800,000 is 80 jobs a year. So we're not sure how many of those are full-time jobs because construction jobs can be counted in that tabulation, correct?

MR. ROSS: Yes, construction jobs can be counted.

CHAIRMAN SULLIVAN: Okay. Then another issue that I wanted to talk about initially is paying for the LambdaRail. What was the genesis if that? It's a million that's just something that came up that said, by the way, we need broadband Internet?

MR. ROSS: Mr. Chair, yes. This industry requires broadband Internet as key. As you recalled, we tried to do economic development on this parcel before and the Internet needs of the high-tech industry have been an issue before and have prevented us from doing anything with this parcel before. So it's always been an issue. I believe the belief was or the hope was that since we were already working on the LambdaRail project here at the County, prior in fact to this proposal coming forward, that that was the – since we were going to do it anyway and we were going to participate in this project whether the studio was here or not, for the benefit of the community as a whole and the two governments, that this would be an obligation we could incur without even thinking about it.

CHAIRMAN SULLIVAN: Okay. So that would be another million dollars according to the figures in here, or maximum of a million. Is there any time period on that? Any

maximum time that we have to expend this million dollars?

MR. ROSS: No, there's no terms in the agreement.

CHAIRMAN SULLIVAN: Provide this service within some specified period of time. It's just a commitment to do so. Okay. We were also told that the applicant would come back, probably for about \$3 million in financing through either a PID or a TID, tax incentive district or a public improvement district. Is that still being contemplated? Is that the amount still being contemplated?

MR. ROSS: Mr. Chair, that's still in the agreement. The possibility is still there. I can let Mr. Franklin discuss that. That would be of course for public infrastructure.

CHAIRMAN SULLIVAN: Okay. But is that number still – or are we going to see that increase?

MR. ROSS: I don't think there's a number in here. It's just the agreements preserve the possibility that that could occur.

CHAIRMAN SULLIVAN: There's no number in the agreement but the original presentation to us was about \$3 million.

MR. ROSS: I think the belief was that we would be able to fund some of the public infrastructure in that way. Things like the Highway 14 improvements, maybe a water and sewer improvement.

CHAIRMAN SULLIVAN: And on the water, I understand, the way I read it that they're not going to pay for the water, that we'll provide the water free, but if this whole thing falls through, and we have to take the property back, they commit to pay us \$30,000 an acre-foot for the water. Is that right?

MR. ROSS: Correct.

CHAIRMAN SULLIVAN: Where would they get the money if the thing fell through? Is there some kind of bonding or something?

MR. ROSS: Other than the security in the agreement, no. There's no bond required.

CHAIRMAN SULLIVAN: And it mentions – as I recall they needed 16 acre-feet and we're committing them 25 acre-feet. Do we have 25 acre-feet available for economic development? I thought we had allocated some of that to the college.

MR. ROSS: We did allocate I think three acre-foot to a school about a year ago. One thing we have not been doing though is reallocating pursuant to the resolution we passed two years ago. Every six months, the way that resolution works, we're supposed to do an accounting, and for transactions that have occurred in the previous six months, we're supposed to allocate a percentage of that to affordable housing, economic development, and County purposes and we haven't done that. My expectation is that we actually have more than we realize designated for those items. We just haven't done the accounting.

CHAIRMAN SULLIVAN: But where did we get the 25 acre-feet?

MR. ROSS: Once again, we set it aside at some point.

CHAIRMAN SULLIVAN: It was set aside a long time ago, wasn't it? We've taken three away from that so we have 22.

MR. ROSS: Twenty-two.

CHAIRMAN SULLIVAN: Twenty-two, not 25. And pending this reallocation, if we do it. And why are we committing to 25 when they need 16?

MR. ROSS: Well, we're not committing to 25. We're committing to provide whatever they need for Phase 1A or I suppose if Phase 1 happens.

CHAIRMAN SULLIVAN: Up to that amount.

MR. ROSS: Up to that amount, and they've committed to pay for all the rest, any of their other needs.

CHAIRMAN SULLIVAN: Okay. Paragraph 5.3.5 says that we agree to expedite the buyer's development applications. And I wonder, is that a good commitment to make that we should take some different action on development applications for this applicant than we would take to any other development applicant? How do we expedite that? We have certain notice periods. We have a certain number of hearings. How do we expedite the application?

MR. ROSS: Well, you're right. There's a certain period beyond which you can't expedite because the time requirements are either statutory or set by ordinance. So you can't expedite more than that. But I think what that is intended to provide is we won't sit on the thing. We'll move it along at a reasonable rate. It is what it is. It's not a substantial promise on the part of the County and we can't obviously move along an application that's incomplete or doesn't meet our ordinance requirements, what have you. We certainly can't move an application along more quickly than the notice requirements us to. So it's –

CHAIRMAN SULLIVAN: And a similar commitment – I'm a little nervous with the term expediting. A similar question is on delays. You were reading over a paragraph on delay and it says if governmental approvals are delayed. What does that mean? Certainly there's a period of deliberation that takes place and I've yet to see a development applicant that doesn't think that we take too long to make those deliberations, but in whose eyes – how does one quantify that delay, when they come in and request a delay, which I believe is up to two years. Is that correct? That they're allowed to delay up to two years? I thought I read that somewhere.

MR. ROSS: I don't recall that specifically.

CHAIRMAN SULLIVAN: No? I thought somewhere. Maybe it's out of it now. Probably it's out of it now. How do we quantify – they say, you guys are taking too long to approve our master plan or approve our development plan? Who quantifies that? Does it go to court? Is there an arbiter? How do we do that?

MR. ROSS: In the first instance of course it would be the parties sitting down and discussing it, because we didn't attempt to quantify it in here. So the applicant would come to us and say, Hey, I believe you've taken – two years is too long to process a development permit and we think then we need to invoke the provisions of this 7.2.1 and extend the time period. And if we agreed we'd say, okay, we'll do it. If we didn't agree we'd say, Well, we don't agree and if they didn't like the result I suppose they could go to court and a judge could determine what's reasonable. But implied in all these kinds of contract is something called the implied covenant of fair dealing, reasonableness. We have to be reasonable as well as they, and if two years is too long to hold a development permit without issuing it or taking some action,

well then we would be unreasonable if we did not permit additional time to meet the economic development goals specified here.

CHAIRMAN SULLIVAN: Okay. There was a paragraph about them paying ad valorem taxes. They won't be paying taxes, will they? On this property? Or what kind of taxes will they be paying?

MR. ROSS: Well, they'll be paying property taxes.

CHAIRMAN SULLIVAN: They'll be paying property taxes.

St: And gross receipts taxes.

CHAIRMAN SULLIVAN: Property taxes on the economic development parcel?

MR. ROSS: Not on Phase 1A, if you approve their IRB, but they will pay it on the rest of the parcel.

CHAIRMAN SULLIVAN: Okay. Okay. That's all the questions I have right now. Other questions from the Commission for Mr. Ross? If not, I guess would the applicant like to say a word, comment, any responses?

LANCE HOOL: Lance Hool, 7 Plaza del Centro. Thank you for hearing us again. We have been hard at work since we were here before you six weeks ago. There's been a lot of work done and it's been a lot of give and take. A lot of the questions that you were asking have reasons. On one side we were asked for certain guarantees, so the more guarantees we're asked, obviously, the more time we need and a little more to make sure we meet them, because we're out here to really do a great project and that's the whole purpose of it. We've also reached out to the community. We heard the Commissioner tell us that he wanted to hear what the community had to say. We had a very good forum. And Mr. Ross and staff have been very hard at work and very diligent, so I would ask you to please approve this.

We've also forged some partnership with the community. We have several of the partners here today. I'd like them to be able to say something, if that's okay.

CHAIRMAN SULLIVAN: Go right ahead.

MR. L. HOOL: Okay. So first I'd like Jon Hendry who is the head of the union to come up here and say a few words.

JON HENDRY: Good morning. Thank you, Commissioners. Jon Hendry, 2723 Via Venado. I'm the place with the two power poles in the back yard since they relocated the Rail Runner power poles you can't miss my house. I represent IATSE Local 480. Last time I testified here we had 407 members in Santa Fe County. I'm pleased to announce we have 453 now, and that's in six weeks, with the increased film activity here. If you're concerned about the wages that are going to be paid out at these studios, I represent every job that will be there and we come nowhere close to minimum wage. Most movie jobs and most jobs that we have start at about \$20 an hour and go up from there. And they all come with complete benefit packages. We have three different retirement programs and a complete healthcare program. And we are prepared to service this studio. There is plenty of work in New Mexico right now, in fact we are losing work because there is a lack of studio space even with Albuquerque Studios building two new soundstages down there on an emergency basis for a TV show. So I feel totally confident

the economic model will work here.

We will be working with the Community College. We'll be working with the IAIA. Of course directly across the road we have the old main prison which is designated as a production site by law, and behind that we have Bonanza Creek Ranch which is where we're shooting most of the westerns these days. This is an excellent opportunity for us not to have to drive to Albuquerque every day, \$4 a gallon gas and we're anxious to get this thing going because we've got the movies that want to come and shoot here. So I'd appreciate your support on that.

CHAIRMAN SULLIVAN: Commissioner Vigil, you have a question?

COMMISSIONER VIGIL: Thank you, Mr. Hendry. I always appreciate your input. I did want that clarification on the minimum wage and thought to ask our attorney, but it is my understanding that because most of the industry is unionized that the minimum wage issue is really not an issue. So I appreciate that. What I wanted to ask you specifically is how many requests have we had in the state, perhaps specifically to Santa Fe, for movies, and how many have we had to turn away because we don't have the infrastructure for them?

MR. HENDRY: Commissioner Vigil, that question two years ago would have been a lot. With Albuquerque Studios we've managed to accommodate some of the biggest movies that are being shot worldwide now. *Transformers 2* is shooting here, which is a \$150 million movie. *Terminator 4* is shooting here, which is a \$215 million movie because of the size of the studio space. With the Santa Fe Studios we're going to be able to shoot pictures which would never have looked at Santa Fe before because it needed that big a space and that high a space in particular. The Garson Studios which we have here in the City of Santa Fe, which we've been lucky to have for ten years, has a roof that simply won't accommodate these big pictures.

Currently we're shooting a picture called *Legion* which has taken a hangar at Santa Fe Airport. We've shot in the old swimming pool. We've shot in everywhere we can find with a high roof here and we've kind of run out of space. So while it's hard to estimate, this will double or triple our production capacity by putting these stages in. People are going to look at us, people who previously haven't looked. On your question of how many pictures we'll lost, that's hard to say, but 25 to 30 percent of the pictures we're shooting right now have looked at us, had the conversation with us simply not been able to find space. There's only so many people you can put in the gym at the Indian School. Every big building in Santa Fe today is being used for film production. I hope that answered your question.

COMMISSIONER VIGIL: Yes, it does to a great extent, but I also recognize that with bringing in these production studios in here, not only will we perhaps not be turning films away but we'll be attracting more and I think that you've made that statement initially. And my concern is something that actually underscored and that's the fact that there is filming going on with makeshift infrastructure, with infrastructure that really does not fully accommodate what the movie industry would like to do. I think I saw filming being done at the old Albertson's, and I'm not sure that that even met code. So I guess the desire, my summary is the desire to bring the film industry here is huge.

MR. HENDRY: Commissioner Vigil, you're absolutely right, in fact the filming

that was done at the old Albertson's was closed done by the City because the roof wasn't high enough, the sprinklers weren't far enough away from the lights. I hate to use the word desperation but we're kind of desperate for these studios because we no longer can sustain the volume of filming that we have here. Could I also say that we have a number of local filmmakers, including the Hools, who would like to shoot pictures here who are shooting pictures around the world, who don't want to get on that plane and fly to Los Angeles or Louisiana. Brent Morris who is here for the meeting you postponed has gone to Seattle with a Robin Williams picture because he simply does not have the space here to shoot the movie. The one studio we have was completely booked.

There's another picture coming that requires a 70-foot roof. It takes place on top of Mt. Everest and they're going to build the last 50 foot of Mt. Everest, and they're going to do it with containers. You build a space basically with containers and put a piece of canvas over the top. When you're building with shipping containers you're getting pretty desperate. There's people here that need these jobs and we're going to do what it takes to continue to try to shoot the movies while we wait for Santa Fe Studios.

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

CHAIRMAN SULLIVAN: Thank you, Commissioner. Mr. Hendry, perhaps you can answer the question of the 800,000 hours that they are committing over – well, it's not 500,000 hours. How many of those will be permanent jobs that will carry on beyond the construction of the project?

MR. HENDRY: I'm not sure how they allocated it. I will say that – understand that these jobs, we work 12 to 14 hours a day, five to six days a week. When I hear 500,000 hours – my local, based here in Santa Fe, last year – and we know this accurately because we charge work dues so we keep track of the hours pretty well. But my local payroll last year was over \$30 million. So if you take that, and our average wages start at \$20 and go up about \$27, and do the division – I think the 500,000 or 800,000 is eminently do-able. These are not eight-hour, five-day-a-week jobs. In fact, we call 40 hours a week Wednesday lunch. So we're used to working 80 to 100 hours. My son's working down at White Sands right now on *Transformer*, putting in 100-hour weeks and he's 18 years old. He's making over \$3,000 a week. So these are the type of jobs that we do. That is not a non-do-able sum, if you divide one into the other at 40, it sounds hard. If you divide one into the other at 100, this is easy to reach that sum. I don't think we'll have any problem with two stages.

CHAIRMAN SULLIVAN: So you would think after – can you give us any kind of an estimate, after construction jobs are factored out. Would we be seeing 50 jobs a year, 100 jobs a year, 200 jobs a year, in connection with this undertaking?

MR. HENDRY: Each stage, you're talking 150 people on each stage. It take 150 people to make a movie, minimum. So if you're just talking two stages, you're talking about 300 people. And right now, you're going to fill two stages completely, 365 days a year. That's not a problem.

CHAIRMAN SULLIVAN: So you would figure conservatively, 200 to 300 jobs.

That's the people who make the movie. We also build the sets and do the greens and do the special effects, which is basically digging trenches for propane lines and things like that. On top of the shooting crew there's a whole other construction crew. It takes a lot of people to make a movie. It's not just what you see out there. It's office staff, it's editorial. A small movie employs 150 people, and I don't think they're going to make small movies out there. So you're being very conservative at 200 full-time jobs.

CHAIRMAN SULLIVAN: Okay. Thank you. So 500,000 or 800,000 should be eminently easy to achieve.

MR. HENDRY: That's completely – we're doing it right now, shooting in the old Albertson's and the Indian School gym, and the abandoned swimming pool and things like that. We're quite creative. If we can shoot at a hangar at Santa Fe Airport, we can shoot anywhere, and that's what we're doing right now. We're just making do. You give us a place to make our art and I'll put plenty of people to work. That's not going to be an issue.

CHAIRMAN SULLIVAN: All right. Thank you very much, Mr. Hendry. Anyone else, Mr. Hool, that is pertinent?

MR. L. HOOL: Yes, I'd like to have the Community College represented here today. We have two speakers.

CHAIRMAN SULLIVAN: Okay, we're running a little short of time. We do have a letter from the Community College and we of course invite your comments and if you could summarize them or perhaps give us a copy of your text that would help too. We don't think you're opposed to this but if you are, let us know.

KRIS SWEDIN: We're not. Thank you.

CHAIRMAN SULLIVAN: We haven't started the public hearings yet.

MS. SWEDIN: Oh, excuse me. Do you want me to wait?

CHAIRMAN SULLIVAN: I don't know. It depends on whether you are a part of the applicant's presentation or whether you're a separate public hearing. Do you work for or do you contract with the applicant?

MS. SWEDIN: We do not contract with the applicant. However, we did sign a partnership agreement on behalf of our students.

CHAIRMAN SULLIVAN: Okay. So we'll call you a part of the applicant. Go ahead, please.

MS. SWEDIN: All right. Thank you. My name's Kris Swedin and I work with President Sheila Ortego at the Community College and I'm here representing her and our governing board today. As you know, we did write letters of support for this project, and our governing board passed a resolution of support on May 20th and are urging support from the Commission on this project. This program – what the studio has offered, if it goes forward, is an opportunities for internships for our students that will allow them to work with professional Hollywood producers and the types of equipment that our college could never afford to buy. So it's a really important internship opportunity if it goes forward. And I have a letter here which I'd be happy to submit for the record.

CHAIRMAN SULLIVAN: Thank you very much. Appreciate your input. And

CHAIRMAN SULLIVAN: Thank you very much. Appreciate your input. And there was someone else, Mr. Hool?

MR. L. HOOL: Just two more parties –

CHAIRMAN SULLIVAN: They're growing here. There was just two the last time.

MR. L. HOOL: Sorry. Art wants to say something.

CHAIRMAN SULLIVAN: Okay. Go ahead.

ALBERT REED: Thank you. My name is Albert Reed. I'm from Santa Fe Community College. I'm the Dean of Business and Applied Technologies Instructional Division. Just wanted to speak briefly on behalf of the educational opportunities that Santa Fe Studios can bring to our community, not only for the Community College. We do have our film crew training program and our feeding students into the IATSE and jobs that Jon Hendry spoke of. I wanted to mention that there are so many other avenues to students to enter into this film arena. A number of programs I'll mention that we have going at the college for example, our construction management program, students feeding into the studio through set design. We have fashion and interior design. We have our animation and modeling and 3-D courses. Our largest program at the college is media arts program dealing with the digital media industries.

So there are many ancillary careers that students can become involved in, and having Santa Fe Studios is in a sense – provides an anchor vision for not only our students at the college but I think students in the community in general. There's so many students who when they know there is something out there that they can work toward, I think it can have a positive impact on drop-out rates, student retention and students getting an opportunity to jump in on hands-on careers. So I think there is a huge educational benefit to the Santa Fe Studios here, both directly and indirectly. Thank you.

CHAIRMAN SULLIVAN: Thank you. Mr. Ross, I had a question. I see one ordinance. Are we only dealing with one ordinance, or items B and C also ordinances?

MR. ROSS: Mr. Chair, just one ordinance and the other two are just resolutions.

CHAIRMAN SULLIVAN: The other two are resolutions. Okay. So when we have the public hearing, the public hearing is on the ordinance.

MR. ROSS: Correct. And the ordinance of course adopts the project participation agreement.

CHAIRMAN SULLIVAN: Right. And then the other two are the signatory authority for the Manager. And I have a question about that. It seems there's still some fine-tuning that's needed on this agreement. I sure would like to see it come back, but should we discuss that later or after the public hearing, or how does that fit in here?

MR. ROSS: It's up to you.

CHAIRMAN SULLIVAN: Okay. You had someone else, Mr. Hool?

MR. L. HOOL: Yes, I'd like to extend the same courtesy to IAIA, who's a partner with us, and Highlands College. I think they're both represented here.

LAWRENCE TRUJILLO: Good afternoon, Mr. Chair, Commissioners, My name is Lawrence Trujillo, 1001 Don Juan, Santa Fe, New Mexico. I'm here to represent New

Mexico Highlands University. I'm the Associate Vice President for Finance and Administration.

CHAIRMAN SULLIVAN: Welcome, Mr. Trujillo.

MR. TRUJILLO: I wanted to take this opportunity to encourage the Commission to move forward with this endeavor. New Mexico Highlands University has entered into a partnership with Santa Fe Media Studios in which we see an educational aspect. As many of you may know, New Mexico Highlands University is northern New Mexico's university. A lot of the students, many of the students are from rural New Mexico, and one of the biggest challenges that comes to New Mexico Highlands University is allowing opportunities for the students to progress in their educational endeavors, and at the same time allow them to opportunity to stay within their communities. And we see this as a big opportunity to allow the students to fulfill their dreams and fulfill their educational aspects as well as providing an opportunity to stay within their communities and stay in northern New Mexico

CHAIRMAN SULLIVAN: Thank you, Mr. Trujillo.

COMMISSIONER VIGIL: I have a question.

CHAIRMAN SULLIVAN: Question from Commissioner Vigil.

COMMISSIONER VIGIL: Thank you for being here, Mr. Trujillo. The LambdaRail issue, currently the LambdaRail access issue is from El Paso to Albuquerque and to and from the University of New Mexico. That route should go, and probably will continue through I-25. Has New Mexico Highlands discussed any participation in promoting – not necessarily specifically the LambdaRail but the kind of infrastructure or access that film studios? Or have you even had the opportunity to do that?

MR. TRUJILLO: Commissioner Vigil, one of the areas that New Mexico Highlands University is looking at is providing the infrastructure in Las Vegas. Right now there is – I believe New Mexico Highlands University has moved into the area where a lot of the informational technology is being moved forward. There is a disconnect approximately a mile from Las Vegas that we are currently working with our legislators to provide that opportunity and I believe that that in itself will help move forward with any issues related to the LambdaRail.

COMMISSIONER VIGIL: Okay. It seems to me, I just wanted to comment that the LambdaRail has been firmly supported both by the state and federal governments, based on the fact that that connectivity needs to occur for our institutions of higher learning and our two-year institutions. And it seems to me that if that route continues that all of the universities in the northern part of the state would rally around that and support it through the state and federal government.

MR. TRUJILLO: Mr. Chair, Commissioner Vigil, that is true. New Mexico Highlands University has been committed, along with our area delegation to move forward in this endeavor.

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

CHAIRMAN SULLIVAN: Mr. Hool.

MR. L. HOOL: Sorry. Carlos from IAIA had to leave, so he's not going to be speaking. However, I'd like Jason to address the \$3.6 million that we had originally asked for the TIFF, if you don't mind.

CHAIRMAN SULLIVAN: Don't mind at all. I always like to talk about the money.

JASON HOOL: Good afternoon, Mr. Chair and Commissioners. If you recall, in early April when we first made our presentation we spoke about requesting a number of things from you. One was to continue your priority for the film and media industry, which is fantastic, and we just ask for that long term. But we also ask you for the sale of the property, and we also discussed the \$3.6 million estimate for the infrastructure which we wanted to explore with you all and your staff how to finance that. The attorney mentioned that there are some capital funds that might be available for that, but I'd also like to remind you that part of that \$3.6 million was an estimate for Highway 14, an estimate for the LambdaRail, an estimate for the water/sewer improvements. I just want to remind you of that.

And I also would like to remind you of Bruce Poster's economic impact study that he did for you all, which estimated on the order of north of \$3 million worth of gross receipts taxes generated on an annual basis by the business being generated at the park. So weighing that with the estimated \$3.6 million one-off capital investment on public infrastructure, I think you can weigh that. I think that's all I have for now.

CHAIRMAN SULLIVAN: Well, let me just clarify. The \$3.6 million included an estimate of the LambdaRail and the improvements, but the difference now being that Santa Fe County is committing to pay for those in cash, as opposed to them previously being under an improvement district, which would be bonded and paid off either through your property taxes or whatever.

MR. J. HOOL: I'll let the County Attorney respond to that.

MR. ROSS: Mr. Chair, we're leaving all the options open in the agreement. So we can pay for them with cash if we so choose, or we can pay for them through the appropriate district. We've left all those options in the agreement. So it's our choice.

CHAIRMAN SULLIVAN: Okay. Thank you, Mr. Hool. Any other Hools? Okay. Are there any other questions of the applicant? Commissioner Montoya, then Commissioner Campos.

COMMISSIONER MONTOYA: Thank you, Mr. Chair. Lance, my understanding is that this is going to provide local people – local people an opportunity to get jobs on these sets where they're going to be able to, as they get the experience necessary, move up the ladder, so to speak.

MR. L. HOOL: That's absolutely correct. That's the whole reason that we have entered into these partnerships with the universities and the Community College. It is our desire to grow Jon Hendry's union to be if not the biggest, certainly the second biggest to Hollywood. That is the purpose, yes.

COMMISSIONER MONTOYA: Okay. So in other words, someone's not going to get stagnant just doing one thing. They're going to be able to get the opportunity to have

different experiences at different levels.

MR. L. HOOL: That's right.

COMMISSIONER MONTOYA: Writers, producers.

MR. L. HOOL: Yes. And we've only – with Jon Hendry's union we've only been talking about what we call below the line work, but there's also – there's actors, there's directors, they're writers, there's lawyers, there's accountants. The film industry encompasses not only all the arts but also all the business facets of any industry. And I think that there's a plethora of local talent that needs to have a chance to come up.

COMMISSIONER MONTOYA: Which would be above the line?

MR. L. HOOL: That's right. That's right. And for instance, you can start as an assistant cameraman and work yourself up to be a cameraman, and many cameramen become directors. Some directors become producers and some producers become studio heads and that's – studios in the world of distribution and actual investment in film. So yes. It's open. As I think I told you before, I started out as a horseman in a movie, just riding my horse and falling down when they told me to. On cue.

COMMISSIONER MONTOYA: So then the only question I would have then is how would we ensure that we make sure that these local people, these local talents, have the opportunity to go through that continuum.

MR. L. HOOL: It's very much by having the community be part of it, and these partnerships with all the universities that want to be part of creating a media alumni that will be coming into the film business in this manner. And not only that. There are a lot of talented people here already doing a lot of things that can be used in the film business, from woodwork, to artists painting sets, doing all kinds of things. We're also talking with Los Alamos Lab, with Sandia, with Cerelink from Intel to create more of what the future of film is going to be, which is going to more and more in the 3-D and what we call green screen, which will be all shot inside a studio, like Ironman and these movies that actually don't go out to sets, to the countryside anymore. They do it all inside the studio. So there's going to be huge opportunities for new technology as well.

COMMISSIONER MONTOYA: Yes. I think, Mr. Chair, this is an exciting opportunity to do some real economic development here in Santa Fe County using local people, local talent to be able to do that. I'm going to say today I'm leaving politics and I'm going to go into acting. So I want to make that announcement.

MR. L. HOOL: Very good.

CHAIRMAN SULLIVAN: Thank you, Commissioner. Commissioner Campos.

COMMISSIONER CAMPOS: Mr. Hool, minimum wage?

MR. L. HOOL: Yes. We will go with the higher one.

COMMISSIONER CAMPOS: You would agree to go with the City of Santa Fe ordinance as it is today.

MR. L. HOOL: Sure.

COMMISSIONER CAMPOS: Or that may change in the future.

MR. L. HOOL: Sure. As Jon Hendry said, all of these jobs are high-paying jobs

as far as the crew. Janitorial and things like that, of course, we will go with the higher rate.

COMMISSIONER CAMPOS: I appreciate that very much.

MR. L. HOOL: Thank you.

CHAIRMAN SULLIVAN: Mr. Hool, a question that Commissioner Campos had. On your map, it's very hard for those of us who are over 21 –

MR. L. HOOL: I think I'll let Jason answer that one because he's an engineer.

CHAIRMAN SULLIVAN: To read this map, but we do all right in colors. There's a pink color, and I'm trying to understand what we're committing to in the project participation agreement is phases 1A and 1B. Is that correct?

MR. L. HOOL: On the participation parcel?

CHAIRMAN SULLIVAN: We're talking about your providing 800,000 hours –

MR. L. HOOL: Oh, we're talking about parcel 1A.

CHAIRMAN SULLIVAN: It says Phase 1.

MR. L. HOOL: Sorry. Phase 1.

CHAIRMAN SULLIVAN: And then ours says A, it includes several things, and then there's a little bracket B. They're all pink. And what I'm looking at is there's a lot of buildings that are orange in the picture. What are the orange buildings and where are the two soundstages. I don't see any of these pink buildings in Phase 1 that say soundstage.

MR. J. HOOL: I don't have a copy but I'll come up and show you.

CHAIRMAN SULLIVAN: You see what's marked A and B and Phase 1? We've been talking for an hour and half about Phase 1A, and B, and that's shown in pink and there's a whole lot of stuff that's shown in orange, which doesn't have a legend. Phase 2 shows as – it looks like a purple, and Phase 3 as a blue. So my question is two-fold: What's the orange? And then where are the soundstages in Phase 1?

MR. J. HOOL: First of all, this does not accurately reflect the division between 1A and 1B. I'll verbally give it to you but it's also written in the legal documents that the County Attorney was addressing earlier.

CHAIRMAN SULLIVAN: What's the difference? Are the brackets wrong?

MR. J. HOOL: From a wider perspective, Phase 1 is the pink and the orange. Phase 1A would be effectively half of the entire Phase 1, so it would be two soundstages and some offices and some warehouse. And then Phase 1B would be the balance.

CHAIRMAN SULLIVAN: And where are those soundstages? Are they in the orange?

MR. J. HOOL: Yes, they would be two of the orange, which is current –

CHAIRMAN SULLIVAN: Two of the orange. And then there's another two that would be sometime in the future.

MR. J. HOOL: Yes, which would be B.

CHAIRMAN SULLIVAN: Okay. So it would be helpful I think to revise this map, right?

MR. J. HOOL: Sure. No problem.

CHAIRMAN SULLIVAN: Okay. Because I think – was that a part, Mr. Ross,

of the agreement, or was this just an illustratory map?

MR. ROSS: Mr. Chair, this was illustrative, and I believe that the orange and the pink is the interpretation given to Mr. Hool's diagram by the Legal Department printer.

CHAIRMAN SULLIVAN: I see.

MR. ROSS: We have this problem all the time with this particular chart that it comes out in two different colors but it's all supposed to be one. When you look at on the screen, it's just one color. So I apologize for that.

CHAIRMAN SULLIVAN: It's very useful. It's very hard to pick all these things out of the agreement, obviously, so if we could get this revised and get it up on the website and so forth so the people can see what we're talking about here and what we're committing to. That would be useful. Okay, so to summarize, Mr. Hool, then, the pink and the orange is Phase 1.

MR. J. HOOL: Correct.

CHAIRMAN SULLIVAN: And some division of that is 1A and 1B.

MR. J. HOOL: Correct.

CHAIRMAN SULLIVAN: Now is the division correct the way it's written out here? A and B, and are just the colors wrong, or does that written part also need updating.

MR. J. HOOL: The written part is incorrect as well.

CHAIRMAN SULLIVAN: Okay. So we need –

MR. J. HOOL: What is correct are the legal documents.

CHAIRMAN SULLIVAN: Okay. And Mr. Ross, legal documents tell us what 1A and 1B are?

MR. ROSS: Yes. And we're going to of course have a plat that will delineate it with survey accuracy.

CHAIRMAN SULLIVAN: Okay. Thank you, Mr. Hool. Other questions for the applicant? Seeing none, this is a public hearing. We are considering an Ordinance 2008-7, to approve an economic development project with La Luz Holdings, LLC. Is there anyone in the public who would like to comment in favor of or in opposition to that ordinance?

ROSANNA DILL: My name's Rosanna Dill. I live at 10 Featherbush Court out in your district, Commissioner Sullivan. Out in Eldorado.

CHAIRMAN SULLIVAN: Mr. Ross, is this a land use hearing? Do they need to be sworn?

MR. ROSS: No, Mr. Chair.

CHAIRMAN SULLIVAN: Okay. Thank you. Go ahead.

MS. DILL: I happen to be a student at the Community College. I'm part of that film technicians training program, and I'd like to say that I really hope this kind of studio project can go forward because I agree with Commissioner Montoya. I'd like to be able to be one of those local people that has one of these \$20+ jobs eventually. I'd also like my daughter – I have a daughter who just graduated from Santa Fe High. She's going to go to UNM, and I'd like her to be able to have some chance of being able to come back to Santa Fe to make her home with her family and not have to look for work elsewhere, and I think the studio would be

a great opportunity for that. Thank you.

CHAIRMAN SULLIVAN: Thank you. Anyone else? If you'd like to speak just come up and have a seat on the front bench.

DENISE LYNCH: Hello, I'm Denise Lynch. I live in Galisteo at Magdalen 1. I'm an intern currently at the Community College and this is a short film that my professor did, Monique Anair.

CHAIRMAN SULLIVAN: Is that the one on the website?

MS. LYNCH: Yes.

CHAIRMAN SULLIVAN: I think we've seen that.

MS. LYNCH: Oh, you have?

CHAIRMAN SULLIVAN: Yes. That has the five or six –

MS. LYNCH: Maybe there are some other people that want to see it. I don't know if it will show or not.

CHAIRMAN SULLIVAN: Perhaps we can direct them to the website on it?

MS. LYNCH: That would be great. Thank you.

CHAIRMAN SULLIVAN: Sure. I think Commissioner Vigil provided that to all the Commissioners. It was very interesting. Thank you.

GERRY KING: Commissioner Sullivan, my name is Gerry King. I'm with the State Land Office and also a resident of Santa Fe County. First and foremost, on behalf of Commissioner Lyons, I'm here today to say to the Santa Fe County Commission, to thank you for not giving up on this project, for showing the leadership that finally needed to be taken to bring an economic incentive program to Santa Fe, to bring these jobs and do things. It was really a public public private partnership, and I'm glad we found a good partner in the Hools and Santa Fe Studios, and again, Commission, thank you and I've just got to say one note. Listening to Jon Hendry, I was out at Mesa del Sol the other day and Mesa del Sol guys they took me around and they said, Hey, Albuquerque Studios is building on because we don't have enough space, and being a Santa Fe County boy, I'm a little tired of that. So I would urge your support so that we can get that business here in Santa Fe County. Again, thank you, Commissioners.

CHAIRMAN SULLIVAN: Thank you, Mr. King.

DANIEL PARIS: Good afternoon. My name is Daniel Paris, 518 Old Santa Fe Trail. I have a comment specifically for Commissioner Montoya. One of your frequent concerns is how is this type of project actually going to actually link local folks and small businesses with the film industry. I have launched a business about three weeks ago called crewnewmexico.com that specifically allows individuals and businesses to advertise directly to the movie industry. We've been open about three weeks; I've got 40 people already signed up in three weeks. Actors, realtors, accountants, vacation rentals, hotels, the Holiday Inn. And that's just in three weeks and that's just in Santa Fe and we haven't started advertising at all. So I'd like to let you know that there is a resource for individuals who are here coming out of school who want to make a career change or businesses who are interested in reaching out to the film industry, now have a direct portal, that's my company, where they can advertise on my site and be seen and

reach out directly to the film industry. I have some flyers here. We have over 250 business specialties that we can host.

COMMISSIONER MONTOYA: I've got to talk to you then.

MR. PARIS: Yes. Come see me. I'll give you a flyer.

CHAIRMAN SULLIVAN: Commissioner Montoya will be contacting you in the morning. Who else would like to speak?

RICHARD DRAPER: Mr. Chair, Commissioners, my name is Richard Draper. I'm president of Cerelink, Incorporated. We're a technology solutions company based here in New Mexico, founded by four former Intel managers from the New Mexico campus. I commend this project just because of the film aspect which excites me as a boy growing up in Southern California many years ago and loving the film industry then. But today what excites me about it, and Lance Hool referred to the digital aspects of this. Our CTO is one of the kind of fathers of the LambdaRail system here in New Mexico, a former professor at UNM for many years in advanced computing. We think he can be helpful in discussions with the County and Santa Fe Studios and finding the best way to connect LambdaRail to this site, also looking at other digital highway opportunities.

We think there's a great digital media aspect to what the Hools are doing and their exciting project south of here. Digital media, as Lance said, is a growing aspect of the business and more and more media is moving that way by creating a huge pipeline from here to Los Angeles or elsewhere in the world for digital artists, to help complement what's being done in the film soundstages. This is a whole new other part of this business and we're very excited about that, to bring those kinds of jobs as well as the film jobs. Both complement each other in this studio project. So we're very enthusiastic and we commend your support as well.

CHAIRMAN SULLIVAN: Thank you for your comments. Anyone else? If not, we'll close the hearing and we're back to the Board for any further discussion on item X. B of the agenda. If not, the chair will entertain a motion.

COMMISSIONER MONTOYA: Mr. Chair, move for approval.

CHAIRMAN SULLIVAN: Moved by Commissioner Montoya for approval of Ordinance 2008-7.

COMMISSIONER VIGIL: Second.

CHAIRMAN SULLIVAN: Seconded by Commissioner Vigil. Further discussion?

COMMISSIONER CAMPOS: Mr. Chair.

CHAIRMAN SULLIVAN: Commissioner Campos, then Commissioner Anaya.

COMMISSIONER CAMPOS: Does that include the change to the minimum wage definition?

COMMISSIONER MONTOYA: I would like to include that. Yes.

CHAIRMAN SULLIVAN: Okay. Secunder?

COMMISSIONER VIGIL: Yes.

MR. ROSS: And Mr. Chair, Mr. Franklin just noticed an omission in the agreement, the PPA. I just wanted to briefly point that out to you. We were talking a little bit

earlier about the paragraph in the agreement. It's on page, I believe, 16 of the PPA.

CHAIRMAN SULLIVAN: PPA means project participation agreement, I bet.

MR. ROSS: Oh, never mind. Never mind.

CHAIRMAN SULLIVAN: Never mind. Okay. Never mind, Mr. Franklin said.
Commissioner Anaya.

COMMISSIONER ANAYA: Mr. Chair, I'm glad to see that finally, after many, many years of this that this land has been sitting vacant, that we're finally going to do something with it, and I think this is a win-win situation, good partnerships. So I am strongly in support of this movie studio. Thank you, Mr. Chair.

CHAIRMAN SULLIVAN: Okay. Other comments.

COMMISSIONER VIGIL: Thank you. There's been no doubt that I've been in support of this. I keep restating that. I just want to make a couple of statements. The sheer volume and the capacity of this economic development project will be unequaled, has been unequaled and will continue probably for a great length of time to be unequaled. The integrity of this project has been unequaled. The character of this project, based on the fact that the project participants want to do the best that they possibly can for Santa Fe County, for the job market in Santa Fe County. They're looking to build green. There is no better project that we could do, and I actually think that we'll be setting a huge benchmark, indeed a precedent, for where Santa Fe County will go by adopting this ordinance. Thank you very much to the Hools for their patience, for their ability to negotiate a project participation agreement, and for their continued commitment, which I have heard repeatedly, to this community. I appreciate it unequivocally.

COMMISSIONER CAMPOS: Mr. Chair, I just want to say it's a great project. I thank you, Lance and Jason for working with us. Javier, appreciate it.

CHAIRMAN SULLIVAN: Other discussion? Seeing none. There's a motion.

The motion to approve Ordinance 2008-7 passed by unanimous [5-0] roll call vote with Commissioners Anaya, Campos, Montoya, Vigil and Sullivan all voting in the affirmative.

- X. C. **Consideration and Approval of Resolution No. 2008-90, a Resolution Granting the County Manager Signatory Authority for Executing the Project Participation and Land Transfer Agreement, the Override Agreement, the Override Parcel Security Agreement, the Override Parcel Mortgage, the LEDA Performance and Right to Repurchase Agreement, the LEDA Parcel Mortgage, and any Other Documents Necessary to Effectuate the Purchase and Sale of the Santa Fe County Economic Development Parcel to La Luz Holdings LLC and Santa Fe Film and Media Studios Inc. as set Forth in Ordinance No. 2008-7, Approving a Santa Fe County Economic Development Project with La Luz Holdings, LLC and Santa Fe Film and Media Studios, Inc.**

CHAIRMAN SULLIVAN: The question I have on this, Mr. Ross, is that how far does this authority go? At what point in your judgment or in the County Manager's judgment would some, if any of these things be brought back to the Commission. I'm always a little skeptical of blank check resolutions.

MR. ROSS: Mr. Chair, if there are any changes made we would have to bring those back to you. This is just authority for him to execute these agreements on your behalf and necessary closing documents like settlement sheets and things like that.

CHAIRMAN SULLIVAN: All right. But if there are any changes to what has been approved here those changes would have to come back to us.

MR. ROSS: Correct.

CHAIRMAN SULLIVAN: Okay. So we have a resolution. Is there any discussion?

COMMISSIONER MONTOYA: Move for approval

COMMISSIONER VIGIL: Second.

CHAIRMAN SULLIVAN: A motion by Commissioner Montoya, seconded by Commissioner Vigil, and Commissioner Vigil has a question.

COMMISSIONER VIGIL: What's the number of the resolution?

CHAIRMAN SULLIVAN: 90.

COMMISSIONER VIGIL: 90. Second on that.

CHAIRMAN SULLIVAN: Seconded, okay. We have a motion and a second. Is there discussion?

The motion to approve Resolution 2008-90 passed by unanimous [5-0] voice vote.

X. D. Consideration and approval of Resolution No. 2008-91, an Inducement Resolution for IRB Financing to Benefit La Luz Holdings LLC and Santa Fe Film and Media Studios, Inc.

CHAIRMAN SULLIVAN: Could you briefly explain, Mr. Ross or Mr. Franklin, exactly what this is?

PETER FRANKLIN (Bond Counsel): Mr. Chair, members of the Commission, this inducement resolution is an expression of this Commission's intent to consider a bond ordinance authorizing industrial revenue bonds in support of the Santa Fe Studios project. The reason an inducement resolution is usually requested is that during the period from the adoption of the resolution to the issuance of the bonds, if the applicant incurs eligible expenditures, which would otherwise be subject to gross receipts tax, those expenditures can actually be exempted from gross receipts tax. So for things like equipment, furnishings, fixtures, basically everything that's not bolted down in the studio, no ingredients of construction, those items, the cost of purchasing those items would be free of the gross receipts tax from the time the inducement resolution is adopted. The rub is that if there's no legal – the resolution is not binding on this Commission to then go forward and approve a bond ordinance. That's a separate action of this Commission and any gross receipts tax relief that would have been available for those equipment purchases from the inducement resolution then goes away and the requirement to pay gross receipts taxes on those purchases sort of reattaches. It's a very technical explanation, but that's it.

CHAIRMAN SULLIVAN: If an IRB is not approved.

MR. FRANKLIN: That's correct, Mr. Chair.

CHAIRMAN SULLIVAN: And what does it mean that – this pertains to the \$40 million in bonds that is anticipated to pay for the improvements in Phase 1, is that correct?

MR. FRANKLIN: That is correct. The private improvements. No public improvements.

CHAIRMAN SULLIVAN: Private improvements. Gottcha. Now what does it mean when it says the principal and interest on Series 2008 bonds shall be payable solely from lease rentals or payments on the property? What does that mean?

MR. FRANKLIN: What that means, Mr. Chair, is that under the Industrial Revenue Bonds Statute, the form of the transaction that's required by statute is that their legal title to the property is transferred by the owner to the County. The County then leases the project property back to the applicant, in this case La Luz and Santa Fe Studios, for the period during which the bonds are outstanding, which is a maximum of 30 years. And if the – the rents, payable under the lease pay debt service on the bonds.

CHAIRMAN SULLIVAN: Rents payable –

MR. FRANKLIN: Payable to the County are actually assigned to a trustee, and used to pay debt service on the bonds to the holder of the bonds.

CHAIRMAN SULLIVAN: Okay. And if there's not adequate rents generated, what happens?

MR. FRANKLIN: There is no recourse to the County, or of any kind.

CHAIRMAN SULLIVAN: No recourse, meaning –

MR. FRANKLIN: In other words, the County has neither legal obligation nor legal right to use any of its revenues to support debt service on an industrial revenue bond.

CHAIRMAN SULLIVAN: Okay, so if the rents paid into the trustee are inadequate, then you have a bondholder problem, not a County problem.

MR. FRANKLIN: That's correct. And usually in IRBs such as this one that's being contemplated, the holder would actually get a mortgage on the property, and that's really – these documents that we've been going through anticipate that there would be financing liens, one of which may be a mortgage held by the bondholder to secure payment.

CHAIRMAN SULLIVAN: And if they need more than \$40 million, what happens?

MR. FRANKLIN: They'd have to apply for – they'd have to request a new inducement resolution and request that the amount be increased.

CHAIRMAN SULLIVAN: And if they don't need as much as \$40 million, what happens?

MR. FRANKLIN: You would normally take care of that, I think, in the bond ordinance. You would authorize the amount being authorized.

CHAIRMAN SULLIVAN: It's kind of like a line of credit; they can draw down on it. Is that sort of how it works? Or do they get the \$40 million right up front?

MR. FRANKLIN: Well, it really depends on what the arrangement is with the bondholder. If the bondholder is a bank, which they are at times, it would be a matter of whether the bank is setting it up as a construction loan, which would be on a draw basis, or some other way. I think normally it would be a draw basis.

CHAIRMAN SULLIVAN: Okay. Other questions for Mr. Franklin about the inducement resolution.

COMMISSIONER ANAYA: Move for approval.

CHAIRMAN SULLIVAN: Seeing none, we have a motion for approval by Commissioner Anaya.

COMMISSIONER VIGIL: Second.

CHAIRMAN SULLIVAN: Seconded by Commissioner Vigil. Is there discussion on Resolution 2008-91?

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

CHAIRMAN SULLIVAN: All right. We've now reached the 1:00 Housing Study Session. It's now 1:40 and we will adjourn for lunch and we will return at 2:30.

[The Commission recessed and reconvened following the study session at 3:35.]

CHAIRMAN SULLIVAN: The presentation on the oil and gas ordinance is

scheduled for 4:00 because they have another meeting with the CDRC at 5:00. So we'll press on here and when we get to 4:00 we'll skip down to that item and get that update from the consultant team.

XII. MATTERS FROM THE COMMISSION

A. Election of Chair and Vice Chair (Board of County Commission)

CHAIRMAN SULLIVAN: My recollection is that we did this last December or January. Roman, is that correct?

MR. ABEYTA: Mr. Chair, we researched the minutes and yes, we did. In January we appointed a chair and vice chair to serve for six months. We said come July we would – Commissioner Campos who is the current vice chair would become chair, but we did not select a vice chair at that time. The Commission decided to hold off on the selection of a vice chair and bring it back now in June.

CHAIRMAN SULLIVAN: All right. So I guess what we need then is we've already elected the chair for six months for the balance of the calendar year and you're saying we need a vice chair.

MR. ABEYTA: Now we need a vice chair. That's of course unless Commissioner Campos for some reason would not want to be the chair for the next six months, now would be the opportunity to designate a new chair.

CHAIRMAN SULLIVAN: Okay, let's first check with Commissioner Campos. Are you on board? Commissioner Campos is on board. Okay. Because I recall it was Commissioner Vigil who made that motion back in January. So we now need a vice chair. What's the thinking? Volunteers? Step forward.

COMMISSIONER VIGIL: I'll volunteer.

CHAIRMAN SULLIVAN: I know at one time Commissioner Anaya had expressed some interest in it and Commissioner Vigil is also interested.

COMMISSIONER VIGIL: I'd be happy to.

COMMISSIONER CAMPOS: Do we have a race going on here?

CHAIRMAN SULLIVAN: We have two interested Commissioners for vice chair. And Commissioner Montoya. Would you three like to talk it over separately.

COMMISSIONER MONTOYA: I'll let them flip a coin.

CHAIRMAN SULLIVAN: Okay, do we have a vice chair nomination from anyone on the board?

COMMISSIONER ANAYA: Mr. Chair, I'll nominate Commissioner Vigil as vice chair.

COMMISSIONER CAMPOS: Second.

CHAIRMAN SULLIVAN: Okay, we have a nomination from Commissioner Anaya that Commissioner Vigil be vice chair, for the balance of the calendar year. Is that your motion?

COMMISSIONER ANAYA: Yes.

CHAIRMAN SULLIVAN: For the balance of calendar year 2008. And a second from Commissioner Campos. Any other nominations?

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

CHAIRMAN SULLIVAN: Congratulations.

XII. B. Discussion and Possible Approval of District 2 Community Funds for a Youth Arts Workshop and the Creation of a Permanent Art Structure to Be Fixed At the Agua Fria Community Well Site (Commissioner Vigil)

CHAIRMAN SULLIVAN: Perhaps the Commissioner could also explain what community funds are.

COMMISSIONER VIGIL: Thank you, Mr. Chair. Let me first address your question. I think I requested community funds based on some guidance I received. I think from those people who have done research on what our discretionary funds actually are, and I think discretionary funds have always really brought up a red flag semantically. What we try to do with these funds is take them back to the community. So it has been my recommendation and I have recommended to staff that we call the funds that we allocate for our community and our community projects, community funds rather than discretionary funds. That's, I think, my response to that and I think semantically it makes sense too.

The project I'm requesting these funds for is a project in Agua Fria that will bring forth students to learn a particular skill or skills and work with particular tools with some of the members of the Agua Fria community to erect a permanent art structure to recognize the history and contribution of the Agua Fria traditional historic village. I think it's sited right now to be around the Agua Fria Community well site, but I think the JPA or the memorandum of agreement currently specifically states that. But I think my concern about getting this is I want these dollars to go particularly to this project and I think we have an encumbrance deadline. I don't know if that's accurate. Is that true, Roman? If these aren't encumbered now we may lose it and I don't want this community to lose the opportunity to go forward with this project.

MR. ABEYTA: Mr. Chair, Commissioner Vigil, it is better that we do encumber these now. We could carry them over but there's a process that we would have to follow. The cleanest thing is to encumber them now.

COMMISSIONER VIGIL: Okay. And I think, Mr. Chair, there is no packet information because we have the project identified; we just need to work out the details of the memorandum of agreement and I'm happy to bring those forth once they are.

CHAIRMAN SULLIVAN: We have a memorandum.

COMMISSIONER MONTROYA: I'll move for approval.

CHAIRMAN SULLIVAN: Motion for approval. Is there a second?

COMMISSIONER VIGIL: Second.

CHAIRMAN SULLIVAN: Seconded. Discussion on the motion?

The motion passed by unanimous [4-0] voice vote with Commissioner Campos abstaining.

COMMISSIONER CAMPOS: We could also call it the re-election fund or the political advancement fund.

COMMISSIONER VIGIL: I think semantically that would really – that sort of defeats the purpose.

CHAIRMAN SULLIVAN: I don't think she can be re-elected to the Commission at least, can she? Political advancement fund. Okay. We'll call it that.

XII. C. Discussion and Possible Approval for Expenditure of Discretionary Funds In the Amount of \$10,800 for NMSU 4 H Program (Commissioner Anaya)

COMMISSIONER ANAYA: Thank you, Mr. Chair. This community fund money would go to the New Mexico State University to purchase a van for the 4-H kids in Santa Fe County. The van is more than this amount but hopefully we'll be able to work with NMSU to get the second half of this money to purchase a van.

CHAIRMAN SULLIVAN: Okay. There's the item and did you want to make a motion, Commissioner Anaya?

COMMISSIONER ANAYA: I move to approve.

CHAIRMAN SULLIVAN: There's a motion for approval. Is there a second? I'll second. Discussion? Any discussion on this motion.

The motion passed by unanimous [4-0] voice vote with Commissioner Campos abstaining.

XII. OTHER MATTERS FROM THE COMMISSION

CHAIRMAN SULLIVAN: If we have any other matters from the Commission, I just wanted to start briefly by saying congratulations to our new elected County Commissioners, Kathy Holian and Liz Stephanics, who were successful and congratulations on a well run and hard-fought campaign and I'm sure the other Commissioners look forward to your inclusion on the Board come January 1st. And also to say my very best to Commissioners Campos and Montoya for the excellent campaigns they ran for the House District 3 and Public Regulations Commission, also District 3 I think it was. I know those were difficult campaigns and time consuming ones and at the same time they had to attend to County business which

they did quite well and I certainly congratulate them on if not winning at least I think moving the discussion forward considerably. I appreciate that.

And the only other question I had, Roman, was I haven't heard much about our well monitoring program lately. Is there anything you can tell us about that?

MR. ABEYTA: Mr. Chair, no, not right now, off the top of my head but I can get you that update.

CHAIRMAN SULLIVAN: Okay, if we could perhaps next month get a brief report on that. We still have an employee that does that, don't we?

MR. ABEYTA: Yes, we do.

CHAIRMAN SULLIVAN: Okay. Good. Going down the line then, Commissioner Montoya, matters from the Commission.

COMMISSIONER MONTOYA: In terms of, I would just like to reiterate what you said. Congratulate Kathy, look forward to working with you the next two years. I would hoped not to have, but I didn't win my election so I'm here for two more years. Congratulations and also to Liz Stephanics. Valerie, congratulations on your re-election and Victor Montoya, our County Treasurer who also got re-elected. I just wanted to extend my congratulations to all the newly and re-elected officials.

CHAIRMAN SULLIVAN: Thank you, Commissioner. Commissioner Campos, matters from the Commission.

COMMISSIONER CAMPOS: I would repeat what Commissioner Montoya said. Congratulations, Kathy. Job well done. I look forward to talking to you about District 4 and other County issues. And Valerie, all the folks who were re-elected. Good job.

CHAIRMAN SULLIVAN: Sorry, didn't mean to overlook Victor and Valerie. Also, they ran extraordinary campaigns, and Valerie will be my next campaign treasurer for whatever I run for. Whatever it is. She does a great job at that. Commissioner Vigil.

COMMISSIONER VIGIL: I thought I ran an extraordinary campaign.

COMMISSIONER ANAYA: Hundred percent of the vote.

COMMISSIONER VIGIL: Hundred percent of the vote.

COMMISSIONER MONTOYA: I congratulated you March 18th, Commissioner.

COMMISSIONER VIGIL: Let me join my fellow Commissioners in congratulating all of the winners. Hard campaigns that were out there. I also think we need to recognize all of the candidates who elected to run for these positions. It shows an incredible amount of interest, just by the sheer volume of those interested in the Commission, that the community is highly concerned about the direction this Commission will be taken. I know I attended several forums and at one of them I said everybody who puts themselves out there to run for elected office is to be congratulated, in particular those who were the victors because they got their word out there, but those others who ran, they deserve a pat on the back for doing what they did, for making a commitment to public service in the future, and I want to also recognize them. Thank you, Mr. Chair.

CHAIRMAN SULLIVAN: Thank you. Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Mr. Chair. I too want to congratulate the people that ran for office, and I want to congratulate Commissioner Montoya and Commissioner Campos for keeping it clean. There was a lot of negativity going on out there and you guys were – it's easy to go negative but you guys kept it clean. Congratulations to Valerie and Commissioner Vigil and to Kathleen Holian and Liz Stephanics. Kathleen and I served on the CDRC together, so now we'll be serving on the Commission together. So congratulations and thank you.

CHAIRMAN SULLIVAN: Thank you, Commissioner.

XIV. STAFF AND ELECTED OFFICIALS' ITEMS

A. Community Services Department

1. Consideration of Resolution No. 2008-92, a Resolution Approving the 2008 Community Wildfire Protection Plan (CWPP)

DAVE SPERLING (Deputy Fire Chief): I'm here right now to introduce Emily Geary from SWCA Environmental Consultants who assisted us in the preparation of our Community Wildfire Protection Plan to give you a brief overview of the plan.

EMILY GEARY: Hello, and thank you for having me. I'd like to give you a brief overview of the Santa Fe County Community Wildfire Protection Plan. This plan addressed the hazards and risks of wildfire throughout the entire county, and it makes recommendations for fuels reduction projects, public outreach and education, the reduction of structural ignitability and fire response capabilities. The project identified areas of wildland urban interface, and these are the areas where wildland fuels mix with structures. These are the areas that really present the greatest threat to life and loss of property.

So the recommendations mostly focus on these wildland urban interface areas. The plan was cooperatively developed with County officials, fire officials, state, federal and tribal entities and had a large public involvement component. We had eight public meetings and at these meetings we solicited public comments and incorporated them into the draft. And at this time I would like to ask if you have any questions about the plan.

CHAIRMAN SULLIVAN: Questions from the Board?

COMMISSIONER VIGIL: Question.

CHAIRMAN SULLIVAN: A question from Commissioner Vigil.

COMMISSIONER VIGIL: Is there a distinction between this and our wildland urban interface ordinance?

MS. GEARY: Yes.

COMMISSIONER VIGIL: Please distinguish them for me.

MS. GEARY: The Wildland Urban Interface Ordinance was more of the baseline for this project. This project addresses the entire county. And also, there are no teeth behind the recommendations. The recommendations are guidelines but they are not ordinances.

So we recommended that the recommendations in the plan be adopted into ordinance in the future, but that's how the two are related.

COMMISSIONER VIGIL: Okay. So you are recommending adoption by amending the ordinance. Thank you. Thank you, Mr. Chair.

CHAIRMAN SULLIVAN: Other questions? Seeing none, do we have a motion?

COMMISSIONER MONTOYA: So moved.

CHAIRMAN SULLIVAN: Motion for approval of Resolution 2008-92 by Commissioner Montoya.

COMMISSIONER VIGIL: Second.

CHAIRMAN SULLIVAN: Seconded, Commissioner Vigil. Discussion?

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

STAN HOLDEN (Fire Chief): This is just to give thanks to Commissioner Montoya and Commissioner Anaya for their assistance in helping us obtain funding from the state and the New Mexico Association of Counties.

CHAIRMAN SULLIVAN: For this particular plan?

CHIEF HOLDEN: Yes.

CHAIRMAN SULLIVAN: Oh, excellent. I wasn't aware of that. Thank you, Commissioners.

XIV. A. 2. Approval of Ordinance No. 2008-8, an Ordinance Declaring Hazardous Fire Conditions Declaring an Emergency (Community Services Department)

MR. SPERLING: Thank you, Commissioners. The County Fire Department is requesting approval of an emergency ordinance declaring hazardous fire conditions and imposing restrictions on open fires, smoking, and other ignition sources, to include campfires, open fires of any kind, open burning of vegetation and rubbish, smoking within a county park, camp or other wildland area, except within a closed vehicle or building, littering on public roadways, areas, with ignited smoking materials, use of off-road vehicles or motorbikes within county parks, campgrounds and wildland areas.

The issuance of permits for opening burning. This emergency ordinance is intended for 30 days to begin immediately, and it's consistent with burn restrictions that have been imposed by the New Mexico Division of Forestry that currently include portions of Santa Fe County east of I-25. And the City of Santa Fe has also imposed burn restrictions. This emergency ordinance is necessitated by the immediate and present danger of range fires, brush fires, grass fires, forest fires and structure fires brought on by the persistent lack of significant moisture in our county, drought, low humidity and high fuel loads, as well as, as

you're all aware, erratic winds.

It's all resulted in a very high fire danger level and we're looking at a forecast over the next 30 days of higher than normal temperatures and continued dry conditions. The Santa Fe County Fire Department has responded to 78 wildland fires since March 1st, including a five-acre fire in the Hondo District on Memorial Day, as well as a four-hour fire from a controlled burn this past weekend up in the Pojoaque District.

CHAIRMAN SULLIVAN: Questions for Mr. Sperling?

COMMISSIONER MONTOYA: Mr. Chair.

CHAIRMAN SULLIVAN: Commissioner Montoya.

COMMISSIONER MONTOYA: Will this automatically expire 30 days from today then? And the possibility would be to bring it up again if we need to?

MR. SPERLING: Mr. Chair, Commissioner Montoya, correct. It will expire in 30 days. If necessary, given no change in weather conditions, we may be back within thirty days to ask for an extension.

COMMISSIONER MONTOYA: Okay. Move for approval.

COMMISSIONER CAMPOS: Second.

CHAIRMAN SULLIVAN: Motion and a second for approval. And I believe that 30 days is a statutory requirement, is it not? It can't be longer than 30 days.

MR. SPERLING: That's correct.

CHAIRMAN SULLIVAN: Stan is shaking his head. Okay. We have a motion for approval and a second from Commissioner Campos. Discussion? Commissioner Anaya.

COMMISSIONER ANAYA: If it's 30 days from now, then it would be July 10th? What about if we received moisture between then. So right now, on the Fourth of July, nobody could have fireworks or campfires. And we know that's a big holiday. So I'm wondering if 30 days is too much, or can we review it after 15? Just in case we get some moisture, for those people that go camping.

MR. SPERLING: Commissioner Anaya, if there are any change in conditions over the next couple of weeks we can come back and ask that the emergency ordinance be rescinded. As it stands currently, I have to tell you that my recommendation is that we continue this through the Fourth of July. That's normally our busiest time of year with the use of fireworks and other public activities that increase the chance of accidental fire starts. One of my prime reasons for coming forward at this time is to protect the citizens of the county and our firefighters as well through this upcoming holiday season, given our dry weather conditions.

This ordinance per se does not restrict the use and sale of fireworks. That's next on the agenda.

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

CHAIRMAN SULLIVAN: Okay. Question, Commissioner Vigil.

COMMISSIONER VIGIL: My concern Mr. Sperling, and correct me if I'm wrong is I actually think we're running a little bit late in enacting this. I think Bernalillo County has enacted it. I think all our surrounding counties have enacted it. And if we don't

enact it we'd be the only county that wouldn't have put it in place. Am I correct on that?

MR. SPERLING: Commissioner Vigil, that is correct. As I mentioned, State Forestry, Bernalillo County, Albuquerque, the City of Santa Fe, have all enacted fireworks bans as well as burn restrictions.

COMMISSIONER VIGIL: Rio Arriba County, do we know what they're doing?

MR. SPERLING: Ma'am, I do not know.

COMMISSIONER VIGIL: Okay. Thank you.

CHAIRMAN SULLIVAN: All right. We have a motion and a second for Ordinance 2008-8. Mr. Ross, do we need a public hearing on this ordinance?

MR. ROSS: Yes, Mr. Chair.

CHAIRMAN SULLIVAN: Okay. We need a public hearing. So let's stop for a moment and open the issue to the public. Is there anyone who would like to comment in favor of or in opposition to Ordinance 2008-8? Seeing none, we'll close the public hearing. We have a motion and a second.

The motion to approve Ordinance 2008-8 passed by unanimous [5-0] roll call vote with Commissioners Anaya, Campos, Montoya, Vigil and Sullivan all voting in the affirmative.

XIV. A. 3. Consideration and Approval of Resolution No. 2008-93., a Resolution Declaring Hazardous Fire Conditions In Santa Fe County and Banning Certain Fireworks Consistent With the Emergency

MR. SPERLING: Thank you, Commissioners. The County Fire Department is requesting approval of a resolution declaring hazardous fire conditions and imposing restrictions on the sale and use of certain fireworks. Included in this ban are fireworks restricted by state law, such as shell kit reloadable tubes, aerial spinners, helicopters, mines, missile type rockets, multiple tube rockets, Roman candle shells, stick-type rockets, and the sale and use of ground audible devices, including firecrackers. It's a resolution valid for 30 days. It's consistent with restrictions in place by New Mexico State Forestry, Bernalillo County, the City of Santa Fe, banning the sale and use of certain fireworks. It is necessitated by many of the same reasons I discussed previously in the ordinance for restricting burning, including the persistent lack of significant moisture, drought, low humidity and high fuel loads, erratic winds and very high fire danger.

We can't forget also the recent wildfire in the Manzano Mountains just south of Santa Fe County that burned thousands of acres and many structures and homes. So given these circumstances and the probability of accidental ignition by fireworks through the upcoming

holiday and the rapid spread of fire, regarded as very high and poses an extreme threat to persons and properties within Santa Fe County, I'm asking for your approval of this resolution.

COMMISSIONER MONTROYA: So moved.

COMMISSIONER ANAYA: Second.

CHAIRMAN SULLIVAN: Moved and seconded. Moved by Commissioner Montoya, seconded by Commissioner Anaya for approval of Resolution 2008-93. Are there any additional questions?

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

XIV. E. Matters From the County Attorney

1. Presentation by the Consultant Team on the Progress of the Planning Efforts Called for in Ordinance No. 2008-04, the Interim Emergency Development Ordinance Concerning Oil and Natural Gas Development

MR. ROSS: Mr. Chair, I'll just briefly introduce these fellows who are going to come and talk to you today. We have Mr. Bruce Peshoff from Planning Works in Kansas City, and Dr. Bruce Kramer here to talk to you a little bit about the progress of the oil and gas project right now. Dr. Freilich was with us until early this morning but he fell ill and had to go back to Los Angeles, so he unfortunately won't be able to participate today. We've had meetings starting yesterday all through today and some even scheduled for tomorrow and have some additional meetings, three days of meetings scheduled for next month. We'll have quite a few meetings each month thereafter. So who's going to kick it off?

Commissioners, you'll see in your packet there's a brief memo from myself outlining the steps that the interim ordinance requires us to take, which includes creation of an overlay zoning district for the Galisteo Basin, amendment of the County General Plan, adoption of a CIP plan and amendment to the Land Development Code as appropriate and possibly creation of a special improvement district within the Galisteo Basin to pay for all this stuff. So standing in front of you, Mr. Peshoff, Bruce Peshoff, he's our planner that's on the consulting team. He's from Kansas City Planning Works.

So, Mr. Chair, the members of the team that have been hired to do the project include Dr. Freilich, who's not with us today, Mr. Peshoff, Dr. Kramer and also Terry Payne, the petroleum engineer from Austin, who is going to assist with the petroleum engineering matters, Dr. Robert Burcholl from Rutgers, who is going to help with the – is charged with working with this body to develop a capital improvement plan. We're still working on hiring experts in hydrology to supplement the County's own experts, and we also believe we're going to need a petroleum geologist to assist in the project to work with Mr. Payne.

We've also developed an internal technical advisory committee with which Mr. Peshoff is working, and that includes all County staff except for Mr. Wilt Jones from the Oil

Conservation Division. And as we've discussed previously, we're talking about using the County Development Review Committee to conduct the bulk of the public meetings and make a recommendation to this body as a planning commission concerning the proposed plan. Mr. Peshoff is going to be conducting a special meeting of the CDRC at 5:00 to explain this process to them. Thank you.

BRUCE PESHOFF: Thank you. I know that you're running behind. I'm going to go through this quickly so we can get to your questions or any discussion you'd like to have. The planning team is rather broad and it's getting a little bit larger. We've got the legal component by Robert Freilich who is effectively leading the plan, leading the project, Professor Bruce Kramer, who is here, is providing a connection between oil and gas and the legal component. He's an expert on oil and gas and professor at the University of Texas, editor of *Oil and Gas Review*. My firm, Planning Works, is a growth management firm and we're taking the planning component on. We're looking at adding as well some technical components of the team, a geologist, a hydrologist and possibly also a petroleum engineer.

We're trying not to leave any stone unturned. We want to be able to respond to questions, be able to address issues that come up through the planning process. As the County Attorney stated, we are incorporating the CDRC as the advisory committee, providing day-to-day as well as long-term vision goal direction for the project, and a technical team, comprised primarily of County staff and technical staff from other service providers as well. We want them to be our go-to team, the people that we can count on to give us information and put the data into perspective. They're our local experts as far as data and information is concerned.

I don't know that I need to go into much detail about the background – how we got to this point, other than there was one proposed IDO, interim development ordinance, and then a second one that Dr. Freilich ended up drafting at his firm, and one which the County adopted and that identified what needs to happen and what's going to happen over the course of that next year from that February date. And as the County Attorney had stated, that's going to include four different types of product: an area plan for the Galisteo Basin, an improvement district for the Galisteo Basin that would include a CIP, a capital improvement plan. The purpose for that is to identify how much growth and what type of growth is going to occur in the basin, and then what are the facilities and services that are going to be required to accommodate that growth.

The reason that the CIP is included is because it's going to require additional facilities and services. We're focusing on three to begin with – roads, police, and then fire/EMS, the necessary public services to accommodate development. With the CIP it will also identify the funding mechanism that can be used so that those growth-related development costs get allocated to the new development and not subsidized by existing taxpayers. It's effectively pay as you grow system.

There will also be amendment to the development regulations, the LDR, to be consistent with the area plan and then amendments to the General Plan, again to be consistent with the direction that the County is taking now.

This is the role for the County to take that lead role in establishing what are adequate

public facilities, what types of impacts are appropriate, how do we define character and how do we protect our resources. And recognizing that the plan is that foundation, starting with the basin plan, the amendments to the General Plan in order to be able to apply exactions, establish adequate public facility requirements, service areas for facilities and services, or development agreements, fiscal impact analyses, as well as an IDO to tie together the relationship between the plan, the budget, development standards, and then ultimately development approval.

So there are some options. Some short-term options you're taking advantage of is the IDO, the interim development ordinance, and some long-term solutions I just went through, amending the plan and the LDR, the Land Development Regulations, and we're trying to avoid takings.

This is a picture of what I'm concerned about as we go through the process, and I'm going to talk about the planning process as well. This was a community that planned a subdivision and platted in three stub streets. The idea was that when this area developed to the southeast of it, on the ground, the graphic, it would connect the existing neighborhood. What happened at the development review application hearings for this unplatted, undeveloped subdivision, all of the neighbors in the development area came out and screamed and yelled, they didn't want those people coming through our neighborhood. It was going to be the same type of product – same type of house, same type of income level. At the hearing, the City Council agreed and didn't allow these stub-ins. The developer was happy because he had three more lots that he was able to sell and develop. Unfortunately, when that subdivision did finally develop, all of those people that have families and kids to get to the school that was up there, needed to drive three miles through another neighborhood to get to that school. It was a community example that didn't look at the long-term implications of the decision, but instead responded to how many people were in the City Hall auditorium at the time.

One, I think it's going to become relevant as we get to the process here because we have such deep, emotional, heartfelt, strongly held convictions about how the basis ought to develop or not. And obviously, we need to guard against the County getting involved in any type of a takings issue, creating a regulatory structure that effectively deprives the use and value of a property. Just one quote that I've used before: "While property may be regulated to a certain extent, if it goes too far it will be recognized as a taking."

So our plan, the amendments to the plan and the LDR need to be reasonable and there's a lot of options when we're talking about reasonable. Just very briefly, the interim development ordinance is interim. It's a one-year, it's a short-term solution, it's effectively a bandaid. It's an opportunity for any community to say Time out. We need a moment to get caught up. We need to make sure that we're not making decisions now that are going to impact us long term.

I'm going to skip right past the IDO just for purposes of getting into the discussion of the project. This is a Gary Larsen cartoon that I really enjoy because effectively, we've got three frogs hopping across the desert and just deciding for no apparent reason, We'll put the

swamp here. We need to keep that in mind as we're trying to establish what are reasonable future land uses, how can we build in compatibility, how does the proposed development, any type of proposed development, deal with the necessary facilities and services?

I've gone through what the tasks are. What I do want to underscore is that the plan is, it's a document and a process. The process is going to be just as important. Over the last two days we've met with a number of individuals and interest groups. Our reason for doing that is to start gathering input and information, trying to have the community, the stakeholders, identify what's important, what should we be focusing on, as well as telling us what type of information and data do they have available that they are willing to share. The one message that I keep trying to pass to them is that this is going to be a very open, transparent process. There's a lot of suspicion, a lot of uncertainty – what's been going on, what's going to happen in the future. Are they going to be guaranteed a seat at the table, a voice, as we work through a number of these issues? And they are.

Because partnerships are going to be critical to getting this plan, this entire project through in the timeframe that we have, because I've also been quite insistent in saying that when the IDO expires we're going to be done. We're not going to come forward to ask for an extension and we don't think that it's going to be needed. We want development to be able to continue. We don't want this to be any type of a burdensome restriction or delay on opportunities.

And we're going to do that by relying on data. We've had some very positive results and feedback from County staff. We've been getting GIS data, reports, plans, and this is going to be a process that's going to be based on data and not just on wishes, goals, or policies, although we'll have goals and policies, but it's going to be a data-driven process, as well as a stakeholder-driven process. We've got at least four public workshops that we're going to hold. We've got two multi-day design-use forums that we'll be using as well, and a project website. Right now, the website URL is up on the screen. ourplanningworks.com/santafe. We'll work with staff to see if we come up with a nice, catchy domain name, just to help people recognize it. The page should be up and running.

The purpose of doing the website is we've found it to be an excellent way to share information across the country with a number of projects we've used this for. We can post work product up there. People can download it, review it any time they want. There's a comment center. They can send a comment to us, even anonymously if they don't want to register or if they don't want to be bothered with any subsequent emails or notifications. We'll have a map component on there too where someone can identify a location on the map, attach a comment to it, and it comes back to us geo-coded. So if somebody says My parcel is x, we can actually see which parcel they're referring to, and it's just information that's shared with them and with us. It's not posted on the blog, it's not public, it's not going to be open to any kind of criticism.

As well, we'll have a survey, a community survey that we're doing. We also post reference documents, effectively an online library of some materials we think will be helpful for the public.

About the outreach, the two multi-day workshops, I think we've got the first one scheduled. It's going to be mid-July. We want to nail down the date before I publicize it. But it will be three days. And what we'll do, we'll come in with a fairly large staff, have a series of interviews and focus groups during the day and public workshops each night. The workshops are going to be interesting because they're going to be task-oriented. It's not going to be us or anyone else on the consultant team standing at the front of the room, giving a presentation about what we think is the right thing to do or what is going wrong. We have a series of exercises so that people can work in small groups. Most of the exercises, the larger group will be broken up six to ten to a table, working over a map, trying to identify strategies, prioritizing strategies, working through policy issues. We have things that we want them to tell us and we've got some good ways to give them some hands-on participation. It also helps in making two hours fly by in no period of time at all because there is a lot to do.

The workshops tend to be fun. They also tend to be difficult because it does tax the participants' understanding to realize these are the types of issues that we have to deal with. It's not as simple as just saying, I don't want this here. It's really about identifying what's the appropriateness of use and what are the impacts, what are the implications.

So what we're really trying to do now is identify what are the issues that we're facing? What opportunities do we have to build on? And this is a graphic that is probably most appropriate for what I've dealt with in just the past two days in meeting with many people, pro and con on a particular issue, is that change is going to be difficult. And what we need to do is ensure that that change is consistent with the long-term growth for the county.

There are a couple of certainties. One, that change is inevitable. But survival, how the County deals with that, is optional. There are a range of alternatives that are available, but we want to make sure that the growth that occurs, it should be intentional. It should be the growth that the County wants. Where you want it, when you want it, and that it doesn't happen at the expense of existing taxpayers, level of service, or budgetary impacts.

So as we look at different alternatives, and that's what our presentation, our project, rather, is going to be based on, what are the choices? What are the impacts? What are the alternatives if we do a, b, or c? So we've identified at this outset some very broad alternatives. One is, what happens if the County takes no action? What if nothing – there's no ideal and we just let the market decide? Or what if the County reasonably regulates? Some kind of regulation, something reasonable relating to extraction and growth. Or what if there's just an outright prohibition against any type of extraction activities?

Well, if we take no action, we can expect that the market is purely going to drive it, limitations on extraction are going to be purely nuisance-based. It will be a complaint-driven process, and there will probably be numerous causes of action – numerous complaints, numerous lawsuits, and it will be largely just chaos. But if we try to reasonably regulate, we first have to ask, what does that mean? What does reasonably regulation extraction really mean? Well, that's a range of options as well. We could try to allow it but discourage the use. We could allow it and encourage the use. We could permit the use with conditions or permit the use with conditions but only in specific areas or not in specific areas. But the goal is

trying to balance the needs and the goals of the community at large, not just any one property owner, not just any one leasehold interest, but the community at large, the county's interest. Effectively protecting property owners and property owner rights. Establishing a level of service to maintain the quality of life that you've all become accustomed to and expect. And as well as preserving some important lands, environmental lands, archeological lands, viewsheds.

And the third option, the alternative is prohibiting it. And it might provide some short-term satisfaction but we're guaranteed that that's going to lead to litigation. So of those three options we have two extremes and one reasonable regulate that even has alternatives within that. Those are the types of alternatives we'll be working through the process to find. What's the right fit for Santa Fe County?

So the question that I've been presenting the last two days are: What are the key issues? What do you feel are most important? I'll just jump into Where are we going next? We don't want the process to fail and there's a very risk that this is going to happen. We've had some very emotional discussions. We've had some very political discussions as well. We need to be able to work through this. The fact that everyone is talking is a positive thing. The fact that everyone that's come to the meetings has expressed an understanding and desire that they see where this is going. They see that they've got an opportunity to talk, to participate, they're not being excluded, has been very positive.

So what happens next? The design and use landform in mid-July. It will be a multi-day workshop. After that we'll prepare the growth management element for the basin, the draft text as well for plan amendments and turn that back over to the County to do some additional public review at the same time. Go through adoption and then begin on the amendments for the land development regulations. And that's the end of my presentation and I'm available for any questions.

CHAIRMAN SULLIVAN: Thank you, Mr. Peshoff. Any questions?
Commissioner Vigil.

COMMISSIONER VIGIL: Thank you, Mr. Chair. This is a process question. With regard to your website, and the comment section of it, one of the phenomena that we're experiencing since this issue has come before us is our Legal Department, our Land Use Department, frankly, departments in every area of Santa Fe County get requests from citizens, questions to respond to, and this is not only in the community. This is outside the community. This is outside the state. So with regard to your website it makes sense to me that comments are responded to if it fulfills the mission that we're trying to do and the contract and the scope of the contract that we've entered into, because there is a definite guarantee that I will give you that on a website that has comments, you're going to get comments and suggestions from other states, other members, other site-viewers. And my concern would be for us to create a limited focus for what we're trying to do here and I'm hoping that as part of your work plan, while there may be some temptation to respond to other states, other members of communities, I think that might distract us to some extent from our intent here. So I'm wondering, is that what the intent of your comment component is? I'm also concerned, I must

say. You're probably begging this question as billable hours.

MR. PESHOFF: That's an excellent question. We wouldn't let the process take control of what we're trying to achieve here. We will respond to the answers that are most appropriate. There'll be a generated response that goes back to everyone, at least that we've received it. And sometimes that's all that's going to happen is that we've received a comment. It's not intended to open up a one-on-one dialogue with every citizen in the county or in organizations and entities outside of the county or outside of the state. We see it as a way to collect information and to gather that.

As we've met with some of the different focus groups, the interest groups, yesterday and today, one of the things we've asked of them to identify one or two liaison members, people that are going to funnel the information, the questions, the comments, the dialogue with us. We don't want to be overrun. If we get to the point where the website crashes or we're just constantly getting a hundred emails every hour, then we'll have to reassess and possibly shut that down. It hasn't happened yet, but this is a very difficult issue and one that people feel strongly about. We wouldn't let this interfere with the project. If it does, it's something we'll bring to the County's attention, the project manager's attention, that we may have a problem here in terms of time management. I don't anticipate that happening at all though. We won't let that happen. We're not going to spend our time responding to emails instead of actually getting you the plan and the amendments that you need.

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

CHAIRMAN SULLIVAN: Other questions for Mr. Peshoff? All right. Do we have another component here to discuss?

MR. ROSS: Mr. Chair, Dr. Kramer is here. He's the expert on local regulation of oil and gas. He's a professor at Texas Tech and he'll just address you briefly.

BRUCE KRAMER: Yes. I just wanted to say a few words in term of what the "legal consultants" are doing and what our purpose is, and that is obviously to take the results of the planning process that Mr. Peshoff is going to go through, and then makes sure that they can be implemented in a way which minimizes – you'll never eliminate – but minimizes the threat of litigation and puts the County in the best position it can legally, in order to achieve the goals that come through the planning process. And that's both Bob Freilich and my job is to essentially – Bob is a national figure in land use. I combine both land use and oil and gas regulatory and private law background. But it's essentially to assist Steve and his staff in coming up with ordinances and others that are legally defensible within the system that we have here in New Mexico. And I'll be glad to answer any questions you might have.

CHAIRMAN SULLIVAN: One question I had, Doctor, is what is the interaction with our ongoing countywide growth management plan?

DR. KRAMER: The interaction of our process?

CHAIRMAN SULLIVAN: Yes.

DR. KRAMER: Well, I think is probably a little better off in dealing with the planning process in terms or our interaction. Do you want to –

MR. PESHOFF: We're trying to coordinate, and we are coordinating, with

what the County is doing with planning. What we're seeing with the growth management plan for the Galisteo Basin that is, this is serving as a template or a model, in both how we're doing some outreach as well as how the methodology is in terms of projecting growth, allocating what the facilities and services that are going to be needed, and then create this template that can be used for the other growth management areas as well. Right now, we'd prefer that the focus be on the Galisteo Basin to take advantage of as many of the County's resources as we can, but the idea is to transplant the same concept, the same methodology into the other growth management areas as well.

CHAIRMAN SULLIVAN: Because we were on a fast track with our growth management plan and we were having work sessions, and then it seems that we've slowed down on that. I was thinking, is the idea that we get a little further with the Galisteo plan and perhaps use that as a template for the remainder of the countywide plan. Is that your thinking?

MR. PESHOFF: Yes, that's our preference. Yes.

CHAIRMAN SULLIVAN: Okay. Thank you. Other questions from the Board? Anything, Doctor, that pops up in your two days here that raises a red flag or raises a green flag?

DR. KRAMER: There's nothing that really raises as red flag. This is obviously an emotional issue, which is why I said we'll do our best to minimize what we cannot eliminate potential litigation regarding what the Board may do if we do go through that or adopt some kind of middle level regulatory program. Certainly, there are outstanding issues which both Dr. Freilich and myself are very familiar with, and we will take steps to see that the ordinance that we draft and go through the County Attorney's office is one that is sensitive to issues such as pre-emption, the regulatory takings issues, and some other issues that have been identified.

CHAIRMAN SULLIVAN: All right. Thank you, sir. Appreciate that update. Anything else, Mr. Ross?

MR. ROSS: Yes, Mr. Chair. What we're planning to do at this point is to have three days of meetings commencing on July 14th. So July 14th, 15th and 16th. The 14th and the 16th we'll have evening meetings and what Mr. Peshoff will do is put all this information on his website once the schedule has been developed, once the plans are made, we'll identify a place for those meetings and we'll try and keep the same sort of information mirrored on our website as well. Plus there will be invitations to persons such as were issued for the meetings these three days so we can ensure that the people who are interested to the meetings.

CHAIRMAN SULLIVAN: That's July 14th –

MR. ROSS: July 14th through the 16th, a public process will take place.

CHAIRMAN SULLIVAN: Okay then. Question from Commissioner Vigil.

COMMISSIONER VIGIL: I just have a request Mr. Ross or gentlemen. In my packet I don't have a copy of the presentation that you gave. Could I just get a copy of that through staff or through you, just to keep it part of my files and reference? Thank you.

CHAIRMAN SULLIVAN: Or you could email it to us.

COMMISSIONER VIGIL: Or email.

XIV. B. Growth Management Department
1. Discussion and Direction on Funding of Water and Wastewater Projects

MR. ABEYTA: Mr. Chair, we began this discussion two weeks ago. It was requested by the Commission that it be tabled until today so that the entire Commission would be able to discuss and give staff direction on this. Just to bring all the Commissioners back up to date, we have \$1.3 million of the available \$2.5 million for water and wastewater projects that have been allocated or earmarked for projects in Santa Fe County. The remaining \$1.2 million has been earmarked for a water line from Santa Fe County to Cañoncito. The total project cost is \$5.2 million, leaving a shortfall of \$4 million.

On May 13th it was requested that this update be presented to the BCC so that there could be discussion amongst the Commissioners regarding reallocation of these monies to a project or projects that may be further along or more feasible at this time than the Cañoncito water line. Mr. Chair, I think the request was initiated by Commissioner Montoya, and it was in response to a project, the Cuatro Villas project that is ready and has a shortfall of approximately \$500,000. We have been talking to the Commission about putting a bond question to the voters for \$35 million in November and attached to the memo in your packet is a list of potential projects for that bond. The bond would be allocated between roads, water, buildings and open space, and under water we are proposing that the Cañoncito project, the entire project, \$5.2 million, be funded with the bond money in November, and that would free up the \$500,000 that is now needed for the Cuatro Villas project. James Lujan is familiar with that project along with Doug Sayre. But I believe that was the reason Commissioner Montoya asked us to have this discussion today.

COMMISSIONER MONTOYA: Mr. Chair.

CHAIRMAN SULLIVAN: Commissioner Montoya.

COMMISSIONER MONTOYA: That is correct, and I'll just add that the other thing that this does is this puts money in a project that's ready to move. That project is moving forward and certainly this additional \$500,000 will help them accomplish and get to where they need to be. The other thing it does, Mr. Chair, is that it takes \$500,000 off of our so-called slush fund that DFA looks at every year so that when we go asking for additional funds they say, Well, you have all this money in the bank already and you're not using it. So this is another way of at least reducing what appears to be an inflated amount that DFA interprets every year to our detriment when we go and ask for funding for these types of projects or seek additional funds from other sources.

And then I guess thirdly, Commissioner, you'll have the full funding, Commissioner Campos, for Cañoncito, so it would be a win-win. I would just request consideration in terms of the reallocation of Commissioner Campos, maybe your amount.

CHAIRMAN SULLIVAN: And Commissioner, you're needing \$500,000 for the Cuatro Villas? Is that your need?

COMMISSIONER MONTOYA: Yes.

CHAIRMAN SULLIVAN: Let me ask a question, Roman, or perhaps Mr. Sayre or Mr. Lujan. There's been a great deal of newspaper coverage on the once again water problems in Eldorado, dealing with their lines and their tank, fill and refill and so forth. Is there a project that's project ready in Eldorado that we could assist with those problems that they've been having recently?

DOUG SAYRE (Utilities Director): Mr. Chair and Commissioners, on the Cañoncito project, that really probably should be termed the Cañoncito-Eldorado project, because what it would do would be provide water from our system down to Eldorado and then over to Cañoncito, so it would be a joint project as far as the concern from the County. We've got a feasibility study done on that that was completed some years back. We've tried to update our estimates to make sure we're considering that all these entities are being considered in that project, but we don't have anything that could serve I guess Eldorado in their situation.

My understanding today in having the discussion with one of the board members who is also one of our staff people is that that situation has now somewhat gotten remedied that they now have 75 percent of the water in storage that they're capable of having. And probably it was I think operation of their wells to get adequate supply into the storage system and probably holding back on some of the other uses that may have been there creating a large draw on their storage.

The only other thing that we've discussed from the County is possibly we could provide water on some kind of basis by trucking water to their system, similar to what we did some years back on the Cerrillos system, if they get into the situation immediate again, that would be one solution that we probably could address. But those are the only options I see probably available presently.

CHAIRMAN SULLIVAN: What about they had that report completed that said they would need nine new wells, I think, and they've been looking at each legislative session for additional money for well drilling. Would money allocated for that be able to be used?

MR. SAYRE: That's a question that I think I can't answer. I think we'd have to address that probably whether the State Engineer would allow additional wells in the area, and whether they'd be productive or not. I think that one of the problems in the Eldorado area is you don't get much production from your wells, and therefore building up your supply takes a substantial amount of time. I think money would be better sent if we worked on this delivery system from the County and backup for their system would be more valuable. That's my opinion and I don't want to go on, but trying to get into more wells in that area, I don't know if that would really address the problems they're having.

CHAIRMAN SULLIVAN: Okay. Thank you. Commissioner Campos.

COMMISSIONER CAMPOS: Commissioner Montoya, well, first of all, Mr. Chair, Eldorado, I don't think the system there has asked for any lines. Isn't that true?

CHAIRMAN SULLIVAN: They haven't made a formal request to us for this

project at this point in time. We set this money aside originally because they asked us to – Cañoncito asked us to, and they passed a resolution and they had matching funds or they were going to go into the legislature and the legislature was asking for matching funds. So these allocations were in essence the local matching funds which turned out, I think the legislature gave them some money but nothing –

MR. SAYRE: It was \$60,000.

CHAIRMAN SULLIVAN: \$60,000, which wouldn't get them one block. So I think we fulfilled our commitment there to pony that money up and the legislature didn't take advantage of that opportunity, and that puts us where we are now as I understand it.

COMMISSIONER CAMPOS: Okay. Commissioner Montoya, you're asking for \$500,000 now to do Cuatro Villas.

COMMISSIONER MONTOYA: Yes, sir.

COMMISSIONER CAMPOS: Cuatro Villas is going to be a sewer system?
Water system?

COMMISSIONER MONTOYA: Water.

COMMISSIONER CAMPOS: Okay. And you say they're project-ready and they need \$500,000.

COMMISSIONER MONTOYA: Yes.

COMMISSIONER CAMPOS: So what you're offering is you're saying give me \$500,000 and some time down the road we'll put it back in your pocket.

COMMISSIONER MONTOYA: November.

COMMISSIONER CAMPOS: Now, we're looking at bonds, right? And this is only an idea at this point, whether we're going to have bonds in November, right?

MR. ABEYTA: Mr. Chair, Commissioner Campos, staff is proposing this. We need to get final approval from the Commission to put it on the ballot, but the Commission so far has been favorable to doing that.

COMMISSIONER CAMPOS: You have to give these issues a little bit of context because we may have a fire tax on the ballot. We may have an RTD issue on the ballot. We're going to have bonds on the ballot and taxpayers tend to start weighing things real carefully and saying, well, this is too much money. I don't want to do two taxes, a fire tax – I don't want to do an RTD tax. Then there's the bonds. So it's kind of an iffy situation for me, Commissioner Montoya.

MR. ABEYTA: Mr. Chair, Commissioner Campos, it is, but – I understand what you're saying but when you consider the cost of Cañoncito, it may never happen.

COMMISSIONER CAMPOS: That's true. That's a huge project. It's a lot of money, and really, what we have to do is analyze it from a land use perspective, anytime you do a major infrastructure line. That's far out and serving not a lot of people. You have to do that analysis and what the impacts are of putting a line out so far. If it's not a growth area, for example, it may not make sense.

MR. ABEYTA: Right.

COMMISSIONER CAMPOS: I understand that. But it is an iffy proposition.

The more taxes we put on the ballot, more bonds – I think some folks want to put the RTD tax on, the fire tax on, the bonds on. But I'm open to the idea for shifting my \$500,000 to Cuatro Villas. I think it's immediate. It will serve a major public interest, so I would support it.

COMMISSIONER MONTOYA: Thank you.

CHAIRMAN SULLIVAN: Commissioner Anaya.

COMMISSIONER ANAYA: Thank you, Mr. Chair. Just so I can be more clear on it, the \$400,000 that was allocated to Edgewood, has that already been paid?

MR. ABEYTA: Mr. Chair, Commissioner Anaya, I believe it has. We have an agreement for sure so the money's already been earmarked and set aside for that. I don't know if we've been billed yet or not. But we've signed an agreement; we're committed to that.

COMMISSIONER ANAYA: Okay. Yes, I'd like to see that go through and pay them off. So what Commissioner Montoya is asking, you have a shortfall of \$500,000. You've already got \$500,000 in there that you allocated out of yours.

COMMISSIONER MONTOYA: No, that was for Chimayo.

COMMISSIONER ANAYA: Oh. So that was for Chimayo. So we're talking about Cañoncito.

COMMISSIONER MONTOYA: Sombrillo. Cuatro Villas. That's another water project.

COMMISSIONER ANAYA: So that one costs – how much is that one going to cost?

COMMISSIONER MONTOYA: That one, James, is what? About \$2.5 million overall?

JAMES LUJAN (Growth Management Director): Mr. Chair, Commissioner Anaya, the estimate for that project is \$2.5 million. The state has put up the two million. There's a shortfall of \$500,000.

COMMISSIONER ANAYA: Okay. So what you're asking to do is not go forward with the Cañoncito project, to use the money that we set aside for Cañoncito, to use \$500,000 of that to take care of the Cuatro Villas project.

COMMISSIONER MONTOYA: That's what I'm asking of Commissioner Campos, yes.

MR. LUJAN: Commissioner Anaya, what it is is Cañoncito is \$5.5 million to construct. We're nowhere close to getting that funding yet, so what we want to do is – this one is project-ready and we met with NMED. That's what they're looking at, what Commissioner Montoya was saying that drawing down using some of that money, we're hoping when the bond sells we will replace that money towards Cañoncito to fund the project and move it forward faster. That's what we propose as staff. Because right now – what's the amount we have for Cañoncito?

COMMISSIONER ANAYA: So we have \$1.7 million in the Cañoncito project right now.

MR. LUJAN: We have \$1.27 million.

COMMISSIONER ANAYA: Oh, \$1.27 million. Okay. So you want to take out \$500,000 of that.

MR. LUJAN: Yes, sir.

COMMISSIONER ANAYA: Okay. Thank you.

CHAIRMAN SULLIVAN: On the Eldorado question, Dr. Wust, could you step forward just a moment? Congratulations on your appointment to the board. I think congratulations. To the Water and Sanitation District Board. Could you going into any more detail on whether there's immediate project needs in Eldorado that Santa Fe County could assist with?

STEPHEN WUST (Water Resources Director): Yes, Mr. Chair. In fact the situation in Eldorado is due to the way the wells are and the infrastructure. Two hydrologic studies, one done by Shomaker and Associates several years ago and one done by Glorieta GeoSciences more recently concluded the same thing. There's water availability and the district has sufficient water rights. However, a number of the wells are aging. They weren't constructed properly. They're too shallow. There are several actually that have screens higher than the water level, which is a really bad situation. So a replacement with more effective wells would be able to improve the situation there.

What's going on right now is all the wells are being pumped fairly much to the maximum they can be, which is not good for wells. It just keeps up with demand. And therefore when a situation hits like it did a week or two ago, there was an unusually high demand. At the same time, one of the large producing wells went down. The tanks fairly well drained, and so now it's been playing catch-up. So the district plans are to basically replace a number of wells, drill some deeper wells, and then do a transfer of the water rights to the new wells, so it would be a more effective system.

There's also negotiating going on between the district and several landowners who would like to bring in a new development. The requirement there is they come in with demonstrated water availability, but the wells they use to demonstrate that water availability are not necessarily useful as production wells for the system. Therefore if the agreement was reached, the district would probably need to go in and either approve or drill a new well at those locations where there's been some demonstrated water availability.

So there are projects going on right now for additional wells. There are some other odds and ends that would really improve the infrastructure such as pumps. One of the issues that happened a week or so ago in the Dos Griegos area was one of the pumps from the lower tank to an upper tank went down, and that's why the water pressure went down and they had to put a low water notice out. So there are some things like that. Some of the aging pieces of the infrastructure could easily be improved with some capital improvement money.

CHAIRMAN SULLIVAN: I don't know if I'd be too excited about building developer wells, but the wells that have screens above the water table that could be rehabilitated, what would it cost to do a well like that?

DR. WUST: It would probably need a replacement well. The most recent well

that was just drilled, #17, the one that the district just got an emergency permit to use from the State Engineer, ran about a million dollars. I was not on the board at the time so I don't know how that negotiation and bidding process went and what was involved, but that was the cost of that particular well.

CHAIRMAN SULLIVAN: Okay. All right. Thank you. I was just thinking that we have \$1.2 million that's been allocated currently for Cañoncito and it appears there's a good demonstrated need in Sombrillo for \$500,000. So we have \$700,000 uncommitted, \$500,000 of which was part of my allocation for Cañoncito. I'm just wondering if we couldn't – if there were a project that were ready to move on, either pump replacement or well improvement or whatever, that if we wouldn't be able to help Eldorado out in this. It looks like we're coming up on another drought situation.

MR. LUJAN: Mr. Chair, Commissioners, we can look at the possibility of a project in that area with that money, start that process if you'd like us to.

CHAIRMAN SULLIVAN: Obviously, I'm in favor of that. Other Board member may have other ideas. Commissioner Anaya, then Commissioner Campos.

COMMISSIONER ANAYA: Mr. Chair, the intention – I know we all broke it out into \$500,000 each. And my intention was to give \$100,000 to Cañoncito. If that is not going to go through and if we're going to get that money from a bond then I suggest that that money go back to the Commissioners that allocated it so that we can use that in our various districts.

CHAIRMAN SULLIVAN: So you would like to go, for example, to Edgewood?

COMMISSIONER ANAYA: Well, your \$500,000 would go back to your district, and my \$100,000 would go back to some water project in my district, not necessarily Edgewood.

CHAIRMAN SULLIVAN: Not necessarily Edgewood. Okay. That's your suggestion. I see. And this is assuming that Commissioner Campos is agreeable that his \$500,000 would be reallocated to Sombrillo. Does that make sense?

COMMISSIONER CAMPOS: Well, I have a comment.

CHAIRMAN SULLIVAN: Okay. Excuse me. Commissioner Anaya, anything else?

COMMISSIONER ANAYA: That's it.

CHAIRMAN SULLIVAN: Okay, Commissioner Campos.

COMMISSIONER CAMPOS: I think the problem we had way back was that everything was being fragmented. We weren't thinking with a plan as to what were the true priorities for the county. As far as Eldorado, it's a district. It has taxing authority. It can raise its own money. So I think our first priorities have to be unincorporated areas or maybe even Cuatro Villas is a what? A mutual domestic. And mutual domestics are having a hard time surviving. So I think we have to have a priority, what's most important for the county as a whole. And the unincorporated areas I think need to get priority, as opposed to districts that have taxing authority, or municipalities. That's always the way I've looked at it. Thank you,

Mr. Chair.

CHAIRMAN SULLIVAN: I think they certainly deserve a priority. I know that in Eldorado they ended up paying more than double what they thought the system would be worth and now they're going in for another rate increase to the Public Regulation Commission and I believe that's being contested by a number of residents. So I don't feel at all that they aren't paying their fair share. They're one of the highest rate districts in New Mexico as a result of the cost of that district and the improvements they've had to start doing. So I think a little help from Santa Fe County would go a long way to cementing that relationship that we've been trying to build between Eldorado and ourselves. It's been a little shaky in the past but we're working towards getting that resolved. Just my thoughts. So I'd like to do that and then if Commissioner Vigil wanted to utilize her additional \$100,000 for Agua Fria or another project. Did you have some thoughts on that, Commissioner

COMMISSIONER VIGIL: I actually am in agreement, if that dollar amount is not used for the purposes it was originally intended that it be reallocated back to the district, District 2.

CHAIRMAN SULLIVAN: Okay, so I'm in agreement with that, and I would go one step further. You may not have any projects in mind at this point in time but I do, so that's where I would like to go. So we need to wrap this up and say is that the direction that we're going to give to the staff at this point in time to delete the funding allocations for Cañoncito, with the hopes that the necessary \$5.2 million or whatever it is will be approved by the voters in November, as a part of the \$35 million bond issue. If it's not of course we're out of luck. And in the interim we proceed with those allocations per district. Commissioner Montoya, does that work for you?

COMMISSIONER MONTOYA: Sure. Again, I'm just trying to bring the discussion also in terms of looking at things in a holistic way and a realistic way as to how we're going to get projects done that have already been started and that can be completed or at least significantly advanced. So this is certainly I think in line with my thinking in terms of what the discussion has been, so I just want to thank Commissioner Campos for looking at this holistically and realistically also.

CHAIRMAN SULLIVAN: Commissioner Anaya, are you okay with that direction?

COMMISSIONER ANAYA: I'm fine.

CHAIRMAN SULLIVAN: Since you suggested it. Commissioner Vigil.

COMMISSIONER VIGIL: Yes.

CHAIRMAN SULLIVAN: Commissioner Campos.

COMMISSIONER CAMPOS: Well, we're still thinking about a well system for the county. Do we have a shortage of funding or where are we in that process?

MR. ABEYTA: Mr. Chair, Commissioner Campos, if you recall, where this \$2.5 million came from was from a \$14 million balance we had in GRT. So the rest of this, the \$9 – whatever that was left, the well program was earmarked with those monies. So this was extra; this was left over after we prioritized like \$9 million worth of projects.

CHAIRMAN SULLIVAN: Well, my comment, Mr. Chair, is that I would like to have us think about this real carefully, find out what the major priorities are in the County, and let's focus on a major project that we could actually do, not fragment the funds so that nothing really gets done and we wind up in this situation.

CHAIRMAN SULLIVAN: Okay. Good suggestion. Mr. Lujan and Mr. Sayre, if you don't find anything that has an immediate potential for the use of this in the Eldorado venue, would you come back immediately and let us know about that. Because if there's nothing, or if there's bickering or problems that are going to cause this to be delayed, we've got other uses for this. Certainly in the north there are a number of uses. The Pojoaque area, water and wastewater comes to mind that I know you've been working on. Transmission sewer mains there. We've got a lot of places where we can solve a lot of problems in the near-term future. So I would just ask that you initiate some discussions with them and if they look fruitful, go for it, but if not, come back immediately and we'll rethink this, at least from District 5.

MR. SAYRE: Mr. Chair, Commission, that's what we'll do.

CHAIRMAN SULLIVAN: Okay. Good. And then Commissioners Anaya and Vigil, you'll get with the staff and talk about your other allocations separately with them and have them work on those. And then Commissioner Campos has agreed to redirect his \$500,000 from Cañoncito to Sombrillo/Cuatro Villas. Okay? He said yes. You've got it. On to the next item.

CHAIRMAN SULLIVAN: Thank you. Thank you again, Commissioner Campos.

COMMISSIONER CAMPOS: You're welcome.

XIV. B. 2. Resolution No. 2008-94, a Resolution Approving the Economic Development Project Application of Bicycle Technologies International LTD. (BTI), Pursuant to the New Mexico Local Economic Development Act In Accordance With Ordinance 1996-7. (Growth Management Department)

ROBERT GRIEGO (Senior Planner): Mr. Chair, Commissioners, BTI submitted their application to the County for an economic development project in accordance with our ordinance and the Local Economic Development Act. The Board held a discussion on this item at the May 27th Board meeting. The Board raised some concerns which we identified, which we looked at in the staff report, including industrial revenue bonds, water, the economic impact analysis, community benefits. The application, I want to emphasize to the Board, basically provides funding to come to the state of New Mexico through Santa Fe County. That's what the approval of this resolution would do, would be able to allow funding of up to \$500,000 in capital outlay funding that the state has identified to come through the County to be used for this economic development project.

In regard to industrial revenue bonds, if the applicant does decide to go forward with an IRB request it would go through our Industrial Revenue Bond Ordinance process. To do that, including inducement resolution and an actual ordinance to have that approved. This application is not requesting an IRB through this resolution. Staff feels that this is a good project. It fits well with the Community College District and will provide jobs and community benefits for Santa Fe County. If the Board approves this project the next step in this process would be to approve the project by ordinance through an Economic Development Ordinance where we'd also bring forward a project participation agreement similar to the one that was brought forward earlier today. I stand for questions from the Board.

CHAIRMAN SULLIVAN: So Robert, in the last meeting we talked a little bit about the IRBs and the length of the IRBs and the tax abatement, which indicates here that it would be \$445,000 over the first ten years of the project. But you're saying at this point in time the applicant hasn't made a decision whether they will go forward with an IRB or not. Is that correct?

MR. GRIEGO: No, Mr. Chair. The applicant – it's my understanding that they are going to come forward with an IRB but that's not what this application is right now. The approval of this resolution would allow the project to move forward. The economic development project agreement approval would come forward to the Board at the next meeting. The IRB ordinance would come forward at a later time, after an inducement resolution. So the applicant – to be clear, Mr. Chair, the applicant would first need to come forward for an inducement resolution. After the inducement resolution is approved, then they would come forward for an IRB ordinance.

CHAIRMAN SULLIVAN: And so what is the difference between this item on the agenda and the next item, the publishing title and general summary of a proposed ordinance? What is that?

MR. GRIEGO: Mr. Chair, our economic development ordinance requires an economic development project to be approved by ordinance. That's through the Local Economic Development Act.

CHAIRMAN SULLIVAN: That's their project application. And then we go and do an ordinance – I still don't understand why we're doing two ordinances here.

MR. GRIEGO: There is one ordinance that's going forward now which is the economic development project application.

CHAIRMAN SULLIVAN: And what's the next – what are we going to publish title and general summary for?

MR. GRIEGO: This is a resolution. In front of you today is a resolution to approve the project application, and approval of the project. Our ordinance, our economic development ordinance does require that an economic development project be approved by ordinance. So that's why we would request authorization to bring that forward at the next Board meeting for an approval of the economic development project.

CHAIRMAN SULLIVAN: Okay. So the resolution and the following ordinance in item 3 are the same thing; they're approving this economic development project.

MR. GRIEGO: Mr. Chair, yes.

CHAIRMAN SULLIVAN: But we have to do it by ordinance. All right. And this is not yet the IRB. And I see in the staff report, it says that the IRB period can be based on approval of the Board. So when we receive the IRB application, at that time we'll discuss the length of it. Is that the thinking?

MR. GRIEGO: Mr. Chair, yes.

CHAIRMAN SULLIVAN: Because I just had some concerns with the length of the application being any more than – certainly any more than ten years. Okay, questions for Mr. Griego?

COMMISSIONER MONTOYA: Mr. Chair, move for approval.

CHAIRMAN SULLIVAN: Well, let's get the applicant up here and see if they want to add anything. We have a motion for approval. Do we have a second?

COMMISSIONER ANAYA: Second.

CHAIRMAN SULLIVAN: Second from Commissioner Anaya. Motion by Commissioner Montoya. The applicant, anything you'd like to add.

ANDREW WRIGHT: President of BTI. I don't have anything further to add. I think the County did a good job of presenting the documents to you, both myself and my business partner, Preston Martin are open for questions if you have any.

CHAIRMAN SULLIVAN: Okay. This is a resolution so we don't need a hearing. Any further discussion or questions by the Commission? Okay, we have a motion and a second.

The motion to approve Resolution 2008-94 passed by unanimous [5-0] voice vote.

XIV. B. 3. Request for Authorization to Publish Title and General Summary of a Proposed Ordinance Approving a Santa Fe County Economic Development Project With Bicycle Technologies International LTD. (BTI) (Growth Management Department)

MR. GRIEGO: Mr. Chair, this item is in your packet as well and basically, that was what we just described on the previous item. This ordinance would come forward at the next Board meeting to include a project participation agreement as required by our economic development ordinance.

CHAIRMAN SULLIVAN: Okay. But not yet the IRB.

MR. GRIEGO: No.

CHAIRMAN SULLIVAN: Okay.

COMMISSIONER ANAYA: Move to approve.

COMMISSIONER VIGIL: Second.

CHAIRMAN SULLIVAN: We have a motion from Commissioner Anaya and a second from Commissioner Vigil. Discussion? Commissioner Campos.

COMMISSIONER CAMPOS: Is this an ordinance before us today?

CHAIRMAN SULLIVAN: This is to publish title and general summary. We don't need to do publish title and general summary by roll call? I don't think so, do we?

MR. ROSS: Mr. Chair, no. Just a simple voice vote.

CHAIRMAN SULLIVAN: Just a simple vote. Okay. Is there anyone else in the audience who has any comments on this project? No, I don't see any. All right.

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

CHAIRMAN SULLIVAN: Thank you, gentlemen. Carry on. Do you have your bicycles outside?

MR. WRIGHT: I wish.

XIV. C. Regional Planning Authority

1. Approval of Ordinance No. 2008-9, an Ordinance of an Economic Development Project and Project Participation Agreement With the Santa Fe Farmer's Market (Regional Planning Authority)

MARY HELEN FOLLINGSTAD (RPA Director): Mr. Chair, members of the Commission, we're handing out a small change to the project participation agreement. I'll go over where we are with this. In February the Regional Planning Authority approved the allocation of funds in the amount of \$200,000 from the joint regional gross receipts tax fund that's assigned to the category "other projects" and that's pursuant to County Ordinance 2002-5, to the Santa Fe Farmers Market Institute. And this funding would be used to assist the Farmers Market Institute in fully funding the farmers market building in the railyard park here in Santa Fe.

We pursued the process of treating this funding with the Local Economic Development Ordinance that is in place here in Santa Fe County, and it seems like you've had nothing but that on your agenda today. There's lots of economic development projects, which is good. The application and so on was reviewed by Southwest Planning and Marketing and the County Commission approved the project application on May 13th via Resolution 2008-72 and authorized publication of title and general summary of an ordinance. We have that ordinance before you today, and Exhibit 1, the project participation agreement. The thing that we handed out is a change in language in one section of it, having to do with the number of hours that are required by the state law for an applicant to perform and we had done a wag on that because we didn't have the detail that we needed from the Farmers Market Institute on what that would be, and so the change in language is the number of hours, down from 321,120 to 19,047. That was their estimate of what it would take. And then they also have some hours projections on a spreadsheet we handed out. And you can see probably by year one they'll have reached this 19,000 hours. They thought that was reasonable and we

did too. We inserted two years rather than five because if we'd used that original number of hours it would have taken them ten or twenty years to ever get there. And so that's the small change.

Other than that, if you have any questions –

COMMISSIONER MONTOYA: Mr. Chair, move for approval.

COMMISSIONER ANAYA: Second.

CHAIRMAN SULLIVAN: Okay. We have the motion for approval. And a second by Commissioner Anaya, moved by Commissioner Montoya. Does this ordinance require a public hearing, Mr. Ross?

MR. ROSS: Yes, it does, Mr. Chair.

CHAIRMAN SULLIVAN: Okay. We have a motion. Let's hold off on that just a moment then. Are there questions for Ms. Follingstad? Commissioner Vigil.

COMMISSIONER VIGIL: Ms. Follingstad, I support moving forward in any capacity and supporting them in whatever way we can. The farmers market provides a huge, wonderful service to our community. I'm just concerned – they have enjoyed a really strong fiscal, responsible relationship with the City thus far, if we enact this, do we become the fiscal agent for legislative grant dollars? What does that mean?

MS. FOLLINGSTAD: No, the City is the fiscal agent for their legislative appropriations, and this is – you will be the fiscal agent for the joint regional gross receipts tax that was approved by RPA, so it's just a small, little piece of County money.

COMMISSIONER VIGIL: So it's only limited to the \$200,000.

MS. FOLLINGSTAD: Just to that.

COMMISSIONER VIGIL: And this doesn't diminish the relationship with the City in any way, and maybe I should ask Sarah that.

MS. FOLLINGSTAD: I don't think so.

COMMISSIONER VIGIL: Okay. Thank you.

CHAIRMAN SULLIVAN: Other questions for staff? Okay. Seeing none, this is a public hearing. Is there anyone with us this afternoon who would like to comment either in favor or in opposition to Ordinance 2008-9? Seeing none, we'll close the public hearing. We're back to the Commission and we have a motion, I believe from Commissioner Montoya and seconded by Commissioner Anaya for approval of Ordinance 2008-9.

The motion to approve Ordinance 2008-9 passed by unanimous [5-0] roll call vote with Commissioners Anaya, Campos, Montoya, Vigil and Sullivan all voting in the affirmative.

MS. FOLLINGSTAD: Thank you, Mr. Chair and members of the Commission.

XIV. C. 2. Approval of Amendment No. 6 to the Restated Santa Fe Regional Planning Authority Joint Powers Agreement (Regional Planning Authority)

MS. FOLLINGSTAD: Mr. Chair and members of the Commission, this is an action that was taken by the Regional Planning Authority at its last meeting. There were several iterations of revisions to the RPA's joint powers agreement with the City. The main thing that has happened is when the settlement agreement for annexation was put into place there was some rethinking about who RPA would be and become. And so the principal changes to the revised JPA have to do with RPA's new role and its relation with the City and the County together and the community.

Basically, some changes were like revising all the recitals to provide a history, and then adding new recitals to outline the new role of the RPA, and one item of particular interest thereof is that there will be no five-mile boundary; it will just be City and County working together as a forum for discussion of important things that come up. And those items that the RPA approved have to do with discussions about zoning districts and the areas to be annexed by the City of Santa Fe that may be of joint interest to both the City and the County, in particular those might be the rural protection zone, the highway corridor and things similar to that. Also, there are some concerns about traditional historic communities and buffer zones from those areas with urbanization around them, and then there would be coordination of capital improvement plans with the regional GRT and they want to also talk about affordable housing, I guess revisit that, management of water resources, which would be an endgame from the BDD being put into place, integrated transportation and transit plans. There was a long discussion about RPA being a candidate for becoming a group that would manage the RTD if there's a change there. And the some other things having to do with infrastructure financing, waste management and recycling, energy policy, economic development policy, both of which are items in the guiding principles in the RPA's land use plan, and then coordination of various things having to do with services and public safety and also we added pueblo relations, since there would be no boundary and there's pueblos all around us. So that's basically what the new role would be. We added a definition section, a revised purposes section that follows on this new role, and we eliminated a considerable amount of formatted text having to do with completed things that the RPA has accomplished in the five years that it's been in place.

So that is basically what's the content of the new changes, so it's before you here for your consideration for approval.

CHAIRMAN SULLIVAN: Thank you, Mary Helen. I would point out too that one of the things the RPA members indicated a real interest in, and it's shown on the top of page 2 in the revised summary that Mary Helen provided was integrated transportation and transit plans and that's a new but very important, I think role, that we need to have better communication and coordination with transit plans so that when we deal with the DOT we're talking with a single voice as to where federal funds and state funds should go. And also at

our last RPA meeting, the RPA expressed a great deal of interest in the potential of becoming a transit district or serving in that role should the Commission decide that that's the way it would like to deal with any tax revenues. And they are a body of course of equal numbers of City and County elected officials which the statute requires that a transit district be.

So that's a new role as well, and there have been, as Mary Helen said, a number of meetings to try to define the role and to keep this very important line of communication open and functioning between the City and County because it's really our only venue for getting together formally and doing planning. Commissioner Montoya.

COMMISSIONER MONTOYA: Mr. Chair, move for approval.

CHAIRMAN SULLIVAN: Okay. We have a motion for approval. I'll second that. Further discussion? Commissioner Vigil.

COMMISSIONER VIGIL: Ms. Follingstad, my understanding from the RPA meeting is all these potential directions that the RPA may take have the language "may be but not limited to" so that additional responsibilities could be included, or we could create a focus of all of those areas of discussion.

MS. FOLLINGSTAD: Exactly. If something comes up that isn't even on this list you could add it and proceed with the discussion and develop whatever information and papers and advice and recommendations that the RPA may wish to do but the main thing is this line of communication with the City is open. That's the main idea.

CHAIRMAN SULLIVAN: Okay, we have a motion and a second. Further discussion? Commissioner Campos.

COMMISSIONER CAMPOS: Mr. Abeyta, this morning the issue came up about energy and creating a Citizens Energy Board. But it seems that the RPA wants to take energy on as a joint City-County project, so we have to keep that in mind in our discussion on that particular proposal.

MR. ABEYTA: Okay.

CHAIRMAN SULLIVAN: Further discussion?

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

CHAIRMAN SULLIVAN: Thank you, Mary Helen.

MS. FOLLINGSTAD: It's going to the City as well, for their approval.

CHAIRMAN SULLIVAN: I understand. And they'll probably change it so then it will be back here. They'll change a comma to a dot and we'll see it back here again in a month.

XIV. D. Matters From the County Manager

1. Update on Various Issues

MR. ABEYTA: Mr. Chair, the only thing I have is to remind the Board that

we are going to have a budget meeting with the Commission on June 16, which is Monday, 10:00 am.

CHAIRMAN SULLIVAN: Everyone got that on their palm pilots?

MR. ABEYTA: Mr. Chair, we have a quorum. I don't know if all five can make it but we do have to have this hearing so that we can finally set the budget, and this is their last opportunity to do that.

COMMISSIONER CAMPOS: What's the date?

MR. ABEYTA: June 16th.

COMMISSIONER CAMPOS: It's a Monday?

MR. ABEYTA: Monday, 10:00 am.

CHAIRMAN SULLIVAN: I think Commissioner Montoya couldn't make it, but I think they said you would defer. That's the word I got. Because we didn't know that you couldn't make it. Is that correct or is that changed? And the word we got back was that was okay, if the others could make it, go ahead with it. Is that still operative?

COMMISSIONER MONTOYA: Yes.

CHAIRMAN SULLIVAN: Okay. Commissioner Anaya, question.

COMMISSIONER ANAYA: I won't be able to make it.

CHAIRMAN SULLIVAN: You can't make it either? Where are you guys?

COMMISSIONER ANAYA: We have our conference that week.

CHAIRMAN SULLIVAN: Is that the one in Washington?

COMMISSIONER ANAYA: No. In Las Cruces.

MR. ABEYTA: And Mr. Chair, we've got to have the meeting so we're going to have it. But if there's anything major we can perhaps defer it, but we've got to have the meeting on the 16th.

CHAIRMAN SULLIVAN: We're up against a deadline? Is that it?

MR. ABEYTA: Yes. We've got to submit our final budget to DFA within – by the end of that week.

COMMISSIONER MONTOYA: Could we do it later? I'm wide open in the afternoon.

MR. ABEYTA: Okay. We can look at that.

CHAIRMAN SULLIVAN: On Monday? Commissioner Anaya will still be out. Commissioner Vigil are you out also?

COMMISSIONER VIGIL: I'm here.

CHAIRMAN SULLIVAN: Commissioner Vigil is here. I'm okay in the afternoon, if that's okay.

COMMISSIONER CAMPOS: Afternoons are better so we can work in the morning.

MR. ABEYTA: Okay. Did you want us to schedule that for 1:30, 2:00?

CHAIRMAN SULLIVAN: Or later.

MR. ABEYTA: Later? Three o'clock?

CHAIRMAN SULLIVAN: Is three okay?

COMMISSIONER CAMPOS: I'm tied up after 4:15.

CHAIRMAN SULLIVAN: How long will it take?

MR. ABEYTA: An hour, hour and a half at most. We can be real precise with what we need to discuss and get direction on.

CHAIRMAN SULLIVAN: Do you have to leave at 4:15?

COMMISSIONER CAMPOS: I have to pick up my son by 4:30.

CHAIRMAN SULLIVAN: 4:30. Okay. Can we try for 3:00 then?

COMMISSIONER MONTOYA: That works for me.

COMMISSIONER CAMPOS: 2:30.

CHAIRMAN SULLIVAN: Try for 2:30. Okay. Change that from 10:00 am to 2:30, Monday the 16th. Commissioner Anaya, you still can't make it that day, right? Are you okay if we go forward?

COMMISSIONER ANAYA: Yes. I might call in.

CHAIRMAN SULLIVAN: Okay. That would be fine.

MR. ABEYTA: And Mr. Chair, I'll be sure to get with Commissioner Anaya and talk about the agenda to make sure that if there's anything on there we could coordinate a phone call in.

CHAIRMAN SULLIVAN: Yes, because this will be a good opportunity to sneak some things by him. Okay. Commissioner Campos, question.

COMMISSIONER CAMPOS: Mr. Abeyta, could you email us all the dates for the meetings for the oil and gas public input?

MR. ABEYTA: Yes, I can do that.

COMMISSIONER CAMPOS: Is it okay if Commissioners attend these meetings? Or would you prefer that we not attend these meetings?

MR. ROSS: Mr. Chair, we'll talk about that off-line and figure out which ones would be appropriate. We have to of course be cautious about avoiding a quorum unless we advertise the meeting as a public meeting of the BCC.

COMMISSIONER CAMPOS: I understand.

CHAIRMAN SULLIVAN: Okay, then. Thank you, Mr. Abeyta, and what do we have on executive session, Mr. Ross.

- XIV. E. 2. Executive Session**
- A. Discussion of Pending or Threatened Litigation**
 - B. Limited Personnel Issues**
 - C. Discussion of the Purchase, Acquisition or Disposal of Real Property or Water Rights**
 - D. Collective Bargaining**

MR. ROSS: Mr. Chair, we need a closed executive session to discuss pending or threatened litigation, discussion of the purchase, acquisition or disposal of water rights,

collective bargaining strategy, and maybe a limited personnel issue.

CHAIRMAN SULLIVAN: So that's a long way of saying all of them, right?
 All four of them.

MR. ROSS: That was a very long way of saying – well, except for real property. We don't have any real property.

CHAIRMAN SULLIVAN: That's not on our agenda anyway. Oh, yes it is.

COMMISSIONER MONTOYA: So moved.

COMMISSIONER CAMPOS: Second.

CHAIRMAN SULLIVAN: Okay, we have a motion by Commissioner Montoya, seconded by Commissioner Campos to go into executive session.

The motion to go into executive session pursuant to NMSA Section 10-15-1-H (7, 2, 8 and 5) passed by unanimous [5-0] roll call vote with Commissioners Anaya, Campos, Montoya, Vigil and Sullivan all voting in the affirmative.

CHAIRMAN SULLIVAN: Okay. We're in executive session. How long do you think that will take, Mr. Ross?

MR. ROSS: We have a lot of items, probably a whole hour.

CHAIRMAN SULLIVAN: A whole hour. So we'll figure on being back here at – let's see, 5:25. We'll try to get back here by 6:30.

[The Commission met in executive session from 5:25 to 7:00.]

CHAIRMAN SULLIVAN: We need a motion to come out of executive session.

COMMISSIONER VIGIL: So moved.

COMMISSIONER ANAYA: Second.

CHAIRMAN SULLIVAN: Where we discussed the items listed –

COMMISSIONER VIGIL: As identified by our lawyer when we went into executive session by motion.

CHAIRMAN SULLIVAN: All right. And we have a second to that motion.

The motion to come out of executive session passed by unanimous [4-0] voice vote. [Commissioner Montoya was not present for this action.]

CHAIRMAN SULLIVAN: We're now in the public hearing stage. Some of the Commissioners have indicated that they have some commitments coming up, so we will try to get through a few of the quick things and then get as far as we can on the public hearings. And those that we don't complete we'll reschedule. Do we have the applicants here now for the Lucky Bean of the Canyon Encantado liquor licenses? Canyon Encantado. Is Lucky Bean around? Okay, not yet. We'll take that one first. Then we'll move from that point we'll go to – do we have an applicant here for the El Vadito de los Cerrillos Water Association? Okay, you will come next. That will be item 8. So we'll go 10, 8. We'll then

move back to items 1 and 2 dealing with publishing title and general summary of an ordinance and flood damage and protection prevention ordinance.

XV. PUBLIC HEARINGS

A. Growth Management Department

- 1. BCC LIQ #08-5170 Canyon Encantado Liquor License Canyon Encantado, LLC DBA Rancho Encantado Applicant, Linda Aiken, Agent, is Requesting a Transfer of Ownership of a Liquor License. The Property is Located at 198 NM State Road 592 Within Section 18, Township 10 North, Range 7 East (Commission District 1). Jose Larrañaga, Case Planner**

CHAIRMAN SULLIVAN: Mr. Larrañaga, are you here?

SHELLEY COBAU (Review Director): I can present this case, Commissioner Sullivan.

CHAIRMAN SULLIVAN: All right. Thank you, ma'am.

MS. COBAU: Canyon Encantado, LLC, doing business as Rancho Encantado, applicant, Linda Aiken, agent, is requesting a transfer of ownership of a liquor license from Rancho del Monte, LLC, to Canyon Encantado, LLC. The property is located at 198 New Mexico State Road 592, within Section 7, Township 18 North, Range 10 East, within Commission District 4.

Canyon Encantado will remain at the same location and will continue to be used as a hotel and resort. Because no additional seats are proposed with this request traffic volume will be unaffected. The State Alcohol and Gaming Division has granted preliminary approval of this request in accordance with Section 66-B-4 NMSA of the Liquor Control Act. Legal notice of this request has been published in the newspaper and the Board of County Commissioners are required to conduct a public hearing on whether or not the proposed request for transfer of ownership of the liquor license should be granted.

This request is in accordance with the notice requirements and the requirements of Santa Fe County Land Development Code, and meets the distance requirements from schools and churches, and staff recommends approval of this transfer of ownership for this liquor license. Thank you, Mr. Chair.

CHAIRMAN SULLIVAN: Thank you. Is the applicant here?

LINDA AIKEN: Commissioners, my name is Linda Aiken. I reside at 1952 Thomas Avenue. I am the attorney that has handled this liquor license transfer. It is just a transfer of ownership. I think there have been substantial upgrades to this resort and the prior owners, or the current owners of the liquor license are part owners in the new entity. And I'd be glad to answer any questions that you have.

CHAIRMAN SULLIVAN: Any questions for the applicant? Seeing none, this is a public hearing. Are there any persons in the audience who would like to speak on this

liquor license number 085170? Seeing none, we'll close the public hearing. What are the wishes of the Commission?

COMMISSIONER ANAYA: So moved.

COMMISSIONER CAMPOS: Second.

CHAIRMAN SULLIVAN: Moved and seconded for approval for license 085170. Any discussion?

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

- XV. A. 9. **BCC LIQ #08-5180 The Lucky Bean Liquor License The Lucky Bean Coffee House & Goods, LLC DBA The Lucky Bean, Applicant, Joan Glover, Agent, is Requesting a Restaurant Liquor License. The Property Will Be Located at 55 # C Cañada del Rancho Within Section 20, Township 16 North, Range 9 East, (Commission District 5). Jose Larrañaga, Case Planner**

CHAIRMAN SULLIVAN: Is the Lucky Bean liquor license applicant here? Are you the Lucky Bean? Would you come forward please. Is this Ms. Joan Glover?

JOAN GLOVER: Yes.

CHAIRMAN SULLIVAN: Okay. Thank you. Mr. Larrañaga, do you want to give us a brief –

JOSE LARRAÑAGA (Case Planner): Thank you, Mr. Chair. The applicant is requesting a restaurant liquor license to serve beer and wine with meals. The Lucky Bean will not have a bar but will serve beer and wine only with meals. This addition will not create added traffic as additional seats are not proposed as part of the application.

In 1999 the Board of County Commissioners granted the Rancho Viejo master plan a large-scale mixed-use development in the Rancho Viejo Subdivision. On December 11, 2000 the Board of County Commissioners approved the Community College District Ordinance, No. 2000-1 which designates the referenced property as a community center and establishes zoning for restaurants without bars as an eligible use. Ordinance 2000-12, restaurants may serve beer and wine with food and are not considered a special use subject to approval by the Board of County Commissioners.

The State Alcohol and Gaming Division has granted preliminary approval of this request in accordance with Section 66-B-4 NMSA of the Liquor Control Act. Legal notice of this request has been published in the newspaper and the Board of County Commissioners are required to conduct a public hearing on whether or not the proposed request for transfer of ownership of the liquor license should be granted.

Recommendation: The request for a restaurant liquor license to serve beer and wine at the existing Lucky Bean Restaurant is in accordance with the notice requirements, in

accordance with the Community College Ordinance, and meets the distance requirements from schools and churches. Staff recommends approval of this request.

CHAIRMAN SULLIVAN: Thank you, Mr. Larrañaga.

COMMISSIONER VIGIL: So moved.

CHAIRMAN SULLIVAN: Is the applicant here? Just a minute, Commissioner. We need to have the hearing. Could you give us your name and address and be sworn in.

[Duly sworn, Joan Glover testified as follows:]

MS. GLOVER: Sure. My name is Joan Glover, and I'm the owner of the Lucky Bean, and my address – home address?

CHAIRMAN SULLIVAN: It doesn't matter. Business is fine.

MS. GLOVER: 55-C Cañada del Rancho, Santa Fe, New Mexico, 87508.

CHAIRMAN SULLIVAN: Is there anything, Ms. Glover, that you would like to add regarding this liquor license transfer?

MS. GLOVER: No. I think it is a positive thing.

CHAIRMAN SULLIVAN: Okay. Thank you very much. This is a public hearing. Is there anyone who would like to speak in favor of or in opposition to the transfer of liquor license 085180? Seeing none, we'll close the public hearing. What are the wishes of the Commission?

COMMISSIONER VIGIL: Move to approve.

COMMISSIONER CAMPOS: Second.

CHAIRMAN SULLIVAN: Motion by Commissioner Vigil, second by Commissioner Campos. Discussion on the motion?

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

- XV. A. 8. CDRC CASE # MIS 08-5160 El Vadito De Los Cerrillos, El Vadito de los Cerrillos Water Association, Applicant, Souder Miller And Associates, Agent, Request Master Plan, Preliminary And Final Development Plan Approval for a Water Storage Tank 26' In Height Within A 0.06 Acre Easement. The Applicant Is Also Requesting A Variance From Article III, Section 2.3.6b, For The Tank To Exceed The Maximum Permitted Height Of 24'. The Project Is Located At 51 Goldmine Road, Within Section 19, Township 14 North, Range 8 East, (District 3). Jose E. Larrañaga, Case Manager**

CHAIRMAN SULLIVAN: They are requesting approval of a water tank that looks like it's a bit too high for the code. So Mr. Larrañaga, would you like to briefly tell us

about that?

MR. LARRAÑAGA: Thank you, Mr. Chair. On May 15, 2008, the County Development Review Committee met and acted on this case. The decision of the CDRC was to recommend approval of the request with all staff conditions. The applicant is requesting master plan zoning, preliminary and final development plan approval to develop a .06-acre easement within a 6.9-acre parcel for the purpose of constructing a 100,000-gallon water storage tank. Water stored in the proposed tank will supply potable water for the community of Cerrillos.

The proposed tank will be 27 feet in diameter and 26 feet in height from finish cut grade with a ladder and safety railing at 29 feet 6 inches in height, from finish cut grade. The proposed site will be fenced off with an 8-foot high chainlink fence with a two-foot supporting arm and barbed wire above the fence to deter any tampering to the stored water within the tank and to protect the tank from possible damage. A retaining wall four feet in height from finish cut grade is proposed on the site for the purpose of stabilizing the disturbance of slope needed for the installation of the water tank.

The proposed development is described in Article III, Section 8 of the Santa Fe County Land Development Code as other development. Section 8.2 states uses regulated by this Section 8 shall be considered large-scale if they involve the grading and clearing of ten or more acres contiguously or cumulatively, and small-scale if less disturbance of the land is involved. Development standards and criteria and submittal requirements are set for in subsection 4.4.5.

The applicant is asking for a variance of the height of the tank, and this application was reviewed for the following: existing development, adjacent property, access and parking, terrain management, water, liquid and solid waste, fire protection, landscaping and archeological, signage and lighting.

Recommendation: The request of the applicant for a variance of Article III, Section 22.3.6B for the height of the proposed water storage tank to exceed 24 feet will not result in conditions injurious to health or safety of the public, due to the nature of the development, as it will provide a service to the community of Cerrillos. The Committee may consider this variance a minimal easing of the code. Staff recommends approval of the height of the water tank to be approved at 26 feet from the finished cut grade. The application is in accordance with Article V, Section 5, and Article III, Section 4.4 of the Land Development Code. Staff recommends master plan zoning, preliminary development plan and final development plan approval to allow the development of a .06-acre easement for the proposed 100,000-gallon water storage tank subject to the following conditions. Mr. Chair, may I enter those conditions into the record?

CHAIRMAN SULLIVAN: So entered.

[The conditions are as follows:]

1. The master plan/development plan will be recorded with the County Clerk's office.
2. All staff redlines will be addressed; original redlines will be returned with final plans.
3. The tank, ladder and safety railing must be painted with a non-reflective and earth-

- tone color.
4. Reclamation of all disturbed areas must be in compliance with Article VII, Section 3 (Terrain Management). A cost estimate along with a bond must be submitted to assure the reclamation of the development.
 5. Check dams in the proposed bar ditches and an offsite retention pond will be constructed to reduce additional runoff from the development onto Gold Mine Road. A cost estimate along with a bond must be submitted to assure the retention pond meet County standards.
 6. El Vadito de los Cerrillos Water Association must acquire a Santa Fe County Business License.

CHAIRMAN SULLIVAN: Any questions for Mr. Larrañaga? Seeing none – and this is the second of the water tanks for Cerrillos, correct?

MR. LARRAÑAGA: I believe so. Yes, sir.

CHAIRMAN SULLIVAN: Yes, it is. That's what it says in the documents. So these water tanks have to be at the same elevations as each other. Okay, is the applicant here? Would you step up please? Give us your name and address and have the recorder swear you in.

[Duly sworn, Alan Fowler testified as follows:]

ALAN FOWLER: My name is Alan Fowler, and I'm the president of El Vadito de los Cerrillos.

CHAIRMAN SULLIVAN: Okay, Mr. Fowler, is there anything you would like to add to what Mr. Larrañaga has summarized?

MR. FOWLER: Well, I did want to just say that we serve about 350 to 400 members of the community of Cerrillos and some outlying areas close to the town, and we're in a river bottom, and our one water tank that we have now is on the north side of town, about a mile away. This one would be on the south side of town and they say that that would sort of balance our water pressure for us because we've had problems in the past with that. I consider our mission, which is to supply a sustainable supply of water to our membership and we've done that. This is my first public opportunity I think to thank Commissioner Anaya and Commissioner Vigil for all the help that they gave us in 2003 to get assistance from the state to do this, and so we did drill a new well in 2003, and so we're not concerned as much about our supply as we were in the past, however, with 100,000 gallons we estimate, and we're a pretty conservative bunch of users out there that we have about a five days' supply and this will double us up and give us a ten-day supply and it will also help fire protection in the area and also certainly increase the peace of mind of our membership, which is very important to me. So I would just like to thank everybody for the opportunity to come here and express my desires and thanks to the Commission for hearing us and thank you.

CHAIRMAN SULLIVAN: All right. And you have the water rights for this?

MR. FOWLER: Yes, sir, we do.

CHAIRMAN SULLIVAN: Okay. Are there any questions of the applicant?

Seeing none, this is a public hearing. Is there anyone present who would like to speak with regard to this request for a variance in height, permitted height of the water tank for the El Vadito de los Cerrillos Water Association. Yes, ma'am.

[Duly sworn, Kerri Edenfield testified as follows:]

KERRI EDENFIELD: My name is Kerri Edenfield. I work with Souter Miller and Associates. I'm the project engineer for El Vadito de los Cerrillos. As Jose stated earlier, we were approved pending staff conditions at the CDRC meeting on May 15, and I've met with Jose since then, and I believe we've met all the staff conditions. As Commissioner Sullivan pointed out so aptly earlier, the intent of the design of this tank and the necessity for this variance is so that it will match the existing tank and hydraulically balance the system. So this is a fairly small project. It's just a 50 X 50 site that the tank will be placed on, but it's very important, because we're bringing water to members of the community who have been hauling water for quite some time. That's all I have to say about that.

CHAIRMAN SULLIVAN: Will the site be fenced?

MS. EDENFIELD: Yes, sir.

CHAIRMAN SULLIVAN: Okay. Questions? No? Okay. Thank you. Anyone else would like to speak on behalf of the project? Seeing none, we'll close the public hearing. We have a motion for approval from I believe Commissioner Montoya. Seconded by Commissioner Campos. Any further discussion?

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

XV. A. 1. Request For Authorization To Publish Title And General Summary of an Ordinance Replacing Resolution No. 2003-123 Establishing Permit and Review Fees Within Santa Fe County. Shelley Cobau, Growth Management

MS. COBAU: Thank you, Mr. Chair. In 2003 the Board of County Commissioners approved a resolution establishing development review fees and establishing site inspection fees. That resolution is attached in your packet as Exhibit B. On May 13, 2008 the BCC authorized staff to draft a fee increase in order for the Planning and Development Division to begin building permit and building inspection functions currently performed by the Construction Industries Division. Funding is also required for additional staff to bring Santa Fe County into compliance with the National Pollution Discharge Elimination Program, which is mandated by the EPA.

County fees are low when compared to City and comparable counties. This ordinance will increase both development review fees and building permit fees. Exhibits are included in your packet which show the percent increases that we have identified as being needed to fund these positions. An increase in development review fees would fund the NPDES coordinator

and an NPDES inspector. The building permit fees would initially fund three zoning inspectors and the remainder of the funds would be used to fund the start up costs of 12 additional employees needed to begin the building permit process.

The proposed ordinance will replace Resolution 2003-123. Staff recommends that the BCC review the enclosed information and allow publication of title and general summary of the draft permit and review fee ordinance. Thank you, Mr. Chair.

CHAIRMAN SULLIVAN: Thank you, Ms. Cobau. Are there any questions of the staff? Okay. We do not need a public hearing for this. This is just title and general summary. However, is there anyone in the audience that has a compelling need to talk about this? Okay, I don't see any. What are the wishes of the Commission?

COMMISSIONER VIGIL: Move to approve.

COMMISSIONER MONTOYA: Second.

COMMISSIONER CAMPOS: Move to authorize?

COMMISSIONER VIGIL: Yes.

CHAIRMAN SULLIVAN: Okay, motion to authorize to publish title and general summary by Commissioner Vigil, seconded by Commissioner Montoya.

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

CHAIRMAN SULLIVAN: Thank you, Shelley. If there is anyone here that has an interest in the Joe Mier Variance, that's item 3 under the Public Hearing agenda, that has been tabled at the request of staff, and if there is anyone here for item 4 on the Public Hearing agenda, the Robert Casados Variance, that has been tabled at the request of the applicant.

- XV. A. 2. Ordinance Number 2008-10. Flood Damage Prevention and Stormwater Management Ordinance an Ordinance to Establish Regulations for Development in and Adjacent to Flood Hazard Areas and to Establish Uniform Regulations for the Purpose of Stormwater Management, Set Minimum Floor Elevations for Compliance, Define Floodplains, Address Required Building Improvements, Establish Variance Procedures for Cases Where There is an Inability to Comply with Adopted Standards and Repealing Prior Inconsistent Ordinance, Establish Penalties for Non-Compliance, Designate the Duties and Responsibilities of the Floodplain Administrator, Establish General Provisions for Land Development in the County Within and Outside Federal Emergency Management Agency Designated Special Flood Hazard Areas, Define Special Flood Hazard Area Permitted and Prohibited Uses, Establish Standards and Provisions for Development and Substantial Improvements in Zone A, Zone AE, Zone AO, Zone AH and Zone AE Regulatory Floodway, Establish General Provisions for Removal of Land from the Regulatory Floodplain and Provisions for Floodproofing. The Ordinance also Establishes Procedural Requirements for Floodplain Development Permits, Non-Eligible New Development or Construction, Subdivision Proposals, and Permit Approval and Issuance, Map Revision and Map Amendment Procedures and Variance Procedures. The Ordinance Establishes Minimum Stormwater Analysis and Conveyance Design Criteria Including Determination of Submittal Requirements, General Submittal Format, Special Flood Hazard Area Additional Requirements, the Design Storm Event, Acceptable Hydrologic and Hydraulic methodology, Erosion Setback Requirements, Stormwater Detention, Retention, Culvert, Open Channel and Stormdrain System Design Criteria, and Includes Standard Forms, Tables, and Definitions (2nd Public Hearing) Shelley Cobau**

MS. COBAU: Thank you, Mr. Chair. At the meeting, the first public hearing on May 13, 2008 you had asked me to do a cost analysis regarding increasing the requirement for people who were starting their homes in the regulatory floodplain to increase their level of fill required from one foot as proposed to two feet. I performed that analysis, Mr. Chair, and I've included the documentation in the back of your packet. I believe it's Exhibit E. And as you can see in Exhibit E, which is derived directly from FEMA's website, the cost to elevate between one foot and two foot, based on the cost per cubic yard of fill at \$2, is pretty nominal, depending on the home size and the length and the width of the home. So fill costs

are relatively nominal. And while the cost to elevate to two feet versus one foot is approximately twice as much, I believe that the reduction in risk and the reduction in flood insurance premiums would far outweigh that cost increase for someone. An extra hundred dollars worth of fill might substantially reduce their flood insurance premium. So I'd like to encourage the Commission to adopt the two feet above base flood elevation regulation.

I would also like to – I won't read the whole staff report. I believe I read that at the last public hearing. But the last couple paragraphs of the staff report requests that the Commission allow the Land Use Administrator to appoint a floodplain administrator and I would like to join a community rating system, so that the people who are being placed in the floodplain with the new flood maps could receive a reduction in the flood insurance premiums that they may have to pay. And with that, Mr. Chair, I'll stand for questions.

CHAIRMAN SULLIVAN: And Shelley is that, are those recommendations in the ordinance now that we have?

MS. COBAU: The draft ordinance that you have –

CHAIRMAN SULLIVAN: It has the two feet in. I saw that.

MS. COBAU: It has the two feet in. But I have printed both a one-foot and a two-foot, so that I would have an ordinance hear based on whatever the Commission recommends tonight.

CHAIRMAN SULLIVAN: But these other things about the employee –

MS. COBAU: That's in the staff report, Mr. Chair., but the FEMA and state statute does require that we have a designated floodplain administrator and that that floodplain administrator is a certified floodplain administrator through the state certification program. We have five members on our staff who are certified floodplain managers, including two who were just recently certified at the last New Mexico Floodplain Managers Association meeting. They took the test and they passed and they're certified.

CHAIRMAN SULLIVAN: I guess my question is what are you asking us to do about that? Is that – does that have to do with the ordinance that's published here.

MS. COBAU: No, Mr. Chair.

CHAIRMAN SULLIVAN: So it's information, then?

MS. COBAU: It's information.

CHAIRMAN SULLIVAN: Thank you. Questions for Shelley? Okay. Seeing none, this is the second public hearing on this Floodplain Prevention and Stormwater Management Ordinance. Is there anyone who would like to comment on the ordinance? All right. I don't see anyone, so we'll close that public hearing. As I said at our last meeting on this during the first public hearing I strongly recommend as I believe staff does that we utilize the two-foot component at a minimum. That's been used by other developers just voluntarily in order to provide better protection for their developments that are adjacent to the floodplain. It makes good engineering sense. What are the wishes?

COMMISSIONER MONTOYA: Move for approval.

CHAIRMAN SULLIVAN: Is that with the two-foot?

COMMISSIONER MONTOYA: Yes.

CHAIRMAN SULLIVAN: With the two-foot designation. Okay, we have a motion.

COMMISSIONER CAMPOS: Second.

CHAIRMAN SULLIVAN: Seconded by Commissioner Campos. It was moved by Commissioner Montoya. Any discussion on that motion?

The motion to approve Ordinance 2008-10 passed by unanimous [5-0] voice vote with Commissioners Anaya, Campos, Montoya, Vigil and Sullivan all voting in the affirmative.

MS. COBAU: Thank you very much, Mr. Chair and members of the Commission.

CHAIRMAN SULLIVAN: Thank you, Ms. Cobau, for putting that together and for putting that comparison together for us. It was very helpful.

- XV. A. 5. EZ CASE # S 06-4311 Ponderado Subdivision Phase II Ponderado Subdivision (Ted Wegner and Judy Ross), Applicants, Tigges Planning Consultants (Linda Tigges), Agent, Request Final Development Plan and Plat Approval of Phase II for a 14-Lot Residential Subdivision on 43.245 Acres, More or Less and a Variance Of Section 3.5 of the Extraterritorial Subdivision Regulations (ESR) to Allow Driveway Access for Two Lots on a Minor Arterial Road. The Proposed Subdivision is Located at the End of Camino Peralta, off County Road 68, Which is North of NM State Road 599, Within Section 30, Township 17 North, Range 9 East (5-Mile EZ District). Vicente Archuleta, Case Manager**
[Exhibit 1: Letters of Concern]

VICENTE ARCHULETA (Case Planner): Thank you, Mr. Chair. On May 8, 2008, the EZC met and recommended approval of a variance for Lot 14 to allow access to a minor arterial road, and denial for Lot 13 subject to staff conditions.

On October 10, 2006 the BCC granted approval for final development plan and plat for Phase 1 of the Ponderado Subdivision which consisted of two lots – one was 2.996-acre residential lot and the other 40.249-acre lot – and preliminary development plan approval for Phase II which consists of the remaining 14 lots – 13 residential lots and one dedicated open space on 40.249 acres, subject to staff conditions.

Phase I, consisting of one lot located on the far southeastern parcel, which will use Camino Peralta as access was approved at the October 10, 2006 meeting. Phase II will consist of the remaining lots and will be developed in coordination with the construction of Hager Road, also known as Los Sueños Trail.

The applicant requests final development plan and plat approval for Phase II consisting of the remaining 14 lots. The entire subdivision consists of 15 lots – 14 residential lots and one dedicated as open space, which includes two affordable lots meeting the County's Affordable Housing Ordinance. The lots vary in sizes from .993 acres to 3.581 acres.

This request also includes a variance of the Extraterritorial Subdivision Regs to allow driveway access for Lot 13 and Lot 14 on a minor arterial road. Section 3.5.1.F.1 states, where a proposed subdivision or development contains lots abutting or adjacent to a major or minor arterial, it shall be planned so that lots do not front on the arterial. The subdivision or the development shall be laid out to have a minimum number of road or street intersections with arterial; intersections and driveways shall meet the standards of 3.5.8 of these regulations.

The applicant has addressed the variance criteria and staff responded to the applicant's comments. The application was reviewed for the following: Existing conditions, access, traffic, water, fire protection, liquid/solid waste, terrain management, stormwater retention, archeology and open space.

Recommendation: Section 3.5.F.1 states, where a proposed subdivision or development contains lots abutting or adjacent to a major or minor arterial, it shall be planned so that lots do not front on the arterial. Staff recommends approval of the variance request for driveway access from Los Sueños Trail for Lot 14, because alternative access is not available. And staff recommends denial of the variance request for direct access for the driveway to Lot 13, which can take access off Camino Peralta within an easement through Phase 1, Lot 12. Should the BCC recommend approval of the variance request and further approve the final plat and final development plan staff recommends the following conditions. May I enter those into the record.

CHAIRMAN SULLIVAN: Yes.

MR. ARCHULETA: I'd like to clarify a couple of them. Condition #8b, Submit a copy of the water quality analysis from NMED to fulfill the water quality requirement for future wells. And strike condition #11; that one's already taken care of in condition #4. Thank you, Mr. Chair.

[The conditions are as follows:]

1. Lot 13 shall take access off Camino Peralta within an easement through Phase I, Lot 12.
2. Compliance with applicable review comments from the following:
 - a. State Engineer
 - b. State ED
 - c. State DOT
 - d. County Hydrologist
 - e. County Developer Review Director
 - f. County Fire Marshal
 - g. County Public Works

- h. County Technical Review
 - i. State Soil and Water District
 - j. Santa Fe County Affordable Housing
3. Lots 6 and 7 shall share a driveway as required by Article III, Section 4.4.3.a of the Land Development Code
4. A public trail easement 15 feet in width along the west property line as approved by Santa Fe County Open Space and Trails shall be identified on the plat as required by Ordinance No. 2007-1, Tres Arroyos del Poniente Special Review District (TAP).
5. Final homeowner documents (covenants, by-laws, articles of incorporation, disclosure statement) are subject to approval by staff and shall include but not be limited to the following:
 - a. Water restrictions of .25 acre-feet per lot
 - b. Shared well agreement
 - c. Water conservation measures shall include water storage from roof drainage
 - d. Maintenance of roads and drainage facilities
 - e. Maintenance of septic systems
 - f. Solid waste removal by the Homeowners Association if the homeowner is not complying
 - g. Affordable lots
 - h. Floodplain obstructions, minimum lowest floor elevations
6. Each lot is required to install residential fire suppression sprinkler systems and alarms as required by the Urban Wildland Interface Code Ordinance No. 2001-11 and this shall be noted on the plat.
7. All redlines shall be addressed.
8. Applicant shall address the following issues from the Santa Fe County Hydrologist prior to:
 - a. All water will be supplied by shared wells, each supplying at least three lots
 - b. Submit a copy of the Water Quality Analysis from NMED to fulfill the water quality requirements for future wells. [Added at staff report]
9. Applicant shall identify affordable lots on plat of survey and disclosure statement as required by Ordinance No. 2006-2
10. The applicant must record water restrictive covenants simultaneously imposing .25 acre-feet per year per lot as required by Article VII, Section 6.6.2 of the Land Development Code. Water meters for each subject parcel must be installed to monitor water use. Water consumption reports must be submitted to the County Hydrologist by January 31st of each year and submitted to the OSE on a quarterly basis. The applicant shall add this responsibility to the Director's duties listed in the Well Sharing Agreement.
11. ~~Trails shall be developed within common open space around perimeter of subdivision.~~ [Deleted at staff report]
12. Submit Engineer's cost estimate and acceptable financial surety for completion of

required improvements as approved by staff. Upon completion, submit certification by registered engineer that improvements have been completed in conformance with approved development plans.

13. A financial guarantee is required for the full cost of Los Sueños Trail/Hager Road construction prior to the plat being recorded.
14. Submit solid waste fees in conformance with the ESR.
15. Common ponds for road drainage to be located in easements. Calculations for size of culverts must be provided to support culvert design. These calculations must be provided for review and approval prior to recordation of the final plat.
16. No building permit shall be issued on any lot until Los Sueños Trail/Hager Road connection is complete and accepted by Santa Fe County.
17. Lot 13 minimum net lot size shall be at least one acre or a community water system will be required as per Article V, Section 9.3.1, Table 5.1.
18. A conditional letter of map revisions (CLOMR) is currently under review by FEMA for the Hager Road/Los Sueños Trail crossing of the Arroyo de los Frijoles. Upon completion of construction a Letter of Map Revision must be submitted to the County and to FEMA.
19. The applicant must address all redline comments by staff shown on the plat of survey and terrain management plan. These plans may be picked up from Vicente Archuleta, Development Review Specialist within the Land Department. These plans must be resubmitted on Mylar prior to recordation.

CHAIRMAN SULLIVAN: Okay, questions for Mr. Archuleta?

COMMISSIONER MONTOYA: Mr. Chair.

CHAIRMAN SULLIVAN: Commissioner Montoya.

COMMISSIONER MONTOYA: In terms of the denial, Vicente, you say that they can have access off of Camino Peralta, and they want it off of Los Sueños?

MR. ARCHULETA: Mr. Chair, Commissioner Montoya, that's correct. They can take access for Lot 13. It's adjacent to Lot 12, which was Phase 1 of the development, and it had access through Camino Peralta which doesn't have to depend on the Hager Road or Los Sueños Trail at this time.

COMMISSIONER MONTOYA: So what would it do if they got access through Los Sueños Trail?

MR. ARCHULETA: Mr. Chair, Commissioner Montoya, it would just add another driveway on Los Sueños Trail.

COMMISSIONER MONTOYA: Okay.

MR. ARCHULETA: These two driveways are across from each other but they don't actually line up at a 90 degree angle, which we would prefer that they would.

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

CHAIRMAN SULLIVAN: Okay. Vicente, how close is this subdivision to the County water system or to the Suerte del Sur water system?

MR. ARCHULETA: It's approximately, I would say – Mr. Chair, I really don't know the answer, actually.

CHAIRMAN SULLIVAN: Okay. We'll ask the applicant when the applicant comes forward. And could you explain the negative opinion of the State Engineer on this project?

MR. ARCHULETA: Mr. Chair, the State Engineer always gives a negative opinion on subdivisions.

CHAIRMAN SULLIVAN: No, not always he doesn't. I've seen quite a few positive ones.

MR. ARCHULETA: Maybe the applicant can address that.

CHAIRMAN SULLIVAN: All right. We'll ask the applicant that. Any other questions for staff? Is the applicant present?

[Duly sworn, Linda Tigges testified as follows:]

LINDA TIGGES: Linda Tigges, Tigges Planning Consultants, 1925 Aspen Drive. I would like to introduce the applicants, Judy Ross and Ted Wegner. We agree with the conditions of approval with the staff clarifications. As some of you may recall, the Board of County Commissioners approved this project for preliminary approval for all 14 lots and gave final approval for the one lot to the southeast. That has been platted and we're before you know with the other 13 lots with 12 market lots and two affordable housing lots.

The property is located – we've got a big area map here first. The property is located north of 599. It's accessible right now by Camino Peralta here, and then the Hager Road which also I guess formerly is called Los Sueños Trail also goes through it. One of the conditions of approval, you noted, is that this property can't develop, can't record the plat until Hager Road is constructed. Just a little closer look at it, the property is one of seven lots of the archdiocese property. It's this one right here. Again, we're showing Hager Road and Peralta coming up here. 599 is down there. Suerte del Sur is up here. It's separated by the width of the lots, and I'm not sure what the scale is on this, but it's quite some distance between the two.

As you can see from this, I believe, that it is located on the Arroyo Frijoles and it's a difficult lot. It might be one of the most difficult lots in the project. One of the more difficult lots. The land on the north side, land on the south side is divided east-west, and then you've got Hager Road going north-south through it, so it divides it into four parts. The floodplain here is very wide. This isn't just the floodplain. This is something else; I think I can show it here easier. The floodplain on this side goes up to here. It's a hard lot to try and develop. The applicant has dealt with the difficulties by arranging the lots on both sides of Hager Road. These lots, because of the floodplain go all the way down to the arroyo, and then over here the floodplain was a little bit different and they were able to do two layers. And then for the south side, they put one lot here and then the two lots there in an attempt to try and deal with the terrain.

The idea was to dedicate the floodplain here – not the floodplain, but to dedicate this portion as common open space. This is common open space. This is a trail, which is also a

public trail, and then working with the neighbors, in a lot of meetings and with City staff and going up there and hiking it, they also decided to put a trail over here. And the idea was this one would be connective north-south and this one would be connected east-west. As a result of the Hager Road and the common open space and the trail, almost 20 percent of the land is put in public domain, about 18 percent, to be exact.

The idea of the applicants in trying to work with this lot would be that the land slopes down here, it slopes down here, and then there is the arroyo, that they would create a kind of community with the 14 lots around the arroyo and the open space so that people could talk to each other, they'd see each other and get to know each other and create a little neighborhood.

There are four shared wells on the property. There are two affordable lots. There's one here and one down here. So there's two affordable lots, 13 other lots, meeting City standards.

And part of the difficulties of the property and being divided up in so many ways, the applicants were able to put it together for two variances for driveways. The one, Hager Road/Los Sueños Trail is an arterial. You're not really supposed to have driveways go on it, but this parcel would be landlocked if it couldn't have a driveway. So staff recommended that. Here's a little tag of a driveway. This lot, the neighbors over here and particularly in Puesta del Sol over here, urged that this one go to Hager Road too rather than following an easement through here and going on to Peralta, just to protect their neighborhood from a little bit more traffic. Staff has not seen that in a positive way and are recommending against it.

The project has been reviewed by the school district. They've made no response to our letter though, and it also has been approved in a positive way by the fire department and the Public Works Department on traffic.

There's a couple of letters that I would like to hand out and one is from the neighborhood. The Puesta del Sol neighborhood has given us a positive recommendation, and a request again to you for the variance for the driveway. The other one that we're handing out has to do with emergency access. I believe you received a handout from staff with a letter from – I think from the Piñon Hills on the west side, and they are asking for an emergency access here. I think this one probably shows it a little better. The concern is – I think they're here to explain it. The concern is that there isn't any emergency access for the property over in the Piñon Hills area and they've asked for an emergency access here. We took that seriously and we worked with the fire department people and the Public Works staff and we reviewed the plat for the area. There are two existing emergency accesses platted. The first one is platted here off Penny Lane and the second one is at Suerte del Sol, there's an access platted here through Suerte del Sol, which would probably help this neighborhood the most in an emergency if the Frijoles was flooded and the Trampas was flooded then they could north.

I do have the plats here if you're interested. This is a schematic but I do have the plats with me. The concern about extending the small road that serves this area in here is – I think you can see this on here, this is a topo. The dark areas are the 30 percent slope. This is rough in here as it comes down to the arroyo and if we put it in here we'd be extending it right

through the roughest area, right through slopes. It would be difficult and expense to build, also difficult to build, involving quite a bit of grading and culverts and so on and unsightly. We did, I think both the Fire Department and Public Works did take field trips out there. The handout from Vicente from Robert Martinez said, no, that's not the way to go. We've got these two other access points and the Fire Marshal also said a similar thing.

We talked also to Dave Sperling, who had talked to the neighbors and he was very clear that he had not recommended this site. He was concerned about access but he agreed with us when we talked to him that this wasn't an appropriate location, partly because of the terrain. Judy wanted to make a few comments as well.

[Duly sworn, Judy Ross testified as follows:]

JUDY ROSS: My name is Judy Ross and I just have a few quick comments. We're excited about the opportunity to create a high-quality subdivision in Santa Fe that will be an asset to Santa Fe County. And we plan to make this our future home as soon as Hager Road gets built. We have worked with the neighbors to answer their questions and address many of their concerns, and we've fulfilled all of the County requirements and we look forward to approval. Thank you.

CHAIRMAN SULLIVAN: Ms. Tigges, can you or anyone answer the question of the negative opinion of the State Engineer?

MS. TIGGES: I think I'll refer – no, I can't because it seemed acceptable to the County staff, and frequently, you do get a negative response though for the reason, it's hard to sort out. I think that Shelley has a comment on that.

MS. COBAU: Mr. Chair, the State Engineer had a concern regarding the pumping rate, and also they said that the constant pumping rate of 24.5 gallons per minute was calculated from the total volume pumped during the test, and they said the actual pumping rate based on the figures was in fact 15.1 gallons per minute. Karen Torres reviewed this report and made some extensive testimony during their preliminary hearings, and one think I would like to point out is I believe that – Jose is on his way to get the TAP Ordinance right now, but the TAP Ordinance has come into effect since these recommendations were developed for the Ponderado Subdivision because it's been on the table in the Development Review Division for about 18 months, waiting for them to do their FEMA analysis. Because we did require a submittal be made to FEMA because we had the Arroyo de los Frijoles floodplain.

So I believe we are going to need to change a condition in order to comply with the TAP Ordinance and that's going to require that their water restrictive covenants be reduced to .20 versus .25. We had a lengthy conversation during the preliminary hearing. Commissioner Campos had asked some questions to Karen Torres and she had responded, and those meeting minutes are in your packet. Karen Torres didn't have a problem with the pump capacity. I believe we had a positive recommendation from Karen Torres on this, other than the fact that we needed to have the water restrictive covenants reduced to .20 acre-feet per year per dwelling unit.

CHAIRMAN SULLIVAN: And that is because of the requirements that are in

the TAP Ordinance?

MS. COBAU: That's correct, Mr. Chair. So I'd like to suggest that we change that condition before a vote is taken on it.

CHAIRMAN SULLIVAN: Okay. And is that acceptable to the applicant? Okay. The applicant said yes. And then – so getting back to the State Engineer's recommendation for denial, is that because – I noticed a comment about Mr. Corbin not being an engineer, and then also, is that because they disagree with the pumping rate?

MS. COBAU: I think the comment was that the report made Mr. Corbin sound like he was the State Engineer. He is in fact a P.E. so he is an engineer but he isn't the State Engineer and I think that's what the Office of the State Engineer took exception to.

CHAIRMAN SULLIVAN: Okay, but getting back then to the pumping rate, what effect does this difference of opinion on the pumping rate have?

MS. COBAU: Mr. Chair, I'm not a hydrologist. I can assume that you could improve your pumping rate if you improved your pumping capacity as long as your well had the water supply. So I think we have to as staff, trust that Karen Torres has looked at that and if we look at the meeting minutes, we can see that she is recommending approval of this subdivision, back about 18 months ago. And I didn't see a more recent letter from Laurie Treviso so I can't speak to the fact if Laurie has reviewed this or not. But Karen Torres was actively involved and did come and testify at the Commission meeting back in October of 2006.

CHAIRMAN SULLIVAN: And didn't she also indicate how close the water supply line was at that time? I remember a 500 feet but maybe that was another project.

MS. COBAU: I reviewed the meeting minutes. I didn't hear that. I don't think it's that close and the current regulations and the Extraterritorial Subdivision Regs ask that they – or require that they connect when they're within 200 feet, Mr. Chair.

CHAIRMAN SULLIVAN: Okay. Other questions of the applicant from the Commission? Commissioner Vigil.

COMMISSIONER VIGIL: Thank you. I think the .20 requirement per land lot was discussed at our last meeting. Was that not correct, Ms. Tigges? I'm hearing that was a requirement of the TAP but I think you agreed to it at our last hearing. Is that correct?

MS. TIGGES: Yes. I think that the situation was that it hadn't been adopted at that time and I was a little uneasy until it was adopted. It is now adopted, so that isn't an issue anymore.

COMMISSIONER VIGIL: We are no longer going to include the requirement for public trail easement. I guess 15 feet have been dedicated in the perimeter of the property. Would you enlighten me some more about that? Is the easement just dedicated or will your client be developing that? What was negotiated with regard to that?

MS. TIGGES: I would like to let her respond to that.

MS. ROSS: If I could I'll show you on the map and then tell you what's been discussed and negotiated. Instead of putting the trail along Hager Road, the neighbors, both the east and the west asked that we put it along the western border. So all of the property

owners for two, five and seven have a written contract where we agree not only to dedicate the 15 feet but to build a trail that was acceptable the County Open Space and Trails group. So we will be building this. So that's shown by these double blue lines.

The other trail goes along the edge of the arroyo here and is shown by the double blue. So that's the east-west trail that Linda was speaking to earlier. So this trail will be developed, not just dedicated.

COMMISSIONER VIGIL: Okay.

MS. ROSS: And then this is the open space, this area of the arroyo, for public access.

COMMISSIONER VIGIL: Okay. Thank you very much for that. The other issue that I'm concerned with regard to shared wells. That's your only alternative at this point in time. However, in the future, should the Buckman Direct Diversion water system go through there, I think that's one of the sites that's being considered, would you consider a condition of approval to remain on shared wells until such hookup can occur with a water utility system?

MS. ROSS: Yes, and let me add one additional statement to that. We have designed the piping for the shared wells so that everything can be valved, so that when there is City or County water in the area, that we can just turn valves and shut the wells down. So we have made that part of our engineering work, because this distance right here is about 700 feet. So if you just kind of eyeball it, this is probably, let's say 1200, 1300 feet, from our perimeter to Suerte. So if Suerte brings the pipes down to here we would be one subdivision away from County piping. So we are planning for the assumption that at some point there will be County or City water and are piping to do so, so we don't have to tear up the subdivision to handle that.

COMMISSIONER VIGIL: Staff, is that clear as a condition, or could you clarify that as a future condition?

MS. COBAU: So we could have condition 20 that the applicant will agree to connect to County water or City water when it becomes available, or just County water, Commissioner Vigil?

COMMISSIONER VIGIL: At least my vision was that it be with County water because I envision that that's one of the site areas for where the Buckman Direct Diversion system will be through, and it makes sense. You're still going to be in the county; it probably should be within the County water supply. We get really confused when we start crossing over for utility services between the City and County. It creates a lot of problems. So I think County.

MS. COBAU: So the condition 20 will be the applicant will agree to connect to County water when it becomes available. And Jose just brought a copy of the TAP Ordinance in here, and I stand corrected. The water restrictions are .25 acre-feet in the TAP Ordinance. I think there must have been some discussion to limit it to .20 acre-feet, and then when the ordinance was adopted it became .25. So I stand corrected on that and I apologize.

COMMISSIONER VIGIL: Okay. And I think that was clarified when I posed

the question to Ms. Tigges that this part of the discussion, not necessarily part of the TAP Ordinance. I guess my next question is I'd like some more description about what the affordable housing units will be like. It's such a new ordinance for us. We're moving forward with it. Do you have a sense of that and what discussions have you had with regard to it?

MS. ROSS: Yes. We've had a number of discussions with the Community Housing Trust, so our thought process is that we would give the lots to the Community Housing Trust and work with them to develop the two lots. Our thought process is we really look at these lots as kind of if you will the gateway to our property so it's important to us that they be very nice. I don't know if you've been out in this area but the views are absolutely spectacular and the arroyo is just a great, beautiful place. So we think these are going to be two great affordable houses.

COMMISSIONER VIGIL: Okay. And could you state for me the issue as I've reviewed here with regard to a – is a culvert or a low-water crossing that's of concern? Could you state the issue for me with regard to how you understand it?

MS. ROSS: Okay, sure. Let me use this map. I don't know if you guys can all see this. The big issue is that the entrance to Piñon Hills, which is the subdivision over here, is a low-water crossing and it's not in very good condition. So the problem is for these people right now, as it exists, the only way for them to get out of their subdivision is for them to go cross country or to go through the low-water sub-area. So what they've asked, as the new subdivisions have come in, is give us a high-water crossing. Give us an all-weather crossing so that if we have a fire and there's bad weather, we can get out of here.

And so what's happened is there is one, so that the people over in this section, and this is probably, I don't know, 30 or 40 houses at this point and somebody here can probably get that, is that there – and this has been platted through Penny Lane. Let me come back to this map so you can see it in its entirety, is this has not been platted. It's been platted over to the point of the Hager Lot 5. This has been designed by the engineers, but this subdivision is not in process yet. But this is a very flat area. And Penny Lane exists how and this cut-through exists now and there is a gate that is not locked. So people can go from here, and when Hager Road is built, you would be able to go and get to Hager Road. So that's one all-weather crossing.

However, as I showed you on this map, it satisfies the needs of the people that live in this area over here. The issue is the people that live over here. Because they can't get out through the low water, the other crossing, and this is also low-water, or if it's high water they can't get out. So they can't get over to that access. So when you guys approved Suerte, you asked them to put an emergency exit here. And this is going to be a breakaway gate. This over here is actually going to be a road.

So at the time that Hager Road is put in, you will have two additional emergency accesses, one for the people in the south and one for people in the north of Piñon Hills. So that's the issue that's on the table. And our concern is where they want to put the road is right here and it's 15 to 30 percent area. So it's not like you can just put a gate there. This is 320 feet of road that would have to be engineered, and then on the county side of it, it's basically

sandy, dirty. And there's no basecourse there. So there's another 250 feet that would have to be improved on the County's side of the road. So that's my understanding of the emergency access issue.

We, since 2006 have been working with both fire and Robert Martinez to figure this out and find a good solution.

COMMISSIONER VIGIL: And has a low-water crossing or culvert been discussed for that portion on the south side of the map that would provide an emergency access?

MS. ROSS: Well, this one is actually platted and ready to go.

COMMISSIONER VIGIL: The one further down, I guess.

MS. ROSS: This one right here?

COMMISSIONER VIGIL: Yes.

MS. ROSS: That's a part of an existing subdivision and I don't know what Piñon Hills plans to do about that.

COMMISSIONER VIGIL: Okay. And where does your boundary start with regard to where that culvert is?

MS. ROSS: Our boundary is way over here. This is us in the shaded section.

COMMISSIONER VIGIL: Okay. Thank you.

CHAIRMAN SULLIVAN: Thank you. Commissioner Vigil's question on the affordable housing, we require that those lots be shown in the final plat process. Where are those lots for the affordable housing?

MS. ROSS: Let me show you on the plat. It is this lot, which is about 1.8 acres, and this lot which is 1.7 acres.

CHAIRMAN SULLIVAN: And where's the main road?

MS. ROSS: This is Hager Road shown here in the kind of golden color.

CHAIRMAN SULLIVAN: Getting back to the State Engineer and the County's Water Resource Department comments. One of the comments from the County, Karen Torres was that you have a water quality issue that you don't meet the secondary maximum contaminant levels for iron, aluminum and turbidity. And she states that you must state that in the disclosure statement, and the expected adverse effects of the contaminant for domestic water use. And I didn't see that in the staff conditions. Is that covered somewhere else?

MS. ROSS: Could I address that, Shelley?

MS. COBAU: It is covered in condition #2, as compliance with applicable review comments from the County Hydrologist, item 2d.

MS. ROSS: Commissioner Sullivan, I have a copy of the analysis that was done on the water quality. I'd be happy to share that with you. The first water quality that we turned in was actually done on another well. On our well, the water quality, according to Corbin is "the best water quality" he's ever seen in Santa Fe County. So I would be happy to share with you that memo and give it to Karen or whoever would like to read it, because it really is a non-issue and the analysis was done by a sanctioned analysis person.

CHAIRMAN SULLIVAN: Well, I think we have a problem here, because it's either going to be shown or it's not. And the County's recommendation is that that note be shown. And if you're saying that that's wrong, and that there's different test results here, then we need to get those test results and we need to get that condition or that letter changed, because this is an important water quality issue. So which is it?

MS. COBAU: Commissioner Sullivan, I believe that until Karen Torres or until Laurie Treviso saw that water quality data I believe that the comment letter as issued by Karen Torres on the data that she was give for review would have to stand.

CHAIRMAN SULLIVAN: Okay. We're at final approval here, so --

MS. COBAU: I believe that before we'd record this final plat, Mr. Chair, we'd require that that note were placed in the subdivision disclosure statement, as required by the County Hydrologist.

CHAIRMAN SULLIVAN: Okay. That's clear to me. I'm sensing that the applicant has a different take on it. Is the applicant okay with staff's recommendation? Okay. I think you said yes. I couldn't hear you at the mike. Okay. Thank you. Getting back to the State Engineer's comment, it wasn't so much about the engineer -- now I've lost it. I had it here. Sorry. Here it is. It says, and this is what I'm trying to get a handle on, that the applicant cannot -- that the State Engineer cannot determine that the subdivider can fulfill the proposals in his disclosure statement concerning water, excepting water quality. Accordingly, a negative opinion is issued. So obviously, someone must have talked to Mr. Longworth about this. What was his concern here that you could not fulfill the proposals in your disclosure statement, because I don't think we have a copy of your disclosure statement in the packet here. What were you saying that he didn't think you could fulfill?

MS. COBAU: Mr. Chair, if I could interject.

CHAIRMAN SULLIVAN: Sure.

MS. COBAU: Karen Torres, I believe it was dealing with their water budget and other things that were contended and I believe in the letter from Karen Torres dated July 11, 2006, which is Exhibit A in your packet, she had asked for some additional restrictions. That they would have to limit their grass to 1,000 square feet or any area that was being drip-irrigated had to be made of grass, all these items in Karen Torres' memo, water quality and regarding they had stated they would plant sod or grass seed that contained Kentucky bluegrass and Karen Torres specifically required that that be prohibited.

So I think Karen addressed the issues regarding their water availability, their water delivery and I feel comfortable that Karen Torres thoroughly reviewed this project and would have commented if she had further issue, because she does get copies of the letters from the OSE.

CHAIRMAN SULLIVAN: Okay. Thank you, Shelley. Are there any other questions for the applicant? Okay, seeing none, this is a public hearing, are there any persons present who would like to comment with regard to this project? I believe we did get a letter from the Agua Fria Village Association. I see Mr. Mee is here, so I bet he's got a comment. Mr. Mee, or whoever would like to comment, step forward.

[Duly sworn, Milton Moomaw testified as follows:]

MILTON MOOMAW: My name is Milton Moomaw. I'm the vice president of the Puesta del Sol Neighborhood Association. You have a letter from our president who is unfortunately out of town at this time, in support of the approval, with the variance requested for two driveways onto the Hager Road. That's basically all I need to say is I'm here in case you have any questions of Puesta del Sol.

CHAIRMAN SULLIVAN: Thank you, sir. I appreciate that. Next speaker please. And let me understand, Shelley, the staff's recommendation is that one variance be approved and that the other not be approved. Is that correct?

MS. COBAU: That's correct, Mr. Chair. It's staff's objective to try to limit the number of driveways on that arterial roadway. The lot on the east side of Los Sueños Trail could take access through another one of the Ponderado lots onto a cul-de-sac and we wouldn't have to have an access onto Los Sueños Trail, onto that arterial. The other lot on the west side doesn't have an option, so we felt we could support that variance request on the other side, for I believe it's Lot 14. It's on the west side of Los Sueños Trail. That's why we had kind of a split recommendation there on the driveway access.

CHAIRMAN SULLIVAN: All right. Thank you for that clarification. Mr. Mee.

[Duly sworn, William Mee testified as follows:]

WILLIAM MEE : I'm William Mee, president of the Agua Fria Village Association, at 2073 Camino Samuel Montoya. I did sent a letter of opposition at our June 2nd meeting and we voted to oppose the development. I guess we had never gotten notice before this secondary approval, but basically, our concerns are with our future family transfer rights, is what we're calling it. I talked with Commissioner Vigil and she said maybe it would be appropriate to have a discussion offline about an ordinance or that type of thing.

I think one of our concerns was that we have a lot of residents that live in the village and have land on the north side of State Road 599, so they quite often use County Road 62 and cross 599, and it's a pretty dangerous crossing right there. I know in years past the WIPP Route had sort of promised that there would be another interchange built along 599 and of course WIPP funding has dried up and GRIP funding and DOT funding has sort of waned on this particular issue. But we were thinking that maybe there should be impact fees charged to build that interchange for this particular subdivision. I know it's not in ordinance or County resolution at this point but maybe that's something we should think about because that interchange isn't getting built and it's been a number of years and there's been some really horrific accidents in that area.

We keep approving subdivisions north of State Road 599 and it's just complicating that traffic situation for the County Road 62 possible interchange at that point. And I think probably that's our basic opposition to it. Of course this particular subdivision does impact school capacity, fire and public safety capacity and just overall strains the County to meet those needs in the area. So we feel that this particular subdivision would impact us. At some point we're going to be overbuilt and I think we have to recognize that. The housing market

is starting to decline and as we build more and more in these areas there's a number of subdivisions that have been approved already and haven't broken ground yet, so we're wondering, will our neighborhood be the one that some houses are built, they're unable to be sold and they just sort of decline in the neighborhood.

We sort of want to avoid that situation. But those were the issues that we had discussed in our June 2nd meeting. I thank you for your time.

CHAIRMAN SULLIVAN: Thank you, Mr. Mee. Does the Commission have a copy of Mr. Mee's letter? I think I got this off the email.

MR. ARCHULETA: Mr. Chair, we had that passed out with that packet that Jose passed out earlier.

CHAIRMAN SULLIVAN: Oh, just now? It was passed out just now? So we have a copy of that June 6th letter. All right.

[Duly sworn, Tom Terwilliger testified as follows:]

TOM TERWILLIGER: I'm Tom Terwilliger from Lado del Puesta del Sol. I'd just like to thank the applicants for their meeting with neighbors and their working with the neighbors, and for following the TAP plan closely.

CHAIRMAN SULLIVAN: Thank you, Tom. Is there anyone else who would like to speak on this application? Seeing none, we'll close the hearing. Are there any further comments or questions from the Commission? If not, what's the pleasure of the Commission?

CHAIRMAN SULLIVAN: Oops, she's back. A question from Commissioner Vigil.

COMMISSIONER VIGIL: This is for staff. When the development goes through its process, what does our ordinance say with regard to what neighborhood associations are supposed to be identified within the proximity of the development?

MR. ARCHULETA: Mr. Chair, Commissioner Vigil, right now, we have anybody within 100 feet of the property, and the Agua Fria community is more than that, so they weren't identified. But in the future we can do that. We can have them notified.

Commissioner Vigil: Okay. It would seem to me that it would be appropriate to do that, particularly when you have a strong neighborhood association that is active with regard to impact analysis and what developments will do and how they will impact their own communities, particularly a traditional historic village. So if we could conclude that, and I would even say we consider amending the current ordinance to clarify that further.

CHAIRMAN SULLIVAN: Anything else, Commissioner Vigil?

COMMISSIONER VIGIL: No.

CHAIRMAN SULLIVAN: Okay. Commissioner Montoya.

COMMISSIONER MONTOYA: I move for approval with staff recommendations of approval for access on Lot 14 and denial of the variance request for Lot 13.

CHAIRMAN SULLIVAN: And with the additional condition 20?

COMMISSIONER MONTOYA: With all the conditions and the additional,

yes. With the elimination of 11. So there's still 19 right?

CHAIRMAN SULLIVAN: There's still 19 if we eliminate 11, but the additional conditions regarding hookup to future County water.

COMMISSIONER MONTOYA: Yes.

CHAIRMAN SULLIVAN: Okay, there's a motion, is there a second?

COMMISSIONER CAMPOS: Second.

CHAIRMAN SULLIVAN: Second by Commissioner Campos. Discussion of the motion?

The motion to approve passed by 4-1 voice vote with the chair voting against.

CHAIRMAN SULLIVAN: The chair votes no. On these subdivisions that don't have public water systems I think it's important that the State Engineer being satisfied that the water quantity and quality is adequate. So that's four in favor and one in opposition. The motion passes.

- XV. A. 6. EZ Case #DL 08-4140 Lerma Family Transfer. Isaac Lerma, Applicant, Requests Plat Approval to Divide 4.73 Acres into Two Lots for the Purpose of a Family Transfer. The Lots Will Be Known as Lot 2-A (1.25 Acres, More Or Less) And Lot 2-B (3.48 Acres, More Or Less). The Property is Located at 19 Calle Suzanna, within the Pinion Hills Subdivision, Via County Road 70, Within Section 25, Township 17 North, Range 8 East, (5-Mile EZ, District 2) Jose E. Larrañaga, Case Manager**

MR. LARRAÑAGA: Thank you, Mr. Chair. On May 8, 2008, the Extraterritorial Zoning Committed met and acted on this case. The decision of the EZC was to recommend approval of the applicant's request.

Applicant, Isaac Lerma, wishes to convey 1.25 acres of a 4.7-acre parcel to his son. The application for a division of land by way of a family transfer is in compliance with applicable provisions of the Extraterritorial Subdivision Regulations, Section 3.3.6. The property has been in the family proper since 1992.

There is currently one dwelling on the property. The property is located in the Piñon Hills Subdivision within the Basin Hydrologic Zone where the minimum lot size is 2.5 acres. Under the EZO, family transfers of one-half the minimum lot size are allowed, therefore creation of these lots is possible with .25 acre-feet per year water restrictions.

The subdivision in which the property is located was approved by the BCC in 1964. This subdivision is legal non-conforming, as it does not meet current subdivision standards for fire protection, roads, water and liquid waste.

The following lot sizes are proposed: Lot 2-A, 1.25 acres; Lot 2-B, 3.48 acres. This

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

Recommendation: All existing infrastructure such as fire protection and roads within the Piñon Hills/Alameda Ranchettes have been constructed in accordance with the subdivision standards that were in place in 1964 at the time of approval. Infrastructure requirements in 1964 were not as comprehensive as today's standards, thus the Piñon Hills/Alameda Ranchettes Subdivision is legal non-conforming. Access to the property crosses over a 100-year flood zone that does not have an all-weather crossing. Staff does not support increasing density in areas that do not have adequate access for emergency vehicles. Therefore staff recommends denial of the applicant's request.

CHAIRMAN SULLIVAN: Questions for Mr. Larrañaga from the Board? Okay, is the applicant present? Would you give us your name and address and have the recorder swear you in please.

[Duly sworn, Isaac Lerma testified as follows:]

ISAAC LERMA: My name is Isaac Lerma and I'm the owner of the property. In regards to this transfer, I know that there's been some concerns that the transfer is for – this could be made for profit as other neighbors that have split their property have encountered. Like my neighbors, I do not wish to split this lot to make a profit. I wish to split it so that my son can have a place to build a house so that he doesn't have to move out of the community like a lot of people are doing. My neighbors, who have split their property, especially the one to the north. He split it and he gave it to his son. His son's been there for approximately 14 years. I had no intentions of splitting this property for profit. I just wish to provide a place for my son to build a house.

CHAIRMAN SULLIVAN: All right. Thank you, sir. Are there any questions for Mr. Lerma? Seeing no questions, this is a public hearing. Is there anyone present who would like to speak either in favor of or in opposition to this proposed family transfer? Come forward, sir.

MR. LERMA: Could I say something else?

CHAIRMAN SULLIVAN: Go ahead.

MR. LERMA: Also, there was some objection to the splitting of the property because of the no-access crossing. I understand, especially now after this meeting that there will be a bridge on the new subdivision which the residents in the area will be able to use to access.

CHAIRMAN SULLIVAN: All right. Thank you. Come forward, sir.

[Duly sworn, Lawrence Lee Renner testified as follows:]

LAWRENCE LEE RENNER: I'm a neighbor, adjacent to Mr. Lerma's property, and I have no problem with his splitting his property, but I did bring along a standard form from the West Santa Fe Association. [Exhibit 2] I have five copies if you would like one of those, then I will read it.

CHAIRMAN SULLIVAN: That's fine. If you can give one to the recorder we can share one up here.

MR. RENNER: This is a standard form from the Board of the West Santa Fe Association. We are writing in reference to the permit regarding the Lerma lot split, Calle Suzanna, Piñon Hills. The association would respectfully ask that the request for the split be denied. In the case of legitimate family transfers we would ask that the following, which has been done in other subdivisions in Piñon Hills, which is a 10-year hold on any lot splits, so that they cannot resell, making it a true family transfer.

We patiently ask that you once again consider the larger issue of the lot splits in Piñon Hills and their cumulative effect. We were a non-conforming, 60-family subdivision that is rapidly transforming into a truly dangerous 200+ lot subdivision, lacking basic emergency access. Please consider the following: unsafe ingress/egress fire response. There is still only one entrance to the subdivision rather than the two required by code. That entrance is a deteriorating low-water crossing, impossible to cross during floods. There are internal roads that flood as well and we have no crossings. According to the Fire Marshal, David Sperling, this is an issue of real concern for his department. We have no fire hydrants or water storage and our roads confound response. As the Fire Marshal says, increased housing density increases fire risk. We are penned in by several subdivisions in a very dangerous way. A fast-moving fire moving from the southwest would trap those in the northern half of Piñon Hills. It is unconscionable to approve further lot splits before current, very real egress issues are resolved.

Costly road maintenance: Further lot splits increase traffic, which increases the wear and tear on roads.

There is not yet a system in place to monitor compliance with the water use restrictions imposed by the County, the Board of County Commissioners for lots that have been split in the past. Increased lot splits without adequate means of monitoring and enforcing imposed water use restrictions may result in two to three times faster groundwater depletion than is allowed by the County Land Development Code.

Groundwater sewage contamination will also be a problem. The bottom line is that the lot is in an existing non-conforming subdivision. While lot splitting appeals to some for personal interest, it is not to the benefit of the community. Thank you for your consideration. And this is from the governing board of the West Santa Fe Association.

CHAIRMAN SULLIVAN: Thank you, sir. My recollection is the Association has recommended approval of lot splits in the past but I think only if they were at least five acres. Is that –

MR. RENNER: The basic lots in Piñon Hills when it was established were from four to six acres in size so breaking it down into two fives would not apply to Piñon Hills.

CHAIRMAN SULLIVAN: This is of course less than 2.5 also. It's 1.25. Okay. Are there any others who would like to speak with regard to this application? If not, we'll close the hearing.

COMMISSIONER VIGIL: I have a question for the gentleman.

CHAIRMAN SULLIVAN: Question from Commissioner Vigil.

COMMISSIONER VIGIL: We're getting sort of mixed messages here, and I'm wondering, the governing board of the West Santa Fe Association, if you would clarify this for me, sir. We have a message also from the Puesta del Sol Property Owners Association. And I know the Puesta del Sol is in the Piñon Hills area. Where is the West Santa Fe Association property owners located?

MR. RENNER: We're not a property owners. It's the West Santa Fe Association and it's open to members. We've had members all along West Alameda, going in towards the City limits. Puesta would be in our general area, but they have their own association. I'm not a board member myself; my wife is. So I don't know if we currently have any members from Puesta in our association. I know we have in the past. But Puesta is adjacent to the east from the subdivision of Piñon Hills. The majority of our members in the West Santa Fe Association are Piñon Hills residents.

COMMISSIONER VIGIL: And I believe we do have something from Piñon Hills in our packet. Is that accurate, Jose? Or at least from David Gold? Maybe it's referenced in the Puesta del Sol property and David Gold, vice president of Piñon Hills. So maybe that letter that came to us on May 7th is a joint letter? At least that's how it starts off. Was that your understanding?

MR. LARRAÑAGA: That was my understanding, yes. It was a joint letter.

CHAIRMAN SULLIVAN: Commissioner Vigil, are you talking about the letter where Piñon Hills recommends denial?

COMMISSIONER VIGIL: No, I'm talking about the letter that's dated May 7th. It says the Puesta del Sol Property Owners Association, David Gold, vice president of the Piñon Hills Neighborhood Association want to express our support. Oh, this is –

CHAIRMAN SULLIVAN: That's the Ponderado.

COMMISSIONER VIGIL: That's a different one. Okay.

CHAIRMAN SULLIVAN: Because there is a May 7th and that's what confused me.

COMMISSIONER VIGIL: Where is the May 7th one in our packet?

CHAIRMAN SULLIVAN: It's right near the end.

MR. LARRAÑAGA: Exhibit G.

CHAIRMAN SULLIVAN: It's the third sheet from the end. That May 7th letter indicates that they don't support any lot splits less than 2.5 acres. Did you find it all right?

COMMISSIONER VIGIL: I did, and I also found a May 3rd letter from Larry and Zanna Renner.

CHAIRMAN SULLIVAN: Right. That indicates they have no opposition to the transfer.

COMMISSIONER VIGIL: Right. And then there's an email from George Ancona.

CHAIRMAN SULLIVAN: Recommending denial.

COMMISSIONER VIGIL: And is that all that we've received from this area?

Okay.

CHAIRMAN SULLIVAN: Is that all we've received, Mr. Larrañaga?

MR. LARRAÑAGA: Yes.

CHAIRMAN SULLIVAN: Okay.

COMMISSIONER VIGIL: Has the applicant had the opportunity to work with these neighborhood associations?

MR. LARRAÑAGA: Mr. Chair, Commissioner Vigil, I believe they noticed. I don't know if he's worked with the association at all. If he's talked to the association at all.

COMMISSIONER VIGIL: Mr. Lerma, have you had an opportunity to speak to the association with regard to this request and work through some of the issues that they bring up?

MR. LERMA: No, I haven't. In regards to the amount of the split, the reason that we're splitting it as such is because my house is situated in the middle of the lot and to the east it's a – the terrain wouldn't lend itself to building other houses. If the house was situated differently I would have split it in half. Therefore, the only choice I had was to split it that way, so that I could meet the requirements of the space between the houses and the lots.

COMMISSIONER VIGIL: Okay. Mr. Lerma, you're getting some strong opposition with regard to going forth with this lot split, and I know for a fact that it's from prospective landowners who may be coming before us for family transfers themselves. It seems to me that one of the ways that you can work out a lot of the issues that have come before us and one of them in particular is access – ingress and egress for emergency purposes here, and that's been a huge problem in that area in particular.

Would you consider, if I motioned to table this case, would you consider using that time to visit with the West Neighborhood Association, with the Piñon Hills Subdivision and with the Puesta del Sol Subdivision to ask them to identify their issues, explain to them your needs for a family transfer, keep the lines of communication open and come back to us to give us a report of what that was, and perhaps even the neighborhood association would follow up some discussion with us on that. Because I actually think with you not having that opportunity that you've been sort of short-sighted. Or at least we would be short-sighting you by not giving you that opportunity. Would you consider that?

MR. LERMA: Yes, I would. Like I said, if the property would have lent itself to being split in half I would have done it. I have no problem with meeting with the association. Unfortunately, due to the financial circumstances I work two jobs. I work 75 hours a week and I used to belong to the board and I no longer have time for it, but I'm willing to meet with both boards to resolve it.

COMMISSIONER VIGIL: I actually think there's three. The West Side Neighborhood Association, the Piñon Hills Subdivision and the Puesta del Sol Subdivision. Perhaps you can schedule a meeting with the presidents of all those boards just to have some discussions with regard to your needs. I'm not sure this will produce different results but there are some issues that might be able to be discussed. You might be able to explain your position and your needs better. I'd like you to have that opportunity with the neighborhood

association. The TAP plan in which you reside does oppose lot splits, and we have adopted that ordinance. So in many ways what you're asking at this point in time is for us to go against that TAP plan. But we also recognize the need for family transfers. So if you're willing to step aside, have these issues discussed with the surrounding neighborhoods I think that would create a benefit to everyone, and certainly to us, to help us be better informed on this decision.

And with that, Mr. Chair. I would move to table.

CHAIRMAN SULLIVAN: We have a motion to table. Is there a second? I'll second the motion. No discussion that I can see.

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

CHAIRMAN SULLIVAN: The application will be tabled until the next land use hearing, which will be in one month. Thank you, sir, for agreeing to help work that out. Thank you, Board members for hanging in here with us. It's been a long day since 10:00 this morning. We have one application left for consideration.

- XV. A. 7. **EZC Case # PPL/FPL 08-4010 Mesa Vista Preliminary and Final Plat Approval- Mesa Vista LLC, Applicant, James Siebert, Agent, Requests Preliminary and Final Plat Approval of Phase II for the Mesa Vista Business Park. The Project Consists of 8.07 Acres Which Would Be Divided Into Six (6) Commercial Lots. The Property is Located West of State Road 14 and South of the I-25 West Frontage Road, Within Sections 25 & 26, Township 16 North, Range 8 East (5 Mile EZ, District 3). Jose E. Larrañaga, Case Manager**

MR. LARRAÑAGA: Thank you, Mr. Chair. On May 8, 2008, the Extraterritorial Zoning Committee met and acted on this case. The decision of the EZC was to recommend approval of the applicant's request with all staff conditions.

On November 18, 1997, the Board of County Commissioners approved the master plan for Thornburg Enterprises, Ltd. On November 29, 2001, the County Development Review Committee approved preliminary development plan for Phase II and preliminary and final development plan for Phase I. On July 11, 2006 the Board of County Commissioners approved a master plan amendment along with preliminary and final development plat approval for Phase I.

The applicant is requesting preliminary and final plat and development plan approval for Phase II of the Mesa Vista Business Park. The 8.07-acre parcel will be divided into six commercial lots which vary in size. The final development plans for individual lots will be processed administratively and must comply with all conditions imposed with prior approvals

and current code criteria.

The following lot sizes are proposed as listed below. This application was reviewed for the following: access, water supply, liquid and solid waste, fire protection, terrain management, archeological review, environmental review.

Recommendation: The applicant's request for preliminary and final plat approval for Phase II is in conformance with the Extraterritorial Zoning Ordinance and the Community College District Ordinance. Staff recommends approval of the preliminary and final plat for Phase II of the Mesa Vista Business Park to create six commercial lots subject to the following conditions. Mr. Chair, may I enter those conditions into the record?

CHAIRMAN SULLIVAN: So entered.

[The conditions are as follows:]

1. Compliance with applicable review comments from the following:
 - a. State Engineer's Office
 - b. Environment Department
 - c. New Mexico Department of Transportation
 - d. County Hydrologist
 - e. Santa Fe County Public Works
 - f. County Technical Review Division
 - g. Santa Fe County Fire Marshal
 - h. County Utilities
2. The total development shall not exceed the 3.86 acre-feet per year of water usage as appropriated by the City and the Sangre de Cristo Water Division.
3. The applicant shall participate in a CCD-wide infrastructure extension policy for infrastructure improvements, operation, and maintenance.
4. Submit cost estimate and financial surety for completion of required improvements as approved by staff.
5. Final development plans for individual lots will be processed administratively and must comply with all conditions imposed with prior approvals and current code criteria.
6. Final plat shall be recorded within eighteen (18) months of the date of final approval, per Section 3.3.5.C.9 (Final Plat Procedures) of the Extraterritorial Subdivision Regulations.
7. The applicant must address all minor corrections as shown on the proposed plat. The redlines have been delivered to the Applicant by Jose E. Larrañaga, Development Review Specialist. These redlines must be resubmitted with the Mylar prior to recordation.

CHAIRMAN SULLIVAN: Questions for staff? Commissioner Montoya.

COMMISSIONER MONTOYA: Mr. Chair, Jose, was the applicant in agreement with all of the conditions?

MR. LARRAÑAGA: Mr. Chair, Commissioner Montoya, at EZC he was in agreement with all conditions.

COMMISSIONER MONTOYA: Okay. Thank you.

CHAIRMAN SULLIVAN: I had a question, Shelley, I think probably for you, or Mr. Larrañaga, whoever can answer it. There's several recommendations from Laurie Treviso on this. In her February 15th letter, particularly, it says the applicant provided a water service agreement from Sangre de Cristo Water Division with dates in 2003, 2004 and 2005. It's unclear the allocated amount of water that the City has provided due to the fact that the water allocations are referenced in Exhibit G. Unfortunately, Exhibit G was not submitted, and the landscape irrigation budget does not accurately reflect the use of rainwater catchment systems. A water conservation plan was not submitted. Disclosure statement in Appendix L indicates that the water and landscape report narrative pages 12, 14 and 15, due to contradictions it is unclear whether water conservation plan and harvesting system are adequately reflected in the water budget, and some other comments. Have these all been addressed?

MR. LARRAÑAGA: Mr. Chair, the applicant has addressed these. I have not received a response from Ms. Treviso. Some of these, as far as rainwater harvesting, that would be taken care of as part of the administrative development plan on each individual lot, on each individual building. We would be taking into consideration the size of the building. That would give us the cistern. But the applicant did address these concerns to Ms. Treviso and that was approximately a month and a half ago that they addressed this and I have not received a response from Laurie.

CHAIRMAN SULLIVAN: Okay, so there is a letter that the applicant wrote in response to this; we don't have that in our packet. So you're waiting for a response back from Laurie?

MR. LARRAÑAGA: I believe the – I'm looking for the response from the applicant.

MS. COBAU: The response from the applicant is Exhibit J in the packet.

MR. LARRAÑAGA: I thought it was in the packet.

CHAIRMAN SULLIVAN: Okay. Got it. And there hasn't been any response to that?

MR. LARRAÑAGA: That's correct. I believe some of the items that Laurie listed were going to be handled during the development plan of each individual lot.

CHAIRMAN SULLIVAN: Okay. So I guess we'll wait to see what Laurie says about that. The other question I had was on trails. This – I was unclear, and maybe Mr. Siebert can address that when he comes forward. I was unclear how we had complied with the trails ordinance, because we're right adjacent to the proposed 599 Rail Runner station, and there's been quite a lot of interest in the bike trail and so forth to get over to the Rail Runner station through our already existing trail plan. So if Mr. Siebert has that information I'll just wait till he comes forward.

MR. LARRAÑAGA: Mr. Chair, the applicant has addressed redlines and the trails and part of the open space and the area where it's supposed to be like tables alongside the arroyo was reviewed by our Open Space, by Colleen Baker. And we came up with redlines and the applicant has addressed redlines, and they're in my office, as far as the trails,

and he's willing to comply with the trails asked for by Open Space.

CHAIRMAN SULLIVAN: Okay. I'll let Mr. Siebert show me where that trail is then. Any other questions for staff? Is the applicant present?

[Duly sworn, Jim Siebert testified as follows:]

JIM SIEBERT: My name's Jim Siebert. My address is 915 Mercer, Santa Fe. This project actually has been before you several times as a master plan, a master plat, a preliminary plat, a final plat. The Phase I you approved. Two lots in Phase I are actually under construction. We've been through two centuries and two jurisdictions. I hope this is the last one, because I'm not getting any younger here.

With regard to the trail, what we've done is they've asked for an increase in the width of the trail, the location of the trail and the extension of the trail, all of which we've agreed to. And I'll show you that on the plan. If I can approach.

CHAIRMAN SULLIVAN: Yes. And will that trail provide a connection over to the Rail Runner station?

MR. SIEBERT: Well, it will. What takes place is this is State Road 14. The trail will come along the Arroyo Hondo, and then the staff is requesting that it be brought back up and connected internally into this roadway. So we've added this, but the actual connection that could occur is at this point we're up against Highway Department right-of-way, so at this point we have no control, but this would be an easy access and it's on this side of the drainage so it could connect in with the Rail Runner stop.

CHAIRMAN SULLIVAN: This side, meaning the north side of the drainage.

MR. SIEBERT: The north side of the drainage. Correct.

CHAIRMAN SULLIVAN: Okay, so you abut the highway right-of-way.

MR. SIEBERT: That's correct.

CHAIRMAN SULLIVAN: So the Arroyo Hondo trail, which goes all the way up to Richards Avenue and beyond could connect here to the highway right-of-way property.

MR. SIEBERT: It would.

CHAIRMAN SULLIVAN: Would connect.

MR. SIEBERT: Would connect.

CHAIRMAN SULLIVAN: Okay. All right, that clarifies that. Anything else, Mr. Siebert?

MR. SIEBERT: No, we agree to all conditions as stated by staff.

CHAIRMAN SULLIVAN: Questions for Mr. Siebert? Okay, I don't see any other questions. This is a public hearing. Is there anyone who would like to speak with regard to this application? Unless Mr. Larrañaga would like to speak again. Let the record show that other than the applicant and those on the Commission and the staff, the chambers are vacant. So we'll close the public hearing.

COMMISSIONER MONTOYA: Mr. Chair.

CHAIRMAN SULLIVAN: Commissioner Montoya.

COMMISSIONER MONTOYA: Move for approval with staff recommendations and the conditions that are submitted.

CHAIRMAN SULLIVAN: Okay, there's a motion by Commissioner Montoya for approval.

COMMISSIONER CAMPOS: Second.

CHAIRMAN SULLIVAN: Second. Discussion? Shelley, how do we handle the issue of these questions from the hydrologist?

MS. COBAU: Mr. Chair, we'll handle those as each individual building comes in for a permit. We'll make sure that they're implementing water conservation measures, implementing the hot water recirc, compliance with that ordinance. And we will handle that at building permit and when they come in for development plan.

CHAIRMAN SULLIVAN: I understand if they're in the ordinance, but how do they know that these conditions are out there confronting them? Unless they're on the plat or unless they're recorded.

MS. COBAU: Mr. Chair, we do have plat notes regarding compliance with the water conservation requirements.

CHAIRMAN SULLIVAN: Okay. So these conditions that the hydrologist has brought forward will be translated into plat notes.

MS. COBAU: They certainly can be, Mr. Chair.

CHAIRMAN SULLIVAN: Okay. I would certainly request that because otherwise buyers have no notification.

MS. COBAU: That's a good point, Mr. Chair. We'll make sure they're on the plat.

CHAIRMAN SULLIVAN: All right. Thank you. We have a motion and a second.

The motion to approve passed by unanimous [3-0] voice vote. [Commissioner Vigil and Commissioner Anaya were not present for this action.]

XVI. ADJOURNMENT

Chairman Sullivan declared this meeting adjourned at 8:45.



Valerie Espinoza
VALERIE ESPINOZA
SANTA FE COUNTY CLERK

Approved by:

Jack Sullivan
Board of County Commissioners
Jack Sullivan, Chair

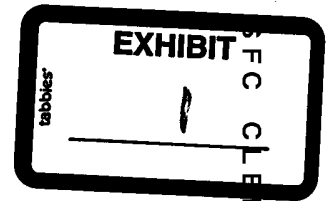
Respectfully submitted:

Karen Farrell
Karen Farrell, Wordswork
227 E. Palace Avenue
Santa Fe, NM 87501

Vincente Archuleta

From: Robert Martinez
Sent: Tuesday, April 08, 2008 3:52 PM
To: Vincente Archuleta
Cc: Shelly Cobau
Subject: Ponderado Subdivision

Vicente,
As per our meeting yesterday, Public Works is still supporting an all weather access for the Pinon Hills Subdivision through Penny Lane and Santa Rita Ranch Road (through the Marmion property) and connecting to Hagar Road. Access through Calle Estevan is still not a favorable option. Public Works still supports a driveway access for lot 14, but not for lot 13 and recommends the access for this lot is through Camino Peralta. In the event Suerte del Sur is not planning on constructing Hagar Road to the required minor arterial standards at this time, Public Works will still allow Ponderado and Hagar properties to construct Hagar to collector standards.



SFC CLERK RECORDED 07/28/2008

The Governing Board of the West Santa Fe Association

Board of county Commissioners
Santa Fe, NM 87507

June 5th, 2008

Dear BCC and Staff,

We are writing in reference to **case # S/V 06-4311** (Ponderado Subdivision, phase 2).

On behalf of the community, the West Santa Fe Association wishes to welcome our new neighbors, Ted Wenger and Judy Ross. As the adjacent neighborhood association, we want to thank them for keeping us informed of their intentions, and for working within the spirit of their covenants and the county development codes. We appreciate that they have embraced the public process a subdivision this scale deserves.

Their far-sighted integration of the public trail system and open space will help vitalize a changing neighborhood. As we all know and have discussed, these trails are part of a larger, integral system, critical to a healthy growth pattern.

In the interest of bettering the community, we have a note of concern.

As we have previously testified, we are very concerned about the lack of an **emergency-only breakaway gate** for fire/rescue vehicles at the west end of the proposed Via Tranquilo. As the County has long acknowledged, this is a logical place for such access. It would connect, during an **emergency only**, to the adjacent Calle Estevan in Pinon Hills. To deny an East/West corridor in this arroyo during a wild fire is short sighted and dangerous. With the current proposal, a fast moving fire from the southwest will land-lock much of Pinon Hills. The proposed egress at Penny Lane doesn't help those trapped in the north of the community, and the proposed egress to Suerte del Sur, off of Calle Francisca exists on paper only. This is unfortunately a very real and present threat. Please look at the maps and fire danger assessments. It is an easy thing to fix, and it could save lives. We don't need to remind anybody that such gates open in both directions, and they can protect both parties.

County Fire Marshall, David Sperling, is concerned about our current situation, with only one egress via a deteriorating low water crossing. It is simply a public safety issue, and a growing one. We have no hydrants or water tanks. With the dramatic proliferation of lot-splits and serial subdivisions, we feel the need to be on record, spotlighting this genuine wildfire hazard we're living with today.

Increasing density exacerbates the risk. Without a simple, community-wide plan to mitigate that risk, we put all our homes and lives on the line needlessly.

The Governing Board of the West Santa Fe Association

The impending serial-subdivisions to the north and south along Los Suenos Trail preclude any larger sensible public discourse about this issue, which dearly affects us all. We feel at the very least, that kind of development is violating the spirit of the County codes, and possibly endangering the community at large.

Thanks to Judy and Ted again for going through this public process. We look forward to welcoming our new neighbors and wish them good luck.

Thank you for your service and consideration.

Sincerely,

The Governing Board of the West Santa Fe Association

Helga Ancona, Mary Ann Andrews, Peter Hayes, George Ancona, David Gold, Zana Renner, Saguna Severson, Michael Wiese, and Ed Rivera

Please contact via email at mww@rt66.com or 505-699-3077

Agua Fria Village Association

2073 Camino Samuel Montoya
Santa Fe, NM 87507



SFC CLERK RECORDED 07/28/2008

Jack Kolkmeyer
Land Use Administrator
Land Use Planning Department
Santa Fe County
P.O. Box 276
Santa Fe, N.M. 87504-0276

June 6, 2008

Dear Mr. Kolkmeyer:

The Agua Fria Village Association (AFVA) on behalf of the Agua Fria Village Traditional Historic Community (THC) is protesting the Ponderado Subdivision (Ted Wagner and Judy Ross, applicants through their agent Linda Tigges) This is EZ Case # S/V 06-4311.

This protest is based on the fact that this proposed subdivision will consume water rights, school capacity, fire and public safety response capacity, open space and all other development capacity over a long period of time; and in this respect it threatens the very survival of traditional communities like Agua Fria. Why?

Because our primary method of affordable housing is the county provision for "Family Transfer." The prospect of a family transfer is always 10, 20 or 30 years down the road; because it is for the next generation. It is a family's ability to divide a piece of land or remodel a garage into an apartment for some newlyweds. How do I know this? Because it was done for me by my father-in-law in 1980, and for my son by myself in 2005. Family transfer may be the only way for young people to become home owners given the recent tightening of credit.

There is another aspect of Ponderado Subdivision that we need to discuss. Are we over-built? The Las Soleras subdivision has won approval with the new city-county annexation agreement in the April 1, 2008 New Mexican for 2,500 homes. In Agua Fria Village, we have two newly approved subdivisions that haven't broken ground and are about a year away from it, and these are: Village Plaza for 86 units and Tavelli Subdivision for 25 units. The house next door to me, some 1,800 square feet being valued at \$200.00 a square foot, the 2006 price for construction costs, or some \$360,000.00 remains unsold for over a year and a half. Having a glut of more housing on the market by Ponderado Subdivision threatens my own Agua Fria neighborhood with the possibility of these two subdivisions becoming virtual ghost towns in the coming recession. Will they become vacant houses that our uncontrolled local gangs take residence in and burn as bonfires for entertainment? At the very minimum, the tagging will be an eyesore.

What about the real strength of the financing for these proposed houses, in our new national market? Billion dollar-backed lenders are now evaporating into thin air on Wall Street. Some may say that we are in a building frenzy and not a downturn. But historically over the last 80 years of economic history, New Mexico and the Santa Fe area in particular avoid the effects of a national recession for a period of two years, and then our recovery is always six months to two years after the national recovery. So that the developers don't know what they are getting themselves into by proceeding; it might be five years before a built house sells. Approving the Ponderado Subdivision at this point in time is economic suicide for the greater traditional community.

Each property owner has an inherent Constitutional right to do with the property what they want as long as the proposed development does not harm the greater "public good." In this case, the Ponderado Subdivision is clearly a threat to the existence of the traditional community of Agua Fria, or the greater public good.

Don't get me wrong, without development there is a loss of jobs. A great many of Agua Fria Village residents are associated with the building trades industry. My father-in-law and my son are contractors. But growth must be orderly and planned or it is destructive to the community planning process. I served on the Agua Fria Development Review Committee for just less than eleven years, so I know that the following questions must be answered by the Board of County Commissioners:

- Does the Agua Fria Elementary School have the present and future capacity for more students?
- Does the Agua Fria Fire Department have the present and future capacity to serve this area?
- Is another full interchange needed for State Road 599 to provide emergency access?
- Does the Sheriff's Office have the present and future capacity to serve this area?
- Will the pumping of water in this area diminish the Agua Fria water resources?
- Doesn't it make more sense to locate intense development in an existing area where the City and County are already providing expensive infrastructure in planned areas, like water and sewer capacity?
- Are there other long range consequences of the development?

What many Agua Fria residents need to know is that property tax valuations in the area will rise substantially if the Ponderado Subdivision is approved. This is something we rarely quantify in the Development Review Committees. The Santa Fe County Assessor is planning 200 to 1000 % increases for vacant land in the Agua Fria and SR599 areas based on the Zarafano Street development (Lowe's bought its land for \$130,000 to \$250,000 an acre) and the Aldea Subdivision (where one fifth of an acre is priced at \$160,000 for vacant land with a suitable building site).

Another point I would like to have considered by the Board of County Commissioners, is the following: the County of Santa Fe recognizes the Transfer of Development Rights (TDR) in its Land Use Code and therefore a legal parallel* exists to establish "Future Family Transfer Rights" (FFTR) as a principle of land use planning for traditional communities. So that if in Agua Fria Village we can identify the heirs to existing and future lots we can claim future legal rights to development rights and building permits, and their associated and necessary water and sewer rights.

A neighbor association in conjunction with their respective Development Review Committee could do a "census" and land survey of existing residents and see what their future plans are. Based on this information we can say that Agua Fria Village has 794(?) present home units and 1,263(?) future buildable units and therefore we need a total water and sewer rights usage of 2,057 units. This figure then could be used to say this needs to be a part of the: Santa Fe Water Basin Adjudication for water rights; the joint City of Santa Fe/County of Santa Fe planning for future sewer facilities and road capacity; the Santa Fe Public Schools impact analysis for future school planning, etc. This would be a 100% Affordable Housing Plan instead of developers contributing their small percentages of overpriced affordable homes to the community (because there will be cost savings for the land under the family transfer and many families will become owner-builders). If we fully calculate the FFTR figures for the Agua Fria area, the question becomes---"So aren't we at capacity now?---without a Ponderado Subdivision?" If we have Community Plans formally adopted by the County Commission that specify that "Family Transfer" will be a primary development method then we are in a sense guaranteeing a future right to this development that would be legally enforceable if a moratorium on building permits or water usage was ever reinstated for example. FFTR units would take precedence over any future developers. This is the way it should be---locals come first.

*=Note: The legal parallel is that TDR supposes separation of time and space from one property to another at a future date. Which is what is required for a FFTR also. So it is not a leap in legal logic.

We feel that it imperative for the Board of County Commissioners to table or deny this Final Development Plan until an ordinance can be adopted guaranteeing our right of FFTR.

Thank you for your attention to this matter and for including this in the package of the BCC members.

Sincerely,



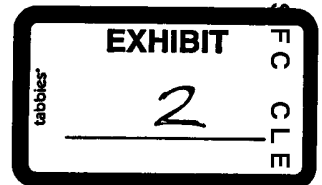
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CC:

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Tamara L, Secretary, AFVA tamaralichtenstein@mac.com



REC CLERK RECORDED 07/28/2008

To: Santa Fe County Commission
From: The Governing Board of the West Santa Fe Association
Date: June 10, 2008

We are writing in reference to permit # DL 08-4140 (Lerma lot split, Calle Suzana, Pinon Hills). We would respectfully ask that the request to split the lot be denied. In the case of legitimate family transfers, we would ask the following which you've done for other subdivision in Pinon Hills: a 10 year holding period on any lot splits.

We patiently ask that you once again consider the larger issue of lot splits in Pinon Hills and their cumulative effects. We were a non-conforming, 60 family subdivision that is rapidly transforming into a truly dangerous, 200+ lot subdivision, lacking basic emergency access.

Please consider the following:

UNSAFE INGRESS-EGRESS/FIRE RESPONSE: There is still only one entrance to the subdivision, rather than the two required by code. That entrance is a deteriorating low water crossing, impossible to cross during floods. There are internal roads that flood as well and have no crossings. According to fire marshal David Sperling, this is an issue of real concern to his department.

We have no fire hydrants or water storage and our roads confound response. As the fire marshal says, increased housing density increases fire risk. We are pinned in by serial subdivision in a very dangerous way. A fast moving fire, moving from the southwest will trap those in the northern half of Pinon Hills. It is unconscionable to approve further lot splits before these current, very real emergency egress issues are resolved.

COSTLY ROAD MAINTENANCE: Further lot splits increase traffic, which increases the wear and tear on roads.

There is not yet a system in place to monitor compliance with **WATER USE RESTRICTIONS** imposed by the **BOARD OF COUNTY COMMISSIONERS** for lots that have been split in the past. Increasing lot splits, without adequate means of monitoring and enforcing proposed water use restrictions, may result in two or three times faster ground water depletion than allowed by the **COUNTY LAND DEVELOPMENT CODE**.

GROUNDWATER SEWAGE CONTAMINATION will also become a problem.

The bottom line is this lot is in an **EXISTING NON-CONFORMING SUBDIVISION**. While lot splitting appeals to a few personal interests, it does not benefit the community.

Thank you for your consideration.

Sincerely,

The Governing Board of the West Santa Fe Association