

2227784

SANTA FE
BOARD OF COUNTY COMMISSIONERS
REGULAR MEETING

August 27 2002

Paul Duran, Chairman
Jack Sullivan, Vice Chairman
Paul Campos
Marcos Trujillo
Javier Gonzales



1227. 106
COUNTY OF SANTA FE } ss
STATE OF NEW MEXICO
I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED
FOR RECORD ON THE 7 DAY OF OCT A.D.
20 02 AT 8:06 O'CLOCK A.M.
AND WAS DULY RECORDED IN BOOK 2227
PAGE 784 863 OF THE RECORDS OF
SANTA FE COUNTY

WITNESS MY HAND AND SEAL OF OFFICE
REBECCA BUSTAMANTE
COUNTY CLERK, SANTA FE COUNTY, N.M.
Rebecca Bustamante
DEPUTY

SANTA FE BOARD OF COUNTY COMMISSIONERS

COMMISSION CHAMBERS

COUNTY ADMINISTRATION BUILDING

**REGULAR MEETING
(Administrative Items)
August 27, 2002 - 10:00 a.m.**

2227785

Amended Agenda

- I. Call to Order**
- II. Roll Call**
- III. Pledge of Allegiance**
- IV. Approval of Agenda**
 - A. Amendments
 - B. Tabled or Withdrawn Items
- V. Approval of Minutes** — *plus 30, 2002 - amended*
- VI. Matters of Public Concern – Non-Action Items** —
- VII. Presentations**
 - N/A* A. Honor Jimmy Vigil, Maintenance Specialist II, Upon His Retirement After 10 Years of Service in the Project and Facilities Management Department, Property Control Section
 - N/A* B. Update on Impact Fee Study for the 2 Mile Extraterritorial Zoning District and 5 Mile Extraterritorial Subdivision Area
 - N/A* C. Green Building Presentation by the Santa Fe Area Homebuilder's Association
 - N/A* D. Espanola Valley/Pojoaque Valley Regional Wastewater Project – North Central New Mexico Water Quality Plan Presentation
- VIII. Public Hearings**
 - A. Project and Facilities Management
 - 1. Presentation and Hearing on the Proposed Santa Fe County FY03-07 Infrastructure Capital Improvement Plan (First Public Hearing)
- IX. Matters from the Commission** *105*
 - A. Resolution No. 2002 – A Resolution Relating to the Proposed Additional Taxable Area Within the Santa Fe County, New Mexico County Improvement District (Rancho Viejo Improvement District Windmill Ridge – Units I & II/College Heights), Directing C.R. Walbridge & Associates, P.E., Engineers, to Prepare, Submit and File With the County Clerk Certain

Preliminary Plans, Estimates of Costs of Improvements to be Completed, and Plats With Addendum, and to Prepare As-Built Plans and Certified Schedule of Costs of Improvements Already Completed, All in Connection Therewith
 TABLED FROM THE MEETING OF AUGUST 13, 2002 - *pulled from Table*

X. Consent Calendar:

- isolated*
- A. Resolution No. 2002¹⁰⁹ - A Resolution Requesting a Budget Transfer from the Housing Special Revenue Fund (230) to the General Fund (101)/Boys and Girls Club Youth Program for Expenditure in Fiscal Year 2003 (Community and Health Development Department)
- B. Resolution No. 2002¹⁰⁸ - A Resolution Requesting an Increase to the General Fund (101)/County Sheriff's Office to Budget Traffic Safety Grant Award Received From the New Mexico State Highway & Transportation Department for Expenditure in Fiscal Year 2003 (County Sheriff's Office)
- C. Request Authorization to Enter into a Memorandum of Understanding with Pojoaque Valley Schools to Assist in Funding the Summer Youth Program (Finance Department)
- D. Resolution No. 2002¹⁰⁷ - A Resolution Requesting an Increase to the EMS - Healthcare Fund (232)/Fire Administration to Budget JPA Funding From Edgewood for Expenditure for in Fiscal Year 2003 (Fire Department)
- E. Resolution No. 2002¹⁰⁶ - A Resolution Requesting an Increase to the Fire Protection Fund (209)/La Cienega Fire District to Budget Fire Impact Fees for Expenditure in Fiscal Year 2003 (Fire Department)
- isolated*
- F. Resolution No. 2002¹⁰⁵ - A Resolution Requesting an Increase to the Road Projects Fund (311)/County Road 73 to Budget Fiscal Year Cash Balance and a Grant Received From the New Mexico State Highway & Transportation Department for Expenditure in Fiscal Year 2003 (Public Works Department)

XI. Administrative Items

- A. Committee Appointments/Reappointments
 1. Appointments to the Property Tax Protest Board

XII. Staff and Elected Officials' Items

- A. Community and Health Development Department
 1. Request Authorization to Enter into a Professional service Agreement with the Santa Fe Community Partnership for Substance Abuse Prevention for RFP #23-06-CHDD
- B. Project and Facilities Management
 1. Request Authorization and Approval of Professional Services Agreement #23-0074-PFMD with the Highest Rated Offeror (RFP #22-26) for Architectural/Engineering/Planning Services for Phase 1 of the Santa Fe County Training Facility
 2. Request Authorization to Enter into a Lease Agreement with the New Mexico State Land Office for Real Property Located off Agua Fria Road in the Vicinity of San Felipe Road
 3. Recommendation from COLTPAC for Submission of Applications for New Property Acquisitions
- C. Public Works Department:
 1. Request Authorization to Enter into a Professional Services Agreement With Gannett Fleming West, Inc. for a Location Study and Preliminary Design of the South Meadows Road Project

- D. Matters from the County Manager, Estevan Lopez
1. Request Approval of Amendment to Agreement #22-0041-MG, Operation, Management and Maintenance Agreement for the Santa Fe County Juvenile Detention Facility Between Cornell Corrections of Texas, Incorporated and Santa Fe County
 2. Manager's Recommendation Relative to a Federal Lobbyist

E. Matters from the County Attorney, Steven Kopelman

1. Executive Session: 2227787
 - a. Discussion of Pending or Threatened Litigation
 - i. Santa Fe County vs. Town of Edgewood
 - b. Discussion of the Purchase, Acquisition or Disposal of Real Property or Water Rights

F. ADJOURNMENT

The County of Santa Fe makes every practical effort to assure that its meetings and programs are accessible to the physically challenged. Physically challenged individuals should contact Santa Fe County in advance to discuss any special needs (e.g., interpreters for the hearing impaired or readers for the sight impaired).

SANTA FE COUNTY

2227788

REGULAR MEETING

BOARD OF COUNTY COMMISSIONERS

August 27, 2002

This regular meeting of the Santa Fe Board of County Commissioners was called to order at approximately 10:15 a.m.. by Chairman Paul Duran, in the Santa Fe County Commission Chambers, Santa Fe, New Mexico.

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

Members Present:

Commissioner Paul Duran, Chairman
Commissioner Marcos Trujillo
Commissioner Javier Gonzales
Commissioner Paul Campos
Commissioner Jack Sullivan

Members Absent:

None

An invocation was provided by Father Richard Gundry.

IV. APPROVAL OF THE AGENDA

- A. Amendments**
- B. Tabled or withdrawn items**

CHAIRMAN DURAN: Are there any changes to the agenda?

ESTEVAN LOPEZ (County Manager): Mr. Chairman, the agenda in your packet, I had inadvertently left off, under Staff and Elected Items, Matters from the County Manager, I had left off my recommendation relative to the federal lobbyist, so I would ask that that item be added, and that's reflected on the agenda that should be on your desk there. It's item XII. D. 2, Manager's recommendation relative to the federal lobbyist.

Also, Mr. Chairman, although it's noted on the agenda, agenda item IX. A, the resolution relating to the proposed additional taxable area within Santa Fe County for the

Rancho Viejo improvement district, that was previously tabled at the meeting of August 13th and Mr. Chairman, the County Attorney has advised me that for you to take up this item again you'll have to make a formal motion to remove that item from the table. Those are the changes to the agenda.

CHAIRMAN DURAN: Any other changes?

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Just a question then. Is there an action then on your recommendation, or is this an information item?

MR. LOPEZ: Mr. Chairman, there is an action to be taken relative to my recommendation. First of all, whether you would add item XII. D. 2, the Manager's recommendation relative to the federal lobbyist, and secondly, whether the motion would include removing from the table the Rancho Viejo improvement district.

COMMISSIONER SULLIVAN: No, I mean the action—I'm just concerned if we haven't noticed something. I saw that portion of that report in the book but I don't see it on the agenda.

MR. LOPEZ: Mr. Chairman, and you're talking about the recommendation relative to the federal lobbyist?

COMMISSIONER SULLIVAN: Right.

MR. LOPEZ: My intent, Mr. Chairman, was an informational item that I would then seek direction from the Board and bring forward action at a future date.

COMMISSIONER SULLIVAN: Okay.

CHAIRMAN DURAN: That okay?

COMMISSIONER SULLIVAN: It's just informational then, the fact that we didn't notice it, it's not a problem.

CHAIRMAN DURAN: Any other comments?

COMMISSIONER TRUJILLO: Move for approval, Mr. Chairman, of the agenda.

COMMISSIONER CAMPOS: As amended?

COMMISSIONER TRUJILLO: As amended, yes.

COMMISSIONER CAMPOS: Second.

COMMISSIONER GONZALES: Just a quick discussion. I understand, just going back to the point of the federal lobbyist, you're bringing back information concerning a recommendation that you would have, and you'd be looking for direction as to whether either to continue to proceed or not proceed.

MR. LOPEZ: Mr. Chairman, Commissioner Gonzales, that's correct.

COMMISSIONER GONZALES: Thank you.

CHAIRMAN DURAN: Any further discussion?

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

2227790

COMMISSIONER CAMPOS: Do we have to take this matter, IX. A, off the table at this point, Mr. Kopelman?

STEVE KOPELMAN (County Attorney): Mr. Chairman, Commissioner Campos, that can be done when the agenda item comes up.

V. Approval of the Minutes: July 30, 2002

CHAIRMAN DURAN: Are there any changes to the minutes for July 30, 2002?

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: I had several minor typographical changes which I gave to the recorder.

CHAIRMAN DURAN: Okay. So let the record note that. Chair will entertain a motion to approve.

COMMISSIONER CAMPOS: Move to approve as amended as Commissioner Sullivan.

COMMISSIONER SULLIVAN: Second.

CHAIRMAN DURAN: Any further discussion?

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

VI. Matters of Public Concern – Non-Action Items

CHAIRMAN DURAN: Is there anyone in the audience who would like to address the Commission on any item? Mr. Ball, please step forward.

DALE BALL: Good morning, Chairman. Thank you. I'll be brief. I don't want to repeat the remarks that I made to you when I was on the agenda two weeks ago, two meetings ago. But I followed your suggestion at that meeting and met again with COLTPAC in regard to the purchase of the Parker property, and COLTPAC did not take action at that meeting and I really don't know what to do.

There are two active buyers that are negotiating to buy the property that I call the Parker property. I think it can easily get away from us. He promised me on Saturday that he would hold back on doing anything until I could come to you one more time and I'm really just putting myself in your hands, because I don't know what to propose. I don't know what procedures have to control in this situation but I would say in the over nine years I've spent on

2227791

trying to create preserved areas and particularly, the mountain ridgeline on the east side of Santa Fe, this is the most important financial transaction, the most important land acquisition that we've had an opportunity to make. It's taken all this time for Dr. Parker to decide that he will not build a house there for himself, that he will make the property available to us, and he's willing to do it at the appraised value.

Let me finish my remarks by saying that eight and a half years ago that property was appraised by the man that I think is the premier appraiser in Santa Fe. It was appraised after we put a conservation easement on the eastern-most or the highest part of the property and it was, the appraiser was C.R. Keeper and he estimates that the market value, after the easement was placed on the property was \$1,367,000. We were reluctant to bring this appraisal forward before because an 8 ½ year old appraisal is probably obsolete from the standpoint of inflation and changes in value, but it's still the best information we have and I felt that it was necessary to give you that piece of information since it exists out there and had not been presented to you before.

But I put myself in your hands. I don't know what to do next. I think we'll all feel bad if this property gets away. We have an opportunity to act now. He will sell for the appraisal value. If there has to be a new appraisal, so be it. But we have a willing seller and we have a piece of property that seems to be unanimously or at least widely approved as being essential to the ambience that we want for Santa Fe. That's all I had in mind to say, Mr. Chairman.

COMMISSIONER TRUJILLO: Mr. Chairman.

CHAIRMAN DURAN: Commissioner.

COMMISSIONER TRUJILLO: Mr. Ball, are you saying that COLTPAC does not agree with you?

MR. BALL: I went to them first because I thought that would be the right procedure, and I proposed that we buy this piece of land because it would tie the two trail systems, the system we built in the last couple of years and the Atalaya system in this piece of land. I won't go back into the maps, but there's a wall between those two trail systems. And I proposed to COLTPAC that we purchase it and tie the systems together. And I told them that I felt it would give us the finest trail system in the United States, bar none.

They felt that it probably should be considered as an open space, rather than as a trails location and I was willing to come back and address them on that point and then I was notified that they wouldn't consider it until the spring or the summer of 2003. And that date was simply impossible. I had a man who had spent eight years waiting to decide to put this property on the market for us and I couldn't wait that long so I came to the Commission two meetings ago and asked that the Commission to instruct the staff to buy this property. The Commission instead, and I think properly said, Why don't you go back to COLTPAC one more time and I did. I went back to the next meeting of COLTPAC. They put me on the agenda. I was on the floor for an hour with them and they still did not take action.

There was some sentiment in favor, some sentiment not knowing the property. There was a variety of opinions. Now I'm getting phone calls from them saying, Oh, don't do anything with the Commission. We're going to recommend this. But I'm afraid that time is our

2227792

enemy in this situation. I'm afraid the property will get away and I really—I can't do it alone. I need help. And that's why I'm here today.

CHAIRMAN DURAN: What I heard was that the last direction that we gave staff or COLTPAC was to consider this acquisition and somehow it got to them that—they were under the impression that we told COLTPAC that we were going to buy it. They felt slighted and I think—I spoke to David Gold and he didn't quite understand the direction that we gave staff, which was that we felt, after your presentation at the last meeting, that this was a piece of property that should be considered and that we wanted them to review the project or the property and give us a report.

I don't know how it got all messed up but they interpreted that direction as saying that we were going to buy that property because you had friends on the County Commission and it just got all messed up. So I don't know what to do. I thought at the last meeting we gave staff and COLTPAC to come forward with a recommendation and they have not come forward and I understand the timeliness of this transaction. So I don't know what to do except that maybe what we should do is give staff direction to go under contract with Dr. Parker and put some contingencies in it that would at least put it under contract subject to the rest of the—contingent upon some due diligence that we would perform in the next couple months.

COMMISSIONER CAMPOS: Mr. Chairman, my recollection is like yours, Mr. Chairman. I think we directed COLTPAC to give us an assessment, a report back on this particular property as soon as possible and that's not what they did. They're basically proposing that they want to go through a certain process and I think COLTPAC should have addressed our request directly

CHAIRMAN DURAN: And by now.

COMMISSIONER CAMPOS: And they failed. By now.

COMMISSIONER GONZALES: Mr. Chairman, and I concur with that. I think that what the Commission needs to do is we need to show some leadership in this area. This is a key piece of property that is integral to a trail network that in perpetuity will provide the residents of this community a wonderful recreational opportunity. By COLTPAC not acting it puts this property in jeopardy. Mr. Ball has told us this is time-sensitive, that Mr. Parker will not always keep this option open. I think what we ought to do is, as you indicated, provide the direction to the staff to move forward, to begin the process of looking at this and the Commission showing some leadership and saying We're not going to let this piece of property fall by the wayside. It's too important to this community and we should go forward.

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN DURAN: Commissioner.

COMMISSIONER CAMPOS: I agree with what Commissioner Gonzales is saying but I'd like some comment from Mr. Ojinaga, Mr. Lopez as to how to proceed or what we should do at this point.

MR. LOPEZ: Mr. Chairman, I would defer to Mr. Ojinaga.

CORKY OJINAGA (Project and Facilities Management Director): Thank you, Mr. Chairman, Commissioners. On the agenda today we do have an item, item XII. B. 3,

2227793

Recommendation from COLTPAC. It's pretty much that. Their recommendation is for an application period to take place to evaluate different projects, not to cut it out of a public process, but we can wait for your direction at that time.

COMMISSIONER CAMPOS: My question, Mr. Ojinaga is what do we do today? I think there's consensus on this Commission to move forward quickly. We asked COLTPAC for an assessment and they haven't given it to us; they did something else. We think this is very important, time-sensitive. What do we do today?

MR. OJINAGA: Mr. Chairman, Commissioners, as the direction from the Commission, we can proceed if that's that wishes of the Commission.

COMMISSIONER TRUJILLO: Mr. Chairman, I understand the pulse of the Commission but I think that we have implemented a process including COLTPAC review that we should follow and not circumvent. These are the people that established the criteria for review of these properties. They're the ones that make the recommendation after assiduous review of this property and they're representative of the community and understand the program. I don't think that we should circumvent the process. I understand Mr. Ball's position. I understand and I empathize that this is a very important piece of property for connectivity purposes of trails. But again, it should be looked at in light of everything else because this is not the only game in town. There are other properties in Santa Fe County that need to be looked at and that's why we have a committee. That's why we implemented a program and we should abide by those rules.

CHAIRMAN DURAN: Commissioner, I have an idea. If the Commission decides that they want to make an offer on this property, they can make it subject to receiving a favorable report from COLTPAC within 30, 60 days. And that could coincide with the period of time that it's going to take to appraise the property.

COMMISSIONER GONZALES: Mr. Chairman, I would disagree with that. I think that there's a lot of miscommunication and misperception that's going on in COLTPAC. Commissioner Trujillo, I agree with you in theory and in the realm that you would hope that COLTPAC would be judicious in how they recommend properties that come up to the Commission. There was very clear direction about them to deal with this, to deliberate and come forward. Out of that direction, apparently there was a misconception that we were trying to circumvent them, so they got upset about it and decided to kick it back.

This isn't about playing petty little politics or about having games between the Commission and COLTPAC. It's about making sure that we continue this trail network. That we buy this critical piece of property. I think that COLTPAC plays an important role. They assure the credibility of the open space process. The Commission plays an important role. We have to show some leadership when it comes to specific properties like this and what I would advocate for is that we provide the direction to begin the negotiations of that property. If COLTPAC wants to come in and review the process, it should be open to them, but they have not acted on this. We have asked them to act on it. They did not. Let's go forward and let's make sure that we continue this trails network. It's key to our community. It has to happen. This isn't something that would be nice to preserve; this is part of a trails network that will

2227794

make a wonderful recreational opportunity. Where COLTPAC has failed in not providing a recommendation to the Commission, I say we pick up the ball, we show some leadership, we move forward and we conclude this process.

COMMISSIONER TRUJILLO: I don't agree.

CHAIRMAN DURAN: I concur. So there's the direction.

COMMISSIONER TRUJILLO: For the record, I don't agree. I think we're micromanaging the process and we're sticking our hands where they don't belong. Even though the direction of the Commission, we delegated a responsibility to COLTPAC to review acquisition of open space and trails, and we should not influence that process.

CHAIRMAN DURAN: The fact of the matter is that David Gold has turned this thing into some paranoid process, and it's not that at all. I think we recognize the importance of the property. I think that it's true that Mr. Ball has friends on the Commission, but I think the work that Mr. Ball has done in our community has provided him with an abundant number of friends.

COMMISSIONER TRUJILLO: I have not talked to David Gold regarding this issue but I've gotten a lot of calls from other members of COLTPAC regarding the issue. Not David Gold but Mary Louis Williams and other members have called me, expressing concern regarding micromanagement by the Commission. And if we don't need COLTPAC anymore, maybe we should make a decision to abandon them.

CHAIRMAN DURAN: Maybe we should do that. Commissioner Sullivan, I'm sorry.

COMMISSIONER SULLIVAN: I just wanted to ask Mr. Ball a question. What COLTPAC came back with, as Corky indicated it was later on in our agenda packet, was a recommendation. As you said, they reviewed the situation and came back, that they wanted to conduct a special application period of 30 days and a 30 day evaluation period. Would 60 days, can Mr. Parker wait for 60 days? Or Dr. Parker? He's waited for seven years, I understand.

MR. BALL: No, sir, I can't speak to that. He had decided to not make the property available on Saturday when I met with him and I persuaded him to let me come today. I said I can't be on the agenda but I can in the open part of the meeting bring the Commissioners current. I've spent over two hours on the floor with COLTPAC in regard to this property. It isn't that we've bypassed them or we have not gone to them, and in that two hours, I don't think we spent five minutes discussing the merit of the property. What we have spent is two hours talking about the procedures to follow and I'm terribly upset that we can't ever get to the quality of the project and whether or not this piece of land is unusual and therefore could qualify for a different approach. But I can't do that, apparently. I failed in that effort.

COMMISSIONER SULLIVAN: What I'm trying to understand, Mr. Chairman, from the direction that the Commission is trying to give here, are we giving direction to COLTPAC to go ahead and open up the 30-day application period and in a parallel motion or move, begin direct negotiations with Dr. Parker?

CHAIRMAN DURAN: The first part of your question is an item on the agenda

that has not yet been discussed. What we're talking about is giving staff direction to proceed with an offer to purchase Dr. Parker's property.

COMMISSIONER SULLIVAN: So that would be independent of whether they have an open application period or not. In other words you're saying, COLTPAC, if you want to have an open application period, go ahead and do it but in the meantime, independent of COLTPAC the staff is going to proceed as if they already had a positive recommendation from COLTPAC and negotiate with Dr. Parker. Is that what we're saying?

COMMISSIONER GONZALES: That would clearly be my intent.

COMMISSIONER SULLIVAN: Before we get any recommendation from COLTPAC?

COMMISSIONER GONZALES: Right. Clearly, again, as is indicated, that this has been bogged down in the process of COLTPAC. We asked COLTPAC to make a recommendation on this. As Mr. Ball indicated, they spent the majority of their time focusing on the process rather than actually following the direction of the Commission to consider it. So I don't see how COLTPAC could be upset at the Commission for wanting to take this up and move it forward. This is time-sensitive. It's critical. It's key to the trail network. They had a task to fulfill. They did not fulfill it, therefore in lieu of that the Commission needs to show leadership and finish this.

COMMISSIONER SULLIVAN: So then there would be no reason for them to even evaluate it then. What I'm getting at, if they evaluated and came back with a negative recommendation, that wouldn't matter because we'd already directed the staff to proceed with the purchase.

COMMISSIONER GONZALES: That's correct.

COMMISSIONER TRUJILLO: Mr. Chairman, in that light then I'd like to give direction to COLTPAC and staff to proceed with acquisition of the Jacona Land Grant, because it is an important acquisition in northern Santa Fe County from the perspective of open space and trails network. If we're going to circumvent COLTPAC I think we need to do it across the board.

CHAIRMAN DURAN: But I think the direction to give, the direction to staff to buy the Parker property is a little bit more reasonable than your suggestion that we buy the Jacona land grant. And I think that it's our responsibility to show some fiscal responsibility.

COMMISSIONER TRUJILLO: I don't think so. I think that the bulk of the monies have been spent in and around the City of Santa Fe with nominal expenditures in northern Santa Fe County. It is not unreasonable. Northern Santa Fe County deserves their share of the open space monies.

CHAIRMAN DURAN: Then let's spend the balance of it on that.

COMMISSIONER TRUJILLO: Let's. That's fine with me. That's the direction that I would like to give.

COMMISSIONER GONZALES: I would just on that point, Commissioner Trujillo, state that COLTPAC was not circumvented in this process. There has been a large period of time spent with COLTPAC members to consider this. It's not something that's just

2227796

being brought forward. They spent the time that was allotted to them to actually talk about the process as opposed to the merits. So there was never a discussion on the merits.

COMMISSIONER TRUJILLO: They haven't been given the opportunity to review the property commensurate with the criteria. That has been dictated by the Commission. The Commission has told COLTPAC, Buy the property.

COMMISSIONER GONZALES: No, the Commission has told COLTPAC—

CHAIRMAN DURAN: Not until just five minutes ago.

COMMISSIONER TRUJILLO: They haven't gotten the opportunity to apply the criteria.

COMMISSIONER GONZALES: But they did. We asked COLTPAC to review the property and make an assessment and present a recommendation.

COMMISSIONER TRUJILLO: They haven't—

CHAIRMAN DURAN: They had the opportunity. Mr. Ball has spent—

COMMISSIONER TRUJILLO: They have other acquisitions on the plate.

CHAIRMAN DURAN: There's no acquisitions on the plate.

COMMISSIONER TRUJILLO: This property is not the only game in town.

CHAIRMAN DURAN: They have no other properties that they—

COMMISSIONER TRUJILLO: It's not the only game in town.

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Mr. Kopelman, I'm concerned here about our use of the phrase "give the staff direction." What I'm seeing here is a decision by the Commission. And the item is of course not noticed and it's not on the agenda. If we are "giving the staff direction" to buy the Parker property at \$1.3 million or whatever the current appraised value is, that implies; a) that an appraisal be made, monies be expended, and that we've made a policy decision. That seems—could you tell me if we're on a slippery slope here?

MR. KOPELMAN: Mr. Chairman, members of the Commission, what I was going to recommend that we probably discuss this, if you want to discuss it further, that we discuss it in executive session. The Commission has a right to discuss in executive session possible purchase or acquisition of property, and I think that maybe you can do that. I think again that we don't bring the—we don't usually take formal action to say to staff to go forward and negotiate. The formal action is approving the purchase agreement once we bring that to you. So I don't think that's inappropriate to give us direction to begin negotiations. I think that when there's a formal contract you're going to need to approve the amount when the appraisal comes in along the way, but I think at this point it probably doesn't—I don't believe it violates the Open Meetings Act to give us general direction to sit down with Dr. Parker if that's the direction the Commission wants to take.

CHAIRMAN DURAN: I think that in the past when we've given staff direction it wasn't because we found ourselves on a slippery slope it was to tell you that we wanted you to proceed in the legal process of coming forward to us with a recommendation based on our desire to acquire the property. It wasn't to go out there and circumvent, give you direction to

2227797

circumvent the process that we have to follow but it was to go out and investigate the possibility of buying it and then bringing it forward so that we could publish it in a meeting and have some public comment and make a decision.

COMMISSIONER GONZALES: Why couldn't we just do that? Actually provide the direction to the staff to bring back a recommendation for a formal vote. So we can come back and it can be done in a process where the public can participate. We're not just saying now, Go buy the property. We're saying—

COMMISSIONER CAMPOS: Start the negotiating process.

COMMISSIONER GONZALES: And bring back a recommendation so that the criteria can be evaluated in a public forum and the Commission can determine whether they want to proceed forward with the purchase or not.

CHAIRMAN DURAN: Mr. Olafson, you had something you wanted to add?

PAUL OLAFSON (Open Space Planner): Mr. Chairman, Commissioners, I just wanted to note again that this is also coming up, and I think Commissioner Sullivan was pointing to that but I think the discussion has kind of evolved to cover that point that somehow the process would then be followed through the Commission's direction and how the purchase should go. That's all I have to say.

CHAIRMAN DURAN: Okay.

COMMISSIONER GONZALES: Do you have the direction? The direction about beginning this process? Great.

CHAIRMAN DURAN: So Mr. Ball, what we'll do is move forward on the Commission's desire to purchase the property, recognizing its importance to the community and to the open space plan and that staff will go through the process of opening up discussions with Mr. Parker and then come forward with the proper procedure that we must follow.

MR. BALL: Thank you, Chairman Duran and Commissioners. I appreciate your patience. I'm indebted to you.

CHAIRMAN DURAN: Thank you very much.

VII. Presentations

A. Honor Jimmy Vigil, Maintenance Specialist II, upon his retirement after ten years of service in the Project and Facilities Management Department, in the Property Control Section

MR. OJINAGA: Mr. Chairman, Commissioners, today we'd like to invite Jimmy Vigil up. He was our Maintenance Specialist II. Mr. Vigil is retiring after ten years of service with Santa Fe County. He's worked on every facility that the County owns. He's done a very good job, dedicated employee and we would like to wish him the best on his retirement.

CHAIRMAN DURAN: Thank you, Mr. Vigil. Would you like to say a few words.

JIMMY VIGIL (Maintenance Specialist): Yes, I love the County, that's for sure. I enjoyed my work. I enjoyed the people I worked for. I still have lots of friends with the

2227798

County and I have respect for a lot of people in the County.

CHAIRMAN DURAN: Well, you're a nice face to see here. We're going to miss you.

COMMISSIONER GONZALES: Thank you, Mr. Vigil for you times of service. Thank you.

COMMISSIONER SULLIVAN: Mr. Chairman, does he get a watch?

CHAIRMAN DURAN: He can have yours. We have another presentation that wasn't published here. It's for Mr. Serber and I'm going to turn it over to Commissioner Gonzales.

COMMISSIONER GONZALES: Mr. Chairman, it's with great pleasure that I get the opportunity to present this award. Seven years ago when we came into office, me and Mr. Serber actually had a little bit of a tango concerning the direction of the Lodgers' Tax Board and Mr. Serber, despite some of the initial conflict that we had continued to be committed to the County and for that I am very grateful because you proved to me that you were far wiser and continue to be a far wiser man when addressing these issues and I thank you for your persistence and your diligence.

Mr. Chairman, this plaque is presented by the Board of Commissioners to thank Mr. Serber for 20 years of selflessly committing to the County and the City, serving as a member of the Lodgers' Tax Advisory Board of the City and then coming to the County. He got a pay increase, I guess and decided to come over to the County and be involved. And as we've seen in the previous presentations, it's proved out. Your leadership has been absolutely magnificent and we thank you and just hope that you commit to many more years of public service. This is not an end to your public service but certainly a milestone and a thanks for it. I don't know if you'd like to say something to the Commission before we present the plaque.

BEN SERBER: Mr. Chairman, Commissioners, I appreciate the recognition. I assume that's in lieu of the 20 years of back pay.

CHAIRMAN DURAN: Jack's got the check for you.

MR. SERBER: I'd like to take this opportunity to express the feelings of the Lodgers' Tax Advisory Board, congratulating Commissioner Gonzales on his eight years of successful service to the County and wish him well in his new career. I understand that you may get a cost of living increase with your new job.

COMMISSIONER GONZALES: Just a little bit of one.

MR. SERBER: A special announcement which should please the Board, the American Marketing Association has named Santa Fe County the marketer of the year. How's that? Apropos of a presentation we made about a week or so ago. I'll be going down to Albuquerque tomorrow to videotape an interview on our marketing strategy and results. I'll bring the details back and if there are any awards or memorabilia I'm sure our County Manager will have room in his office for the rest of the awards. Thank you very much.

CHAIRMAN DURAN: Thank you, Mr. Serber. We appreciate your hard work.

COMMISSIONER TRUJILLO: Thank you, Mr. Serber.

VII. B. Update on impact fee study for the Two-mile Extraterritorial Zoning District and Five-mile Extraterritorial Subdivision area

CHAIRMAN DURAN: Diane, you'll be making the presentation?

DIANE QUARLES (City Planner): Good morning, Commissioners. We're passing out a memo that we pulled together for you. It's basically an update and an overview and includes a chronology at the end of what I consider to be a fairly lengthy process in developing an impact fee. As you can see we began in September of 1999. Please excuse me if I say "we." This is a City contract. We're both exploring citywide impact fees as well as some select regional impact fees. And we actually go into that.

It was suggested by the RPA, I guess it was approximately a year ago, to have a consultant look at two or three regional impact fees that the City and County could do jointly. And that would include parks, roads, and the regional dispatch center. The way the contract was written, it's completely discretionary for the BCC. They are looking at the regional impact fees that will come before you but again it's completely discretionary as to whether you want to actually consider it or not. If you would look at page 1. Rather than going into a lot of detail, I think what's important is where we actually are today. At the meeting on August 15th the Capital Improvements Advisory Committee, which is a joint City/County body, has recommended approval of the land use assumptions to the year 2010. That will be coming before you probably at the end of September or early October of this year. And I'm assuming at this point that some City staff will be bringing it forward for the BCC consideration.

The Capital Improvements Advisory Committee actually adopted a fourth scenario, if you will. Working with them we had developed three scenarios we had developed three scenarios and they actually opted for a fourth scenario that looks at market growth rate, but constrains, and again, I refer down to the map down there, it constrains growth within the urban area based on water conservation measures and allows for a reallocation of growth within the Five-mile area. So when we bring that forward to you in October, that's essentially what the land use assumptions that the Capital Improvements Advisory Committee has recommended.

As soon as that process is complete, we anticipate that Duncan Associates will be completing a draft version of both the Capital Improvements Plan and the impact fee. Both the citywide and the regional fee. There are two basic service areas, as you see on the map—the urban area, which would be the citywide, and then the Five-mile which would be the regional. That would be circulated to both City and County staff for review probably beginning late October, early November. Once the Capital Improvements Advisory Committee has made recommendation on those or an least comment then we would be starting the public peering process, both at the Board of County Commissioners and the City Council, probably December.

That's essentially it in a nutshell of where the City is today. I would stand for questions if you would like more detail.

CHAIRMAN DURAN: Any questions of Diane? Okay.

MS. QUARLES: Thank you.

CHAIRMAN DURAN: Thank you. And by the way, for the Commissioners that are not on the RPA. This is Diane Quarles, she's our newly hired Regional Planning Director.

COMMISSIONER TRUJILLO: Congratulations.

MS. QUARLES: Thank you.

VII. C. Green Building presentation by the Santa Fe Area Homebuilders Association

CHAIRMAN DURAN: This presentation will be made by Jim Ummel and Gary Eller. Jim Ummel is the past president of the Santa Fe Area Homebuilders Association and Mr. Eller is the executive officer.

JIM UMMEL: Chairman Duran, Commissioners, thanks for the time to do this. We really appreciate it. Over the past couple of years the Santa Fe Area Homebuilders Association in conjunction with Sustainable Communities has developed a green building manual and Gary is passing these out now. Like I say, we spent a couple years and \$20,000 developing this. The committee spent a lot of volunteer time examining green building programs from around the country and took from them what they thought was applicable and tried to tailor it to our particular situation here in the high desert. I want to just read one thing from the manual.

“By designing homes and landscaping which minimize environmental impact and constructing them from components which make efficient use of resources, the building industry and its customers can take immediate and practical steps to provide new homes while placing less stress on our regional resources. In doing so we may extend our resource base and protect the environment, thus ensuring the quality of life for future generations.”

We are offering this to the County, hopefully as a template with some ideas to incorporate in your Codes and we offer ourselves as resources from that committee to your planning people if they have questions. So thank you very much.

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Campos.

COMMISSIONER CAMPOS: Quick question. Do you address water catchment?

MR. UMMEL: Only to a limited degree, although it is in there and we're continuing to work on that part of it. We've tried to take the lead in many of the water issues now. In our hope to get this manual out at some point, because it seemed to drag on forever and ever. As you know, committee work can. We probably don't have the very latest in there but we are working on it. We're part of a forum that's going to be sponsored by the state this next month on specifically that issue of making more water-efficient dwellings. So we have a good deal of information, some of which is not in here at this point but we can certainly

provide because we think there is a large, untapped resource there, especially in catchments. We of course don't have as much to say about graywater because that's really more up to the EID and the state to come up with some workable recommendations that will provide water but also provide safety for people using gray water.

COMMISSIONER CAMPOS: I'd just like to say that water catchment is a very simple way of collecting water and focusing the water where we want it. And I don't think it's that complex. Maybe I'm wrong.

MR. UMMEL: No, it really isn't, other than just probably trying to figure out the best, most cost-efficient way of storing it and reusing it. We worked some with the City, some of City staff when they were bringing forward some ideas on this last year and that hasn't gone anywhere recently with City but cost of course is always an issue. But I think as we have less and less water this is going to look even better.

COMMISSIONER CAMPOS: Even as far as cost, you can do a very simple system for maybe a few hundred dollars. If the roof is properly inclined and designed, you have the proper canal and a rain barrel. It can be that simple.

MR. UMMEL: Oh, yes. Absolutely as simple as rain barrels. Absolutely. And without too much additional cost, additional storage also. Perhaps easier in new construction than existing but we do a good deal of that in my company, I know. So yes, you're absolutely right.

COMMISSIONER CAMPOS: Thank you.

CHAIRMAN DURAN: Mr. Ummel, how much more does it cost to build a green home over a typical non-green?

MR. UMMEL: Well, there are levels of green. I think for a few thousand dollars more you start to have what you call a green home. An awful lot of it is actually not necessarily as much in materials as in design and in siting. We take green as being not just energy efficiency in terms of home much energy is used to heat it or cool it but also other impacts on the environment from the house. So I think with good design and hopefully we're getting more back into some awareness of solar capabilities, especially in this climate, it's foolish that we aren't doing more at this time, the cost needn't be great to see a measurable increase.

And like anything else, as you know, in homes, the sky's the limit in terms of superinsulation and many other active or passive systems.

CHAIRMAN DURAN: Okay. Thank you very much.

MR. UMMEL: Thank you.

2227802

VII. D. Española Valley/Pojoaque Valley Regional Wastewater Project – North Central New Mexico water quality plan presentation

GARY ROYBAL (Utilities Director): Good morning, Mr. Chairman, Commissioners. Earlier this spring the Board passed a resolution supporting the Pojoaque Valley/Española Valley Regional Wastewater Project initiative. Here today is Barbara Deaux with the North Central New Mexico Economic Development District and Charlie Leeder with ASCG Engineering to give you a brief presentation on what this project is all about. And at this time I'd also like to recognize two other key participants in this initiative, Edmund Gonzales, engineering consultant, and Angela Borreguero who's also with the North Central New Mexico Economic Development District. And with that, I will turn it over to Barbara.

BARBARA DEAUX: Mr. Chairman, members of the Commission, thank you for the opportunity to speak to you today. My name is Barbara Deaux. I'm the director of the North Central New Mexico Economic Development District. That is the council of governments that was formed in about 1967 of which Santa Fe was one of the charter founders and still a member. We appreciate your participation.

I'll give a very brief history of this and then turn it over to the technical people who can answer more questions than I. In 1998, in October of 1998—Commissioner Trujillo were you present at that meeting in Española with the congressional delegation?

COMMISSIONER TRUJILLO: Yes, I was.

MS. DEAUX: Yes, I thought you were. In 1998 we had a field hearing with Senators Domenici and Bingaman and representatives from the House of Representatives. That seat was in discussion at that point, and many community leaders, about 200 people. And one of the significant issues that came out of that, the issue for which the meeting was called, was the quality of water in north central New Mexico. There is considerable contamination. It had been documented starting in 1978 that there were issues of contamination in that part of the country.

As a result of that field hearing, the North Central New Mexico Development District was asked to be the fiscal agent for a regional study involving the northern part of Santa Fe County, the southern part of Rio Arriba County, the Pueblos that were in that area and of course the City of Española. So through the assistance of our delegation we were given funds from the Economic Development Administration, the Environmental Protection Agency and the Regional Development Corporation, which was the DOE sponsored group in our area. And after that time and with the assistance of Estevan Lopez, James Lujan, who I saw earlier wandering around the back, Mike Habin, who was then with the City of Santa Fe and a number of other persons in the water business in our area.

We put together a request for proposals and awarded a contract for technical study to Leedshill-Herkenhoff, now known as ASCG. In addition, we awarded a contract eventually for legal work with the firm of Dolan and Domenici to assist us in looking at what organizational and legal efforts might be required to make regional cooperation around the management of water quality possible. And in a third and sort of ongoing part of that process, we're working

2227803

on public education and community involvement to instruct people about the issues that are out there, to give them some information about water quality, water contamination and to work with us on additional testing and further, the next step in this process, sort of a regional management of our water and its quality.

I'd like to introduce at this point, Charlie Leeder, with ASCG and he's got a power point presentation which is the summary of our study. We worked with—and that will show you actually the area of the study which is a little better than me describing it. After that time, Edmund Gonzales will have a few words to say, and we're all willing to answer any questions. We certainly appreciate the opportunity.

CHARLIE LEEDER: Thank you. This is our presentation and final recommendation of the plan to the Santa Fe County Board of County Commissioners. The plan was essentially completed in April and I just appreciate the opportunity to give you the change to see what the findings and recommendations are. We want to, we broke the plan, we broke the northern Santa Fe County, southern Rio Arriba County region into 17 distinct wastewater management areas. At the very end we have a map that shows where these are. Having done that, we've got short-term and long-term recommendations. I'd also like to talk about some recent developments of interest that impact planned recommendations and also summarize the short-term recommendations.

The biggest wastewater management area is that for Española. It's the most populous. It will have eventually, by the year 2040, some 36,000 residents needing wastewater treatment service. The short-term recommendations are focus mostly on what is a very key issue, namely an issue concerning their national pollutant discharge elimination system permit. That's NPDES for short and Mr. Chairman, Commissioner Sullivan, I'm sure you're all too familiar with that term, being in the engineering profession. There's a time clock ticking and basically it says by March 2004, the city has to comply with a very stringent permit requirement on ammonia, possibly a permit requirement that every other community in the region will also have to face, where they have central collection and treatment.

There is a possibility that the permit that they have can be modified subject to negotiations with the Pueblo of Santa Clara. If they are successful then there need not be anything done at the existing treatment facility and the region can move towards the right thing, which is to have a new regional treatment facility that can take care of many of the area's needs, as we'll see on the map at the end. If they are not successful, however, in getting their permit modified, they're going to have to do treatment plant modifications that will only serve them maybe ten, five, ten years into the future, and then eventually, they're going to need to move to a new site. Hopefully, these efforts to modify the permit will become successful.

One of the biggest obstacles towards moving towards what looks to be the best solution is convincing surrounding communities on the periphery of Española and other government agencies that working together is going to lower the cost of required wastewater service. And it's a matter of convincing people that bonding, binding together a smaller number of larger facilities is going to be better than each community having its own treatment facility. And another obstacle, and we haven't figured this one out, is finding an acceptable site for a regional

2227804

wastewater treatment facility. There has been considerable adverse publicity voiced at public hearings on the plan concerning one area that's been identified.

Having talked about the largest wastewater management area, let's talk about those that are located in Santa Fe County. First, at the very northern end of the county. We have the Chimayo, the La Puebla and La Mesilla wastewater management areas, and these include the Arroyo Seco neighborhood and communities east of Chimayo including Cordova, Truchas—whoops, we're into Rio Arriba County. Excuse me. Short-term recommendation is to implement a septic tank management program. And that is also the long-term plan for parts of La Mesilla.

Well, what is a septic tank management program? It essentially consists of replacing all substandard septic tanks of cesspools with facilities that are up to standards and Code. It includes providing routine maintenance such as the tanks are pumped on a three to five year cycle as is required, and taking the dried septage and disposing of it at a suitable facility. It is suggested that the Pojoaque regional septage facility is as good a place as any in the region for that purpose.

And then ultimately, one thing that's also important is that there need to be land use controls such that if we're going to let people put septic tanks and use that as their wastewater management alternative, at least the lot sizes are large enough so that they eventually don't become a nuisance. We don't have too many septic tanks in too small an area. The long-term recommendations for this group of communities is develop plans to either have a joint community scale wastewater treatment plan in the area's western end, somewhere near La Puebla, or alternately, join in a regional treatment plant with the Española wastewater management area. And should the decision in these communities be we really ought to have a community based facility for our area. It's not in our best interest to ship our wastewater to a regional facility south of Española, one of the biggest obstacles will be getting a permit to discharge the treated effluent. You can't squirrel it away throughout the year and then use it for crop irrigation. There has to be a time during the winter where you need a discharge. It would be a problem, because right now the only thing there is to discharge to is a dry arroyo.

CHAIRMAN DURAN: How long will it take to get that permit, once you select a site?

MR. LEEDER: That depends, Mr. Chairman, that depends on how friendly the permit acquisition process is. You apply to EPA. EPA advertises it. If there is significant adverse opposition from downstream residents it could take a very long time to get one. Or it might not be possible at all. It all depends on how people perceive it. Consider this, there is no discharge now, other than maybe subsurface flow from septic tanks. So the idea of well, we've got treated wastewater running down the Santa Cruz River. We didn't use to have that. Why are we having to put up with that? It may be well supported; it may not. Remains to be seen. It could take as long as a year and a half.

Recommendations for Nambe and Pojoaque Pueblo wastewater management areas. Now we're getting closer to town here. This also includes recommendations for the Nambe Village area, Jacona, Jaconita, and the Cuyamungue communities. For the short term, the

2227805

recommendation is to implement planning, design and construction for a replacement treatment facility that put a) unlined lagoons and b) Pojoaque's evaporation pond system out of service and start beneficially reclaiming that wastewater for landscape irrigation and golf course irrigation.

Another short-term recommendation is additional nitrate sampling and testing for wells. For areas where there isn't a need at present for central collection and treatment, that's where we would implement a septic tank management program.

The long-term goal, long-term recommendation is continued growth and expansion where regional collection treatment is justified. Now, what are the obstacles towards achieving this? Convincing surrounding communities and communities within the Nambe wastewater management area that working together will lower the cost of service for all. It's not clear at this time that even the tribal government of Nambe wants to work with the tribal government of Pojoaque in joining together. But if we can get over that obstacle we can have a cost-effective, environmentally acceptable solution for all.

In the slide that follows, we're going to keep seeing this term: septic tank management program. The question is, you take the septage, you take it to Pojoaque, you get it dried, you get a dried material—what do we do with it next? You've got to have a place to bury it. And there needs to be—one of the cornerstones or key stones in getting this plan implemented is having a place for permanent disposal of dried septage. We need a landfill. It's been suggested that the joint City/County of Santa Fe landfill be that place for disposing but it's my understanding that that landfill is not presently permitted to receive septic solids. If that could be taken care of, now we a place to park dry septage once and for all that would no longer be at risk to the environment. So if there's an action item that comes up where support from Santa Fe County is needed, this is one area.

Recommendations for the San Ildefonso Pueblo wastewater management area. This includes the El Rancho community and citizens living in the Jacona grant just east of the Pueblo boundaries. The short-term recommendations are, we see there's been progress on the short-term recommendation. One, was develop tribal water quality standards and a flexible implementation plan to achieve the specified designated uses of tribal water. Of the six Pueblos that participated in this planning process, only San Ildefonso did not have tribal water quality standards in place. So in other words, nobody knows what are the ground rules for discharging effluent into their tribal waters. It's my understanding that the Pueblo has advanced and studied this issue of what these standards need to be and will soon have those available for public comment as is required by the standard setting process.

Also, a short-term recommendation is nitrate sampling and testing for wells. One of the conclusions of the plan is there are a number of areas within the region that were not well represented in terms of characterizing groundwater quality for nitrate contamination. So that needs to be done. Also implement a septic tank management program, particularly in the El Rancho area. A keystone recommendation here also is implement planning and design studies for building a replacement treatment plant rather, that's going to allow the Pueblos' unlined lagoons for evaporation ponds to be decommissioned.

Long-term recommendations, provide collection and treatment where needed and eventually extend a collection system to nearby Pojoaque to serve the El Rancho area just east of the Pueblo. A big obstacle, and hopefully this is one that will be solved in the short term is developing tribal water quality standards for San Ildefonso that don't force upstream communities to zero discharge.

Recommendations for the Tesuque Pueblo wastewater management area. This includes Tesuque Village, Rio Chupadero Valley and also the Rio de Medio Valley. Short term, implement planning and design studies for a replacement treatment plant that will allow Tesuque Pueblo's unlined lagoons or evaporation ponds to be decommissioned and possibly the Pueblo of Tesuque might want to consider joining in the Pojoaque regional wastewater management area facility. Also, additional nitrate sampling and testing for wells and for areas where it's not practical to provide collection and treatment, implement a septic tank management program.

Some of the obstacles for improving wastewater management in this region—the central collection and treatment is ultimately selected for the Tesuque Village area where there appears to be sufficient density. And some resolution has to be reached with the Pueblo of Tesuque on either a) letting them discharge to the Rio Tesuque, b) have the Pueblo become a service provider for these upstream residents, or lastly, allow the residents to transship their wastewater through the Pueblo to a regional facility in Pojoaque. There's got to be some sense of what is best and some resolution that has to be reached with the Pueblo.

Recommendation. Now we're moving outside of Santa Fe County. Quickly, I'll go through recommendations for the management areas located in Rio Arriba County. Santa Clara, their short-term recommendations are additional nitrate sampling and testing, implement planning and design studies for a new treatment plant that takes their unlined lagoons out of service, and also plans for expanding a collection system.

A recommendation is consider teaming together with the City of Española rather than have two treatment facilities staring at each other across the river. Why not build a common facility that would lower the cost for all? Then the long-term recommendation for Santa Clara is continued growth and expansion of the collection and treatment facilities.

Moving up the Rio Chama Valley, we come to the communities Tierra Azul, Medanales, Chile Hernandez and Chamita, and basically, the same recommendations for all of them. Start with a septic tank management program, especially a pilot project in Chamita and Hernandez for septic tank effluent polishing. Long term, either develop plans for a regional, join in a regional facility near Española or a community scale facility located further up the valley. One of the things that's going to have to be addressed ultimately, perhaps the sooner it's addressed the better is dealing with the Pueblo of San Juan on how to make installing required sewer lines inside its lands acceptable. Something need to be worked out concerning the installation of infrastructure and how to gain access to it when those lines are installed in the middle of the reservation boundaries.

And another obstacle towards moving forward is convincing residents that small treatment plants serving each little community aren't economically viable. Recommendations

for Abiqui, clear at the far northwest corner. They have a treatment plant, it needs improvements to deal with the pending ammonia limits and to provide them with some back-up power. Also the areas that don't have access, provide the septic tank management programs so that the septic tanks can be managed in an environmentally acceptable manner.

Long term, there's need to be some growth and expansion of collection systems where the densities justify it. The people that now have service that are managing their systems don't really have an interest in becoming a service provider to the outlying areas. The thought there is well, we did it on our own, they can do it on their own. Perhaps that attitude will change over time because it certainly doesn't help lower the cost for all.

Recommendations for San Juan Pueblo wastewater management area. Short term, there's an expansion of their treatment plant that needs to be implemented. Some things that got left out of their last project that once implemented will allow their unlined lagoons to be decommissioned once and for all. There's also a need for septic tank management programs in the Pueblo's New York area because people are just beyond the reach of the collection system for now.

Long term, this is one of the more urbanized management areas, more densely settled and it certainly makes sense to provide the growth and expansion of treatment facilities.

CHAIRMAN DURAN: I have a question. You mentioned the unlined lagoons a couple times. What do they use those lagoons for?

MR. LEEDER: Well, with the exception of the Pueblo of Pojoaque which has lined evaporation ponds and the Pueblo of San Juan which has a real treatment facility, a traditional mechanical plant with a constructed wetlands for effluent polishing, all the other communities use unlined lagoons in one form or another. They're basically just sewage lagoons. Some of them may be lined but you come to the end, you've got wastewater that still has ammonia and nitrates in it and it's like having a big giant septic tank with no ammonia removal. And it's leaching into the groundwater.

CHAIRMAN DURAN: Are there a lot of those?

MR. LEEDER: There are, to the best of my knowledge, Mr. Chairman, there are unlined lagoons for San Ildefonso, there are unlined lagoons for Nambe, Tesuque Village, or rather Pueblo of Tesuque you get to the end of their treatment facility, they've got an unlined pond where water seeps in and the same for Santa Clara. And picture if you will, if you had 500 people on little quarter-acre lots, each with a septic tank. You've got nitrates leaching into the groundwater. Ammonia leaching into the groundwater contaminating it. Well, put all those people together on a sewer system, hook them up to an unlined sewage lagoon and basically you've got the same thing going on. By taking care of the unlined lagoon systems at some of these Pueblos, you can effectively take care of some of the low-hanging fruit in terms of nitrate contamination. You take care of a large point-source of nitrate contamination all at one time.

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Just a quick question. There's been quite a bit of press and discussion about use of water or excessive use of water in the Pojoaque area by the

Pueblo on its golf courses. Does substantial extraction of water change the dynamics? Did you look at that in your study? In other words, does that increase the nitrate concentrations in the groundwater? Does it have an effect on the wastewater part of the equation?

MR. LEEDER: Mr. Chairman, Commissioner Sullivan, what there is excessive—there's been a lot of press about water use by Pojoaque Pueblo and is there access to that water? Do they have rights to that water? At the same time there's a considerable amount of call it wastewater that's being generated with the Pojoaque Valley region that is currently not being treated and is going to waste. It's going in the form of septic tanks sited on lots that are too small to safely dispose of the amount of nitrogen that's generated. How small is too small? It's recognized that if you don't have at least a $\frac{3}{4}$ -acre for a three-bedroom home you are having an adverse effect on groundwater nitrate levels. So it's going on now.

What this plan does is come up with a framework for providing wastewater management in areas where central collection of treatment looked to be justified based on projected population growth, and provide access to a resource that could offset the use of groundwater that is now being used, let's say for golf course irrigation or other uses. It provides a way to use a resource that's now going, that's now being overlooked.

COMMISSIONER SULLIVAN: I guess my question was is there a linkage between excessive pumping and the groundwater quality issues that you're addressing here, or is that a separate issue that's not a part of this study?

MR. LEEDER: Mr. Chairman, Commissioner Sullivan, it's really not an issue. The excessive pumping is really a water quantity issue. This study deals with wastewater management, which is how to preserve and maintain the quality of the limited amount of water we do have in the basin.

COMMISSIONER TRUJILLO: I have a question but I want to wait.

MR. LEEDER: Recommendations for the Velarde Lyden and Alcalde wastewater management areas. Now we're headed up the Rio Grande Valley towards the northeast corner of the planning region. Short term, again implement septic tank management programs. I want to stress that one of the conclusions of this plan was that central collection and treatment is not the answer throughout the region. There are many areas where septic tank management looks to be the most logical and sensible way to manage wastewater that's going to be generated from future growth. Not everybody has to hook up to a sewer line. But in areas where we have a sufficient, a lot of density, for example in Alcalde, septic tank effluent polishing is going to be needed because there we do have nitrate contamination. We do have too many septic tanks on too small parcels of land, and that's a recommendation for the short term.

Long term, because the density justifies having central collection and treatment in that area, develop either a joint community scale treatment plant at the southern end of Alcalde. Alternatively, join in a regional treatment plant with the Española wastewater management area. Obstacles to implementation, some resolution has to be reached with the Pueblo of San Juan on how to make installing a collection system inside reservation boundaries acceptable. That bridge has yet to be crossed.

And now for the smallest wastewater management area, Dixon. The short and long-

term recommendation is this is an area where septic tank management is the short and long-term solution. Let's replace substandard systems with new systems that have effluent screens in the tanks. The leachfields are getting contaminated solids. Let's pump the tanks on a three to five year cycle, dispose of the solids properly and also, if this is the long-term solution, let's make certain that the properties don't get subdivided such that septic tanks don't become the right answer but rather they become part of the problem of wastewater contamination, much as it has in the more densely settled areas of the planning region.

COMMISSIONER SULLIVAN: Excuse me, Mr. Chairman. Would that include, when you say the Dixon area, would that include Cañoncito?

MR. LEEDER: Mr. Chairman and Commissioner Sullivan, that would be the plan for the Cañoncito. I think there's like Upper Cañoncito and Lower Cañoncito. The density there just doesn't warrant justifying a collection system. If you manage the septic tanks properly you can take care of wastewater management.

Some recent developments, the Governor of Pojoaque Pueblo has formally indicated support for the Pueblo to be a regional service provider and that's a first. Well, actually, that's not a first. This is the second time that they have stepped forward in terms of being interested in being a service provider to the region to solve the wastewater management problem. The first was the septic tank management program.

The City of Española is now trying to work with Santa Clara to figure out if there's a way to modify Santa Clara's tribal water quality standards and the implementation plan for those standards. And the negotiations that are taking place there now kind of serve as a guide for all the other Pueblos that have tribal water quality standards.

The public hearings we held on this plan, there was opposition expressed by La Mesilla area residents against having a regional plant in their area. That's really not surprising. It's very rural. It's pristine and it's like why is it coming to our backyard? Also at the public hearing, there was no widespread support for having a strong, central, regional wastewater management authority. In fact that scared many people. What seems to be a more likable solution is having grassroots confederations of local entities joining together and cooperating. That seemed to have support. However, there's still this issue of how do you get long-term commitment from these people and how do you get this confederation to deal with tribal entities that do have a rather large say-so in what will be done.

Unfinished business, help secure funding for recommended five-year capital improvement plan which Barbara can provide copies of the funding brochure if you all haven't seen that already. The five-year needs are estimated now at \$53 million for moving forward. It's my understanding that the City government of Española was successful at passing a gross receipts tax levy that would be earmarked towards this, so one of the regional players is finding a way to come up with some of the money that will be required.

And also, unfinished business, continued work among stakeholders to build consensus for implementing the plan. If there's anything the Board of Commissioners can do it would be to direct staff and being the invisible hand that guides Santa Fe County communities towards a solution that achieves to goals of the plan.

2227810

Looking here on the map we see that the five-year implementation strategy, the little x's are areas where we want to have water fairs for nitrate sampling. The orange swatches are areas that are recommended for septic tank management districts, implementation pilot programs, and then there are master planning studies to be completed and also work on three regional scale treatment facilities. On that note, I've tried to give you in 20 minutes a broad-brush presentation on a study that took nearly two years to complete. The study is available. Copies are available from the district office. If you have access to a high-speed web connection you can also look at it at this address. And on that note, Mr. Chairman, I'd be happy to take any questions.

[audio difficulties]

EDMUND GONZALES: ...trying to answer the question. I think the key word here is groundwater contamination. I think that that's what's brought us together this far and it's something that will take us further in terms of trying to find solutions together. I'm not sure what the agreements will be for the joint powers agreements, whether they will be [audio difficulties] but I think those are all options that we have to look at. And my understanding from the tribes and from the non-Indian community is that this is a very serious problem and that we all need to work together on it and whatever it takes to do that, we need to do that.

Some of the solutions will be by the communities themselves on an individual basis. Like at San Ildefonso we're fortunate to have some resources now to look at both our water plan and a wastewater plan and we're moving ahead on those things. Also you heard about the water quality standards. These are very key things that each one of the communities has to look at doing for themselves and that's part of the document. I'll leave a copy with you on the five-year plan that outlines some of these things.

What we'd like to do in the next phase is actually put this done in a matrix form of the 17 management areas and what it will basically show is the recommendations for each one of the areas, somebody who will be responsible for implementing that project within their jurisdiction or their entities and ways to find funding and trying a system to do that. Another part of this, what we'd like to do is outreach, continue our work with the tribes and the non-Indian communities by educational, providing education on what problems there are with the wastewater and how it influences contamination. We also have more public involvement and more meetings to review these issues with them. We have ASCG who will continue working and doing presentations to the Commission, to the Councilors, to the tribal organizations, to community organizations. That will be a part of our next phase also.

Two major things that you kept hearing about was water quality testing. There are data, recent data points in certain areas of the region. Much of it is, for example in the tribal areas, we would like to work with the New Mexico Environmental Department. We're talking with them now to do water quality testing. More fairs to find out just how serious the contamination is and to do a GIS/GPS kind of data point collection and try to model to find out just how serious some of these areas are.

We also would like to proceed with septic tank management planning. Basically the New Mexico Environmental Department has drafted ordinances that the City or the County can

adopt that institutes a mechanism for actually going out and managing and operating and helping people with septic tanks. I think with that, two of the major projects that we're looking at right now in assisting is Mayor Lucero's project with Santa Clara Pueblo. There has been a real effort on the part of the tribal community, Pueblo, and the City to work together on the joint project, which is contamination. What they're looking at is discussing about maybe a regional facility that they would both participate in. And that is in the stage of negotiations. They're looking at establishing a negotiation committee from both the City side and from the Pueblo side and to discuss how a process like that might work.

Also Pojoaque, as you heard was very willing and sent a letter to the district to indicate its interest in the regional facility. That's going to take some effort. We need formal approval or direction from the Pueblos as well as from the County that this would be a good thing to pursue and I think that's one of the steps that we'll be looking for here in the future. With that, I'd like to thank you very much for being here today.

COMMISSIONER TRUJILLO: Mr. Gonzales, do we have built into the program a mechanism whereby the most severe areas of contamination can be addressed first? For example, the Chimayo area is experiencing severe contamination, hauling in water, things like that? Is there that built into the program?

MS. DEAUX: Mr. Chairman, Commissioner Trujillo, that started out in the very, very beginning of the program as you may remember, with the establishment of the criteria for selecting a contractor. And one of the things we discussed from the very beginning was that the communities would look at ways to prioritize the problems, and those communities with the most severe contamination problems would have encouragement, access, whatever the steering committee could do to get them potable water. Because that will take some long period of time after one cleans up the effluent for folks in fact to get water they can drink. I think in the Chimayo area there's been considerable effort, both from the district through Representative Salazar or board chairman and others, other elected officials towards solving that problem.

But really, the contamination problem has to be solved first by getting people water they can drink, but it has to be prevented long term by completing the treatment for everyone else.

COMMISSIONER TRUJILLO: And I'd just like to reiterate what Mr. Gonzales said, that the issue here is contamination and regional contamination and that affects all communities and we should work together to address that problem. I think that's very eloquent.

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Just one final question. We always seem to tend to focus on the bricks and mortar and my experience has been that the biggest problem in the smaller communities is maintenance and management of the systems. And I didn't see that addressed too much except sort of a focus on improving septic tanks and their functionability as opposed to everybody hooking into a mega-treatment plant. And this may have come up at the public hearings. But I know something like a circuit rider going around to these communities and helping them with their testing in their wastewater systems and their water systems, even to the point of reading meters and so forth, which sometimes takes away the local non-payment

problems, if you have an independent entity doing it.

But providing that kind of service. And I know the Rural Water Users Association does that on an as-called called in basis but I think and I hope the plan looks at a more permanent mechanism that provides this kind of support to these smaller communities on a regular basis, for some obviously nominal fee, but that expertise is where they fall down. a) they don't have the finances, as Ms. Deaux already indicated, and b) they don't have the expertise to manage their systems, water or wastewater. So these go along until they get broke. And then when they get broken, it's too late, and suddenly it's an emergency and off to the legislature we go to cure the emergency.

I think that would be a big thread that would tie together all of these areas and might improve that coordination. It might improve that feeling of what you called here a—I don't know the exact term, but a grassroots confederation by having a person or person who did this. Is that being considered or is that not yet on the plate?

MS. DEAUX: Mr. Chairman, Commissioner Sullivan, I would spend the two or three hours addressing that point that it fully deserves but we have in fact looked at that. That is the origin of the idea that we needed a regional coordinating body or authority of some sort, because the smaller communities cannot do that on their own and just don't have the stability and don't have the resources to do that. The County is not in a position legally the way our Environment Department and our regulatory bodies are structured to really do a great deal. So we are really looking for how that might be done and we are looking again, it is a financing question.

COMMISSIONER SULLIVAN: Thank you.

CHAIRMAN DURAN: Well, I think that this Commission is committed to helping out, and if we can assist. It's going to take federal, state, and local money to do that and wherever we can help you, please let us know. In fact, Virginia Vigil is our lobbyist for the legislature so she may be able to help us find some funding at the state level. We need to work together to figure out how we can get the financing in place to address the problem.

MS. DEAUX: I agree. Thank you very much, Mr. Chairman. We're available to come and meet with members of the Commission or certainly through Gary we've been working with the County but we're happy to answer any further questions at any other time.

CHAIRMAN DURAN: Great. Thank you for your time.

MS. DEAUX: Thank you.

CHAIRMAN DURAN: We're going to take a break for lunch. We'll be back about 1:00, 1:15.

MR. LOPEZ: Mr. Chairman, are you going to want to do executive session over lunch?

CHAIRMAN DURAN: Oh yes. Why don't we do that. The Chair will entertain a motion to go into executive session.

X. Matters from the County Attorney

1. **Executive session**
 - a. **Discussion of pending or threatened litigation**
 - i. ***Santa Fe County v. Town of Edgewood***
 - b. **Discussion of possible purchase, acquisition or disposal of real property or water rights**

Commissioner Campos moved to go into executive session pursuant to NMSA Section 10-15-1 (7 & 8) to discuss the matters delineated above. Commissioner Gonzales seconded the motion which passed upon unanimous roll call vote with Chairman Duran and Commissioners Campos, Gonzales and Sullivan all voting in the affirmative. [Commissioner Trujillo was not present for this action.]

[The Commission met in executive session from 11:55 to 1:20.]

Commissioner Campos moved to come out of executive session having discussed only the matters outlined in the agenda, and Commissioner Trujillo seconded. The motion passed by unanimous voice vote. [Commissioners Gonzales and Sullivan were not present for this action.]

VIII. Public Hearings

A. Project and Facilities Management

1. **Presentation and Hearing on the Proposed Santa Fe County FY03-07 Infrastructure Capital Improvement Plan (First Public Hearing)**

CHAIRMAN DURAN: Tony, is this a two public hearing process?

TONY FLORES (Project Manager): That's correct, Mr. Chairman.

CHAIRMAN DURAN: Thank you.

MR. FLORES: I'll be brief. At the July 30th Board meeting the Board gave staff direction to implement the draft schedule that included for the first time going out and meeting with individual committees, association groups, etc. As of Friday of last week we've conducted 20 meetings externally and internally with 75 percent of those being with communities to develop the draft ICIP plan. We're preparing to meeting with each of you individually to start learning your prioritization list for each of the projects.

Right now, currently we have approximately 80 projects that are on this list and we'll pare that down based on our discussions with the Commissioners and then bring that back for final approval at the September 24th meeting for submission to the Department of Finance by September 30th. And at this point, since it is a public hearing, we've done our diligence with the community, I would ask the Chairman to open it up to public hearing if

there's anybody here that would like to speak on any project.

CHAIRMAN DURAN: Any questions of Tony? Anyone out in the audience that would like to address the Commission concerning this project? Okay, well, this is the first hearing. Tony, is there going to be information on the ICIP list that will be available to the public?

MR. FLORES: Mr. Chairman, our goal is that after we meet individually with you between tomorrow and September 10th when we meet with our Finance Department is to prepare the final plan that will be brought forward on the 24th. So that will give us two weeks approximately to have a final ICIP plan available for public review, yes.

CHAIRMAN DURAN: So in terms of, there's nobody here that wants to address the Commission, maybe there's someone out in TV land that would like to have some kind of input into this. Would they be able to do that between now and the next meeting?

MR. FLORES: Mr. Chairman, I believe so. Yes.

CHAIRMAN DURAN: They would just have to get a hold of—

MR. FLORES: They'd contact myself.

CHAIRMAN DURAN: Okay. You can do that through the County Manager's office.

MR. FLORES: That's correct, Mr. Chairman.

CHAIRMAN DURAN: Okay. Thank you.

MR. FLORES: Thank you.

CHAIRMAN DURAN: Thank you.

VIII. Matters from the Commission

COMMISSIONER GONZALES: Mr. Chairman, I was just saying, under Matters from the Commission, before we go to that which might take a period there are a couple of issues—could I just get them out of the way?

CHAIRMAN DURAN: Sure.

COMMISSIONER GONZALES: One is I just wanted to inform the County Manager if he's around, or Becky maybe you could tell him. The issue of Jack Maruska and the issue of the wells and him needing to find an easier—there he is. Estevan, I was just talking about, last night there was an individual from County Road 14 whose wells have gone dry and he's having to pump water from I guess the City system or whatever the County emergency water source is and he's only allowed to do that four hours during a particular day and for something like this I'm wanting to see if we can accommodate people who run into these emergency situations where we can create more support for them or more service as opposed to just four hours a day, we work with them to find times that are more convenient to them. So his name is Jack Maruska. I'm sure you can find his

number at the County Land Use office and see if you can follow up with trying to provide more assistance to him in that particular area.

MR. LOPEZ: Mr. Chairman, Commissioner Gonzales, we'll work on that. And we have been giving some thought as to how we might set up some more permanent type systems that might be available or accessible on almost a continual basis if need be. But we'll continue to work on that.

CHAIRMAN DURAN: Maybe a credit card thing like gas.

MR. LOPEZ: That's one of the things that we've talked about, with kind of a loading station type thing.

COMMISSIONER GONZALES: The other thing was, Mr. Chairman, I'd like to, even if this is the last meeting, I'd like to bring up or ask, provide direction to be brought forward to the Commission's consideration to make our housing department, to establish an independent Housing Authority Board. We have been able to come a long way from where we were, Commissioner Trujillo, five or six years ago when the state or the federal department actually put it into some type of oversight mode. And with the thanks of Robert Anaya and some of the staff in place we've actually moved to a point where the department is acting fiscally responsible. We're providing good service to the community out there.

And it seem to me that the Commission should consider moving it back and creating some type of Housing Authority Board which exists at the City and it would certainly exist in this case where we could ask citizens of our community to provide oversight to the Housing Authority and certainly it would allow the Housing Authority to solely focus on housing issues, to look for more monies to increase the supply of existing housing and to upgrade the current housing uses. So Mr. Chairman, I'd like to see if we could provide direction to the County Manager to bring back for consideration to the Commission the creation of an independent Housing Authority Board and that through that process we would determine if the Commission so chooses to go forward with this, issues of financial operations, issues of the board itself and how it would selected and what type of management plan the Board would buy off on, all those types of things.

But I think it's gotten to the point now where it's not only fiscally but operationally very solvent. It's serving a good purpose but they're having to compete with many other issues that the County's having to deal with and I just think that an independent housing board would provide the needed focus to increase the supply of housing and also the upgrade of the current facilities.

COMMISSIONER TRUJILLO: I think Santa Fe County is the only county in the state that does not have a board, or am I correct? There's other counties that don't have a board?

ROBERT ANAYA (CHDD Director): Mr. Chairman, Commissioner Trujillo, Santa Fe County is not the only county. We actually did a study over the last couple of days with the Department of Housing and Urban Development, and there's 24 housing authorities that have independent boards and there's 21 that operate under local

units of government. The trend that HUD has—the trend is to create independent boards currently. More and more housing authorities are going to independent boards. Some of the entities that are moving in that direction include Bernalillo County, as being an entity that wants to create an independent board, and the City of Albuquerque have also talked about creating an independent board.

Just one other note I would say for all the Commissioners is that I think from my perspective an ideal situation in Santa Fe would be at some point to create a board that would deal with regional issues, combining both the City and the County. I think that point then you're truly maximizing the services. But I think taking a step in the direction that Commissioner Gonzales has brought up many times over the years, moving to an independent board is a first step towards that and being able to access other resources.

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: If we are giving staff direction, could we also give the staff direction to at least explore that regional board issue with the City at this point in time, saying that we are in fact considering re-establishing a board and as a part of that consideration—

COMMISSIONER GONZALES: I think all of this should be put on the table to determine. The only concern I would have is that the City sometimes moves at a very different pace and my focus would be now, if the Commission did create this Housing Authority they could begin the issues of focusing on increased funding for supply of additional housing and upgrades of the current housing. But as Robert indicated, it seems like that would be a prudent step to take and the consideration of coming back to see if there's an interest by the City to create a regional board. There may not be though.

COMMISSIONER SULLIVAN: It's worth a try.

CHAIRMAN DURAN: Okay.

COMMISSIONER CAMPOS: Mr. Chairman, just so I understand what Commissioner Gonzales said. Are you saying that you're directing staff to bring this or are you asking staff to think about it and let us know if they think that it's something we should do.

COMMISSIONER GONZALES: I'm asking the staff to bring back for consideration the creation of an independent Housing Authority.

COMMISSIONER CAMPOS: You're asking staff to give us their independent assessment.

COMMISSIONER GONZALES: Yes. And come back so the Commission can make a decision whether to proceed forward with an independent housing board or not.

COMMISSIONER CAMPOS: I would concur with that.

CHAIRMAN DURAN: Okay. I would too. Thank you, Robert.

COMMISSIONER SULLIVAN: Mr. Chairman, did you want to do any other items from the Commission? I had two quick ones.

CHAIRMAN DURAN: Yes. We're on a roll.

COMMISSIONER SULLIVAN: We're on a roll here. Just one for Roman, I guess, or the County Manager. We talked last night about both an impact study and also the revisions to the housing projections study. What I wanted to check on was that if, I believe our impact study had a marketing component to it. But I don't have a copy of the scope of work so I don't know precisely what's included.

MR. LOPEZ: Mr. Chairman, Commissioner Sullivan, are you referring to our fiscal impact study that we are just now underway of commissioning?

COMMISSIONER SULLIVAN: Right. If that did have a marketing—what I'm getting at is that we came to the conclusion last night that we want to do an update of that 1994 housing availability and needs analysis that was done by John Pryor. And if that component is included in our fiscal impact that we're about to contract for then fine. And if we're very close to that, that would seem to be the logical place to do that, because I think there's a market component to that fiscal impact study. In other words, what's the market going to bear? That involves tallying up the number of sites and doing projections.

If it isn't going to include that, then I'd want to be sure that the staff was moving forward toward getting a contract out, either with Mr. Pryor or whoever the Planning Department feels is appropriate, or an RFP to update that housing projection. If you recall, we had a one-year time limit and we were going to—for the impact study. We didn't have a time limit for the housing study but we were going to use that as a part of our analysis. So if it's not in the impact study I just want to be sure that we're moving forward through the Planning Department to have that work done by Mr. Pryor or whoever should be doing it.

And then the only other thing was I did see a copy of the letter that the County Manger sent to the State Engineer regarding the critical water management area, and I just wanted to ask if there'd been any response to that from the State Engineer.

MR. LOPEZ: Mr. Chairman, Commissioner Sullivan, there's been no formal response to that letter but we have had, as a result of that letter, discussions with the State Engineer's staff and they've invited us to participate with them in a study that's ongoing for the Española Basin where we would contribute—what they recommended is that we contribute about \$10,000 to a study that they're currently funding. I think they said it was about \$75,000, and for our contribution they would then expand the scope of their study to include the Silverado area and we would get access to all of the remainder of the study results, which is largely within Santa Fe County.

So I think that that's something we want to pursue. In the meantime, during that same discussion with the State Engineer's staff it was apparent that they've been giving a lot of thought to exactly how to proceed with the request that we made in that letter. That is what exactly would a critical water management area mean from the State Engineer's perspective and how would they change the way they do business. So the short answer is we haven't gotten a formal response but we have gotten some feedback from it and they're obviously thinking about it.

COMMISSIONER SULLIVAN: Good. Sounds good. Thank you. That's all

Mr. Chairman, that I had.

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Campos.

COMMISSIONER CAMPOS: As far as the Community College, we've been talking about an ordinance relative to affordable housing and that 15 percent may not be adequate. Has staff been looking at this, and are they planning to present anything to the Commission in the near future?

MR. LOPEZ: Mr. Chairman, our staff has been working on it. I'm not exactly sure where they are relative to the process but they have been reviewing the adequacy of the 15 percent provision. And I will follow up as to when they plan to bring something back to the Commission. I don't know the answer right now.

COMMISSIONER CAMPOS: I'd appreciate the update.

CHAIRMAN DURAN: Just to kind of piggy-back that, I think that it should be an ordinance that we consider adopting throughout the entire county, not just the Community College District. There's more than Rancho Viejo that's developing and I think the entire county should participate in that affordable housing effort. Don't you agree?

COMMISSIONER CAMPOS: Well, I don't know enough about the issue. I'd like to hear some discussion from staff.

CHAIRMAN DURAN: Okay. Are we through? Any other concerns from the Commission? Okay.

- IX. A. Resolution No. 2002-105. a resolution relating to the proposed additional taxable area within the Santa Fe County, New Mexico County Improvement District (Rancho Viejo Improvement District Windmill Ridge - Units I & II/College Heights), directing C.R. Walbridge & Associates, P.E., Engineers, to prepare, submit and file with the County Clerk certain preliminary plans, estimates of costs of improvements to be completed, and plats with addendum, and to prepare as-built plans and certified schedule of costs of improvements already completed, all in connection therewith TABLED FROM THE MEETING OF AUGUST 13, 2002**

CHAIRMAN DURAN: Mr. Kopelman, what's the proper procedure?

MR. KOPELMAN: Mr. Chairman, Becky's correct. I think there needs to be a motion and a vote on removing this matter from the table before you proceed.

COMMISSIONER GONZALES: So moved, Mr. Chairman.

COMMISSIONER TRUJILLO: Second.

CHAIRMAN DURAN: Any further discussion?

The motion to remove the above mentioned item off the table passed by unanimous [5-0] voice vote.

ROBERT STRUMOR (Bond Counsel): Mr. Chairman, members of the Commission, Robert Strumor, serving as bond counsel to the County on this project. The resolution as tabled, the text of that does not have any changes. However, the exhibit, page A-3, which was the total calculation of estimated costs and expenses has been amended and with the permission of the Commission I'd like to hand out that one page for your consideration. [Exhibit 1]

CHAIRMAN DURAN: A-3? I think we have it in our packet.

MR. STRUMOR: I don't think you have this version. In addition, Mr. Bob Taunton is here as a representative developer and I believe he has a document he would like to pass out to the Commission for its consideration, which I believe is the disclosure form. [Exhibit 2]

Mr. Chairman, with the permission of the Commission what I would like to do is just initially discuss the changes to Exhibit A, specifically A-3, unless you want to proceed with some kind of general discussion of the resolution.

CHAIRMAN DURAN: No, please go ahead.

MR. STRUMOR: Mr. Chairman, members of the Commission, based on the consideration and discussion concerning the cost estimates, there was a concern about the factor of capitalized interest and what that means is that there would be additional bonds issued to provide for interest payments during some period of time before their assessments were made. That amount was deleted. So there is no factor for capitalized interest. In the prior exhibit A-3 was an estimated \$500,000 that was entitled cost of issuance and upon further inquiry, it turned out that about \$300,000 of that was actually what we call a debt service reserve fund. And in the world of bonds, what that really means is a savings account that stays invested in the bond trust indenture for the last payment.

Let's say it's a 15-year issue or a 20-year issue, it would essentially be a savings account. It is not a cost of issuance but it is a structural requirement that sometimes is asked for by a bond purchaser and sometimes not. I would say in district financings, more often than not a debt service reserve fund is a requirement. The actual estimated costs of issuance and contingencies, which was the \$550,000 number is now at \$250,000 which, according to the developer is for underwriting fees, fees for bond counsel, that sort of thing. The actual issuance costs, instead of being \$500,000 are approximately \$250,000 so the final estimate of bond amount would be \$3,146,500. And as I indicated, the text of the resolution is the same as the resolution as tabled.

And I have Mr. Taunton here from Rancho Viejo, Inc. and he will respond to any project questions and I'm here to respond to any questions concerning the resolution.

CHAIRMAN DURAN: What's the total units in the three phases that we're considering?

MR. STRUMOR: I'll have to defer to Mr. Taunton.

BOB TAUNTON: Mr. Chairman, the total number of units in this particular phase of the improvement district is 341.

CHAIRMAN DURAN: Okay. Any questions of Bob? Oh, there's two Bobs.

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN DURAN: Commissioner.

COMMISSIONER CAMPOS: I understand this matter is before us at the request of Commissioner Gonzales, but I really haven't heard anything from staff. Is staff going to make an independent evaluation?

COMMISSIONER GONZALES: Commissioner Campos, it was tabled to this period at the last meeting.

COMMISSIONER CAMPOS: Wasn't it yours? Did you put it on the agenda at the last meeting?

COMMISSIONER GONZALES: No, Commissioner Duran said we would hear it on this date. I did not ask for it to be—

COMMISSIONER CAMPOS: Okay. Who on staff is going to give us an assessment, evaluation as to—the real question here is best interest, isn't it? Isn't that the real question? Is this in the best interest of the public to do this? Has staff done an analysis about this?

CHAIRMAN DURAN: I think what we're here to do was to hear the applicant make his presentation and try to come up with some reasonable solution to the issue, or to decide that it's something we're not even interested in doing. I don't think we tabled it with the understanding—I don't think we tabled by giving staff direction to come up with some kind of analysis of it.

COMMISSIONER CAMPOS: I think, doesn't the statute say you have to have the best interest—what does it say, Commissioner Sullivan? By statute. The best interests of the public? Isn't that what we have to really address?

CHAIRMAN DURAN: I think that's what we got elected to do.

COMMISSIONER CAMPOS: Yes. Is there a public benefit to this, I guess?

CHAIRMAN DURAN: That's what we're trying to find out. That's what we're trying to do.

COMMISSIONER CAMPOS: I'm asking if staff has done any kind of assessment on the public benefit issue.

CHAIRMAN DURAN: I think the answer to that is no.

COMMISSIONER CAMPOS: Okay. Let's go on.

COMMISSIONER GONZALES: Mr. Chairman, where I remember we left this last time is that you'd wanted more information, and you had instructed the Commissioners if they had more questions to either go out and ask Rancho Viejo, or to talk with the staff. That was where, and you'd stated that we were going to come back on this day and deal with it. So—

CHAIRMAN DURAN: What happened is that I agreed to table this because I thought that you wanted more information before you could make the proper decision on this

thing. And if you recall, I asked you if you had any time to meet with the applicant to discuss possible solutions or other ways we could work with them or even just to get more information to make a decision, and you told me you didn't want to meet with them. Remember that?

COMMISSIONER CAMPOS: That's true. Let me ask you a question.

CHAIRMAN DURAN: So if you're not even willing to get more information to make a decision, I don't know what to say.

COMMISSIONER CAMPOS: Did you meet with them?

CHAIRMAN DURAN: I did.

COMMISSIONER CAMPOS: Did you get more information?

CHAIRMAN DURAN: I did. I came up with some ideas.

COMMISSIONER CAMPOS: Would you share them with us?

CHAIRMAN DURAN: I will as we go through the meeting.

COMMISSIONER CAMPOS: Okay.

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Just briefly, I did meet with the applicant by phone at some length and went over the issues that they had and I expressed to the applicant my concerns about the public benefit, about the tax increase, those things that I brought up at the last meeting. The statute just says that we as a Board need to determine that the district is necessary for the public safety, health or welfare and that the improvement district shall include for the purposes of assessment all the property which the Board determines is benefited. That's an extraction from the statute. But that was my concern, as you know, the public benefit issue.

CHAIRMAN DURAN: Well, I must tell you that I have a real concern that everyone in there is going to be taxed another ten mills. I have a concern with that because when it comes time for us to go out, and there's a couple reasons but one of them is that when it comes time to ask the community to approve another open space bond or some other bond or perhaps a judicial complex or whatever we determined is a viable community need, that those people who live out in Rancho Viejo may not vote for it because they're already ten mills ahead of everybody else.

But I do understand the need to provide low cost housing and I do believe in your product. I'm not sure that allowing you all to recover \$3 million of development fees over a 30-year period is appropriate. So I've had some thoughts and that is maybe we could work on you all being able to recover half of it through a bond, the other half of it would be an increase in the properties, what you sell the properties for. So that you could become whole on the whole thing. Then that's only a five mill increase which might be a little bit more reasonable. So that's one thought I had.

The other thought I had was that perhaps you could offer choices to the property owners out there. Maybe they would agree to pay—and somehow you'd figure out a formula that half of the houses could be sold with the ten mill or five mill increase and the other half, they'd have to pay more money for them. So I'm not really sure, I haven't thought it through completely but these are ideas that I had with the understanding that—I do believe that we need

to keep the cost of housing down and this might be a way of doing it. Because in my analysis, it's six of one, half a dozen of another. It's just that over a 30-year period, the cost really is much more than the initial \$10,000 or \$12,000 increase in the price. So those are my thoughts.

MR. TAUNTON: Mr. Chairman, could I respond and make a couple of comments?

CHAIRMAN DURAN: Sure.

MR. TAUNTON: First off, we gave you a copy of the disclosure that all of our customers sign at the time of contract. It's discussed with them thoroughly by our sales staff. So this is contract signing. It's not closed. And you can see that we update this disclosure periodically. For example, if the resolution is passed today, I will proceed to update the disclosure based on current facts. We outline to the customer, just based on increments of—just pick some sort of average housing prices, just what the cost would be on an annual and a monthly basis. So the customer understands that going in.

Now we don't attempt to portray the County taxes and all the details of it, we say that it's in addition to those County taxes. The second page is another—it's actually an addendum to the contract where we want to kind of flesh out any sort of verbal beliefs or understandings that a customer may have. We want everything to be in writing so everybody understands what the situation is. And I would say that 98 percent of the folks that sign this form write "None" as this one customer did. Occasionally we get a couple of questions and then we just deal with those questions. They tend to be more questions than actual deal points.

So it's another opportunity for the customer to say, I don't understand this bond financing. Would you explain it to me? Or I don't want to purchase if I'm going to be subject to the bond financing. So we do the best job that we can.

One thing I'd like to mention is that unfortunately, we're not starting out with a clear slate. We're not talking about a situation where Rancho Viejo wants to do this and we haven't made any sales. The analysis that I presented last week, which was trying to determine an average increase in price based on what was \$3.5 million, and I've done a couple of other analyses now that reduce it down to—I don't have the exact number as of today because it's listed on the exhibit to the resolution. It wasn't available when I last did it, but I did use \$3 million and was able to determine that on an average basis, that would be something over \$7,000 increase in housing costs. And then I ran through the same analysis on P&I and so on.

Unfortunately, we're not in that situation. Rancho Viejo, believing, since we had a district established, we have a first phase taxable area that involves the village, we believed that there would be a second phase taxable area. So we have made sales in this taxable area. The numbers are—in the first taxable area there's 334 units. That's the Village at Rancho Viejo. When you combine this new taxable area with the old one, the Village, it's a total of 665 units. Of the 341 that are in this current taxable area, the proposed taxable area, we have sold, or either closed or under contract, 168 units as of the end of July. We have sold those units based on the formula that we have used, the discounted, lowered development costs that we have used. We've shown the staff that we subtract out this recovery from our land development cost, and then we work our final prices for houses based on it.

So we're not in a position today of saying, Well, we can go either way. We have assumed, and we believe that the affordable housing was the main issue, that we'd be able to proceed with this next taxable area. So we now are I guess at risk, if you'd like, for that discounted cost that we passed along to the buyers. What that means, of the 173 units that are left to sell, when you subtract out the affordable housing units, which of course we can't raise prices except per the ordinance, we have 144 remaining market units that would be in the taxable area. If the resolution is not adopted and if the vote is not successful, we would have to recover that reduced development cost that we passed along to our buyers in the form of lower housing prices, from the remaining units we have to sell. So if we look at the infrastructure recovery, which is about \$2.6 million as a component of the total bond, divide that by 144, we're talking about an average price increase of \$18,000 per house.

So the formula, the numbers that I presented to you before were assuming that we were starting fresh with sales, that none of the units had been sold, none of the market units had been sold. So it would be a significant increase in housing prices. Now I can't do that day one, and that's an average and we'd have to work through how we would do that over a period of time. But unquestionably we will have to raise prices significantly. I just happened to look in the file, the recent headline about Santa Fe housing being at an all-time high and I think that just adding to that situation isn't very positive for the overall community as we discussed before, the lucky 15 percent currently that would be affordable housing, they would not of course face this increase, but the next market rate buyer would. And our company believes that's not the best approach to take in our community.

CHAIRMAN DURAN: But how could you make that assumption that this Commission would approve it?

MR. TAUNTON: Well, things had gone so well with the first one. We hadn't had any issues in the approval. The bonds were sold. There aren't any issues related to the sale of the bond. There's no trustee issues. We've been paying the shortfall in taxes. There just hadn't been any signals that would have suggested to us that it would have been different. But again, for us to be able to come in front of you and ask for this resolution, we had to continue with the principle that we followed in the Village, which is reducing the land development costs. I couldn't stand before you and say, Hey, we passed along the savings to the buyers when we didn't. So obviously, the issue for us is if this had happened much earlier in the process, we would have sold less units at the reduced price. So we took some risks, admittedly, but it was based on essentially following the same practice that we did with the Village and those customers.

COMMISSIONER GONZALES: Mr. Chairman, one of the issues that I've considered all along—Commissioner Sullivan you talked about this issue from a policy standpoint. It seems it could go down to two issues or a couple of points. One is, is this an effective tool to try and alleviate the costs of housing. One way or another, the homebuyer is going to pay for the infrastructure. They're either going to pay for it in terms of the land that they purchase along with the house or whatever home package. Their method of actually receiving some type of tax benefit for this infrastructure would simply be on the amount that

they get to deduct annually on their income tax for their mortgage interest rate, is where I've always seen it. That's the way I pay for the infrastructure on my house is it's part of my mortgage and the only deduction I get is based on the interest.

Whereas with this mechanism, the infrastructure that is assessed or used to actually deliver the end product, they're paying for but they're paying for in the form of a property tax bill. So for me it's always been about what's, for the homebuyer, not so much looking at the developer and what's in the interest of the developer but for the homebuyer, how would I choose to pay for the infrastructure that I'm going to have to pay for anyway. I'm either going to pay for it in the cost of my house, or I'm going to have to pay for it through some other tool. I'd rather choose paying for the property tax so that I can actually get some form of deduction.

This isn't something that Santa Fe County just decided to pull out of their hat and say well, let's do this here in Santa Fe County. This is a proven tool that's been used in Bernalillo and in Dona Ana very effectively. And the Commission has used it and it's been successful down in that area. So I think that as a matter of policy, the legislature approved this type of legislation to enable local governments to use it as a part of a tool to deal with the infrastructure issues that we have. We talk about paying for, or making development pay its own way. In the end, what does that really mean? It means that whoever is going to buy homes in those developments are going to have to pay for it. They're going to pay for it through an impact fee, or they're going to pay for it through the land cost along with their home cost, or they're going to pay for it through this tool that's currently taking place.

I don't see how this is some type of windfall for the development, as opposed to trying to figure out how this infrastructure is going to be paid for. And I've always believed that this is a good route to go, that it's been proven effective in other areas, and with the disclosure statement, people will have their choice whether they want to choose to live in this development. They have their choice whether they like the rules that this development is saying—if you're going to come live here, you're going to pay for the infrastructure through your property tax. That's no different than them charging monies to pay for open space or pay for whatever other convenience there is in living in a development. This is just another form, another acceptance.

So it's not like we're mandating that people have to pay for this. People are going to get that choice. These are all on new homes. Am I correct, or is this going to be on any existing homes?

MR. TAUNTON: Well, given, it's all new construction, yes. But it could involve houses that are already built there.

COMMISSIONER GONZALES: Built there. But someone would go, before they buy that house, do they have to fill out this disclosure statement, or sign it?

MR. TAUNTON: Everyone that buys from us fills out that statement and signs it.

COMMISSIONER GONZALES: So they know that they have a choice of whether to pay for the infrastructure through the property tax or just not buy it.

MR. TAUNTON: Have you ever had anyone who's gone and said, We don't

2227825

like this and we're going to walk away from it?

MR. TAUNTON: Commissioner, no, we have not.

COMMISSIONER SULLIVAN: Commissioner Gonzales, I think I understand and agree with your assessment but the only problem I have with it is that it's based on a hypothetical situation that we assume that all of the costs accrued of the savings accrue to the homebuyer. And we've not seen the proof of that and quite frankly, I don't know that we can see the proof of it. So I think then what we have to do, I think it's virtually, as far as I can tell, at least from what's been submitted, impossible to prove unless we audit the developers every sale and so forth. Which they probably wouldn't be agreeable with.

So then we have to say, Well, what's done in other areas? And at the last meeting we talked about what kind of percentages do these taxes represent in this Goodyear, Arizona where this is modeled after, and in fact they even use the term, Rancho Viejo did in the bonds, the term that they use is Goodyear in their submittal. They didn't use the New Mexico term. And the answer there is that it represents about 13 percent of their tax bill. So here where we're looking at a 55 percent increase, we're saying are we on the right track here? Are we putting this in a comparable context. And that was a concern of mine.

And also my concern was that we were setting a precedent for doing this with all developers and creating these financially gated communities that I think Commissioner Duran was referring to that might not feel, paying so much more than everyone else, that they were going to vote in favor of open space issues or other issues that came forward. So I think traditionally, developers have paid for the cost of their infrastructure. They then are relieved of that responsibility, in most part, by having the County take it over for maintenance, which is an important factor. I am not sure that it's in the best public interest or public policy to also relieve them of the cost of all that infrastructure. And I'm only doing it by comparing it with other areas.

COMMISSIONER GONZALES: Commissioner Sullivan, relieving them of the costs, the people that are going to incur those costs are the buyers of those homes. They're going to make the choice whether they want to pay what the cost of that house is. The other point is we have not, this thing has not proven to not actually achieve the stated goals of the legislature or whoever adopted this to provide some mechanism to more effectively pass on the costs of infrastructure.

The other point that we brought up at the last meeting, if this in theory sounds good, and the only way to monitor whether it's an effective tool for County residents who purchases houses in these developments, then what we ought to do is use the money to hire some type of controller or oversight individual to make sure that it accomplishes what we've set out. Not until we go down that route with an independent person monitoring that will be know whether this is an effective tool or not. Because as you've indicated, we've not been able to go in and necessarily monitor how things were done. We can do that now. If it chooses not to be, then the Commission can make the determination that through proper diligence and proper study that this is not an effective tool. I think that it would be.

The other point is that people have a choice whether to buy in this development or not.

2227826

We're not passing on these costs to the general populace. These are people who are making a choice freely to decide to go into it. Given the disclosure statement saying you will pay for the cost of the infrastructure through the property tax. If you choose not to, don't buy here. It's not the only place in town where they can go to buy a home but this is one place where they can go and they have proven to go. They've closed on 200 homes or however many the number of homes that people—400 homes where they've accepted this as a sufficient way to deal with infrastructure.

The other point is, to Commissioner Duran's point in terms of the gated financial districts, no one's really looked to see what the turn out for the open space bond acquisition was in this area. It would be interesting to look at the voter registration files and see if this Community College District voted against the open space because of the assessment districts that were in place. So I think we're making lots of arguments and theory, and not necessarily allowing for this process to take place so we can actually see it in reality.

COMMISSIONER SULLIVAN: I've thought about that and I thought that would be a good idea. Unfortunately, the whole area, all the way out to Turquoise Trail is in Precinct 70. So you can't really isolate it at this point in time due to the low population, whether it would or not.

COMMISSIONER GONZALES: Well, then how can we make that argument?

COMMISSIONER SULLIVAN: I think we can just look at other areas and say to what level are they doing this?

MR. TAUNTON: Mr. Chairman, Commissioners, may I make a couple comments?

COMMISSIONER SULLIVAN: I think we've debated this a lot and I think at this point in time it's just doing—do we want a motion on this? Do we want to consider the alternative that the Chairman brought forward with the five mill. And it gets brought back, as I understand from the bond counsel it gets brought back to the Commission anyway. Correct me if I'm wrong on that, Mr. Strumor, before the vote. Is that correct? Before the public vote.

MR. STRUMOR: It comes back at least three times.

COMMISSIONER SULLIVAN: But before the public vote.

MR. STRUMOR: There's a preliminary hearing just on the preliminary infrastructure side and then there's the public hearing on the ordinance and then it comes back again subsequent to that prior to the sale of bonds.

COMMISSIONER SULLIVAN: And where does the vote come into that?

MR. STRUMOR: The vote is subsequent to the adoption of the ordinance. The public hearing is on the issue of whether to impose the tax and whether to have the election.

COMMISSIONER SULLIVAN: So it comes back to the Board twice before the vote. Is that—

MR. STRUMOR: At least, because it comes back one time—if this resolution is passed in whatever form, it would come back to the Board for acceptance of the plans. In other words what this does is just direct that the plans and cost estimate come back. And in this particular case it's already done, so we, in effect, have the work accomplished for resolution 2,

2227827

so if the Board accepts those plans and the level of infrastructure, then it authorizes the publication of notice of the preliminary hearing which is some 30 days or 45 days later, and then the hearing has a—there's a litigation provision where any taxpayer can go to district court within 30 days of the conclusion of the preliminary hearing. So not only is there a public hearing, there's also statutory challenge provision pretty much every step of the way.

COMMISSIONER SULLIVAN: In terms, in response to my question, it comes back to the Board how many times before the election?

MR. STRUMOR: Okay, it comes back for the acceptance of the plans. It would come back for the public hearing, and then it would come back for the ordinance public hearing. So it would be at least three times, possibly four.

COMMISSIONER SULLIVAN: Okay. Mr. Chairman, while you were out we discussed some more of the issues that we discussed at the last meeting, regarding public benefit. So you're back in charge.

CHAIRMAN DURAN: Did you talk about—

COMMISSIONER SULLIVAN: We didn't talk about the five-mill option. Mr. Taunton hasn't responded to that yet.

CHAIRMAN DURAN: Let me just try and restate what I mentioned earlier. Maybe you can help me think through this thing. If we agree to a five mill increase or allow you to bond for half of the three million and you would then have a program that—maybe you would settle for the \$1.5 and increase the price of the homes to recover the other \$1.5. Aren't there some other ways of doing this thing besides having a ten-mill increase across the board?

MR. TAUNTON: Mr. Chairman, if I could respond. First of all, the \$10 tax rate is the maximum. So over time, as commercial properties come and contribute tax base, because that's not in the calculation, we would see that tax rate come down. Just a tax valuations will go up in the county over time, which is the way it works, there's a specific debt service per year, so if you're going to have enough money to make that debt service then the tax rate should go down over time.

Just a couple of questions. Commissioner Sullivan, I was able to get an analysis from our Phoenix people about the difference in how the tax rates are stated in Arizona. It's a very different way of calculating assessed valuation, but on a \$240,000 house in New Mexico, if I'm reading this correctly, the proceeds per unit would be \$799 per year. In Arizona it would be \$648 and I assume this is from Goodyear. So it's slightly less but not all that dissimilar.

I also found out that in the City of Goodyear where we have done a great deal of work with CFDs, in the previous year they passed a very large—I'm sorry, I don't have it handy. There was a very large bond financing that was approved by the voters. Over \$100 million, and this also included voters that are in the CFD districts as we call them in Arizona. As to the Chairman's question, one point I think earlier on, Commissioner Duran you had said something about having the ability for a buyer perhaps to opt in, opt out, take a tax or take a price increase.

CHAIRMAN DURAN: Right.

MR. TAUNTON: And actually, Commissioner Sullivan in my conversations

with him this past week indicated that. I don't think that that would be feasible pursuant to the landowner voting. There eventually would have to be an election and I don't think a decision by a buyer at the time they were buying would constitute a vote. So I'm not sure how we would quite handle that.

As to the reduced tax rate, what we would then have would be a kind of mixing and matching in Rancho Viejo. For example, we have 50 percent of the units in the Village Subdivision, which received the discount, and they would be taxed at the ten dollar rate. We would have other individuals in the community. In the second tax area, they would be taxed at a different tax rate. I don't know if that's a difficulty for the residents. We've never discussed that with them. Why one area would be taxed at one amount and another area taxed at a different amount. So there's consistency there that might be important in terms of the population.

But we'd be open to talking about alternatives. We're just a bit concerned about a differential tax rate between different parts of the community. In our view it's all one community.

CHAIRMAN DURAN: I'm having problems, because if it's \$10 per thousand, and if it's a \$300,000 house, that's \$3,000 a year per house time 341 houses.

COMMISSIONER SULLIVAN: No, it's \$1,000 a year.

MR. TAUNTON: You divide the \$300,000 by three. It's \$100,000.

CHAIRMAN DURAN: Oh, that's right.

MR. TAUNTON: You divide that by 1000 and then multiply that by the tax rate. So a \$300,000 house, it would be \$1000 a year or \$83.00 a month.

CHAIRMAN DURAN: Okay.

MR. TAUNTON: It's an example on our disclosure form which I handed out.

COMMISSIONER GONZALES: For what period of time?

CHAIRMAN DURAN: Thirty years.

MR. TAUNTON: Well, the bond amortization in the bond term is 30 years. If the rate were fixed, which is the case, apparently in the first district. It means that overpayments will go into a sinking fund and those bonds will be paid off sooner. I don't know what date that would be. Maybe 22 years, 20 years. In the case of an adjustable rate it would go the full term of the bonds but the rate over time would drop, the tax would drop. Because the debt service would remain level, but the property tax valuation would likely go up over time and as I said, you have the non-residential tax revenue that would come into play as we built out our villages.

Mr. Chairman, ideally, what we would like to have happen and I appreciate the time I've had to speak with Commissioner Sullivan this week. I think we had several good, candid conversations, is that we would like to proceed with this next phase and we would agree that we wouldn't propose any additional phases of this district until such time as we had worked with the County or the County had taken the lead on developing an ordinance or doing the kind of analysis that Commissioner Sullivan has suggested. That would be our recommendation to the Commission.

CHAIRMAN DURAN: But if it was approved today, what would happen?

MR. TAUNTON: If the resolution is approved today, we would proceed forward with the next steps as Mr. Strumor has indicated. We'd do the plans and specs, come back to you. There would be advertising for the preliminary hearing. There'd be a public hearing. The residents would come and speak about it.

CHAIRMAN DURAN: Would we still have time to fine-tune it, work with it or—

COMMISSIONER SULLIVAN: Mr. Chairman, I think that we can set the direction now or we can set it later. I think that 55 percent is still where I have the problem and I'm sure where any resident would have a problem. I think that it would be less of a problem if we had a 27.5 percent increase in the property taxes and that we worked with Rancho Viejo to see how this mechanism really does benefit the residents. If you wanted to bring that forward I would support that. I can't say that I would support it all the way through the protest process but I would support it at least in today's vote.

COMMISSIONER GONZALES: Mr. Chairman, I would also bring up, as we talked about when you were gone, this is a project in development where the homebuyers will have a choice. If it's too expensive or they feel it's too costly, they have basically—either they don't buy it. If those bonds aren't paid back they're going to have to be secured by the dirt which means that Suncorp is ultimately obliged to pay this back. The County's not on a hook. This is going to be the choice of the homebuyer. This is not something that we are going to be taxing countywide or something we're going to place an undue hardship on someone who did not ask for this hardship to be placed on them if that's what you want to classify it.

So my point is then, one way or another, they're going to pay for this. They're going to pay for it either through the purchase of their homes or they're going to pay for it through their property tax. Give them the choice. Discuss it during—see what the public says during the public hearing phase, and determine whether this is allowed to proceed forward. One thing that we don't know, as I indicated to Commissioner Sullivan while you were gone, is that we've been talking in theory. My theory is it's better to pay for it through property tax than it is to pay for it through recognizing the interest on paying for a house. Commissioner Sullivan has talked about the fact that the tax rates may be too high. You've talked about the fact that people, if they're given this type of property tax they're not going to vote for something else, we don't know all that to be true.

So if this resolution allows for the creation of an independent person that the Commission would oversee to study this and determine whether this was right or wrong, then at least the Commission could be on solid ground determining what's real and what's not. And that way we could determine whether this would be an effective tool in other parts of the county. It may be, it may not be. But we don't know that because this will be the continuous discussion that comes up before every developer that comes forward.

CHAIRMAN DURAN: But the homeowner really doesn't have but one choice, and that is to either buy the house or go buy somewhere else.

COMMISSIONER GONZALES: That's right.

CHAIRMAN DURAN: Because Rancho Viejo is the homeowner. When it comes time to vote for that bond issue they're the only ones that are going to vote for it.

COMMISSIONER GONZALES: I don't disagree with you on that. My point is that to the consumer, to the individual who is physically purchasing the house, they have a choice whether to buy it or not. So there are no existing individuals that are in Rancho Viejo right now that are going to have this tax. That would be the people, they've already consented to this disclosure statement.

CHAIRMAN DURAN: So that's why I think that it's reasonable to raise the price \$5,000. Let's say that it's a \$10,000—\$10,000 they're trying to recover. Did you say it was \$17,000?

MR. TAUNTON: Well, Mr. Chairman, yes. It would be \$18,000 per average unit given that we have sold quite a few units at the lower price. We can't recover it from them.

CHAIRMAN DURAN: So let's say that they get to raise the price—so they can sell units for \$8,000 more than if they were able to get the bond—I'm sorry, to increase the taxes to pay for all of it. So we give them, we approve half of the infrastructure cost, and then they could raise the price for the other half. It's the same thing.

COMMISSIONER GONZALES: Right. The point goes to how the consumer is going to have to pay for that infrastructure. Does the consumer get the entire deduction through the property tax, which they would this route? Or are they going to only get half of that deduction on the infrastructure through their property tax and then the other half they'll have to recover through some interest rate that they're paying on their mortgage. In the end, the consumer whoever buys it is going to have to pay for this infrastructure.

CHAIRMAN DURAN: Well, I'm a little torn between allowing a developer to recover some of his infrastructure costs and requiring someone, or requiring someone to pay more for a house.

COMMISSIONER GONZALES: I need you to help me explain how he's recovering his infrastructure costs though. That cost is being passed on. His infrastructure costs that he's incurred is either being passed on in the form of the lot and the house, or being passed on through this election. How is he recovering it back?

CHAIRMAN DURAN: Well, who gets the bond proceeds?

COMMISSIONER GONZALES: The bond proceeds go to paying for the actual infrastructure that's going into place.

CHAIRMAN DURAN: Right. And if we didn't approve it, who would pay for those?

COMMISSIONER GONZALES: The developer would pay for it. So but in the end, who pays for it in the end?

CHAIRMAN DURAN: The consumer.

COMMISSIONER GONZALES: Right.

CHAIRMAN DURAN: So that's what I'm saying. So why not let the consumer pay for half of it by increased cost of the house and let the developer pay for half of it.

COMMISSIONER GONZALES: Where's the developer paying for half of it though?

CHAIRMAN DURAN: Actually the developer won't be paying for half of it. He gets it all anyway. He gets it all back by an increase in the house.

COMMISSIONER GONZALES: That's right.

COMMISSIONER TRUJILLO: He can deduct everything that they're paying for the infrastructure.

COMMISSIONER SULLIVAN: Mr. Chairman, let me just add one thing that in the analysis that I read over that Rancho Viejo presented, the fact that you're paying more on the ten-mill levy, the analysis that they did was that actually over that seven year time period you paid more in the bonds and taxes than you would on the interest, paying more for the house. So you can deduct interest and you can deduct the mill levy plus the interest on the lower priced house. But their analysis showed that although the principle and interest was roughly the same—and I think their analysis was a little bit high, I would come off better by paying more for the house and paying more interest because that interest that I paid would be less than the interest plus the mill levy on the cheaper house. Based on their evaluation.

So the only reason I would go for the mill levy, if I had a choice, which I don't, is if I were a young buyer and I wanted to reduce my down payment and so forth. And that would be a valid reason. But their evaluation showed that and mine showed that it was even more because I didn't allocate the full \$3.5 million, I only allocated the \$2.5 million that was actually the improvements. They divided it by all the bond costs which you wouldn't have if you didn't actually have a bond, if the developer just went out and built the facility. So I think it's more than that.

So I think we're six of one, half a dozen of the other in terms of—or a little bit skewed towards the fact that you do actually pay more in indebtedness on the mill levy plus interest on the hypothetically more expensive home, at least in the analysis that they passed out at the last meeting. So it seems to me at this point in time that some recovery, since it's gone forward, although I don't know who, whether the Commission or the staff gave them that indication that they should go forward and I don't think anyone has that I know of. I don't see there's any financial gain to they buyer one way or the other. The only question is where does the recovery come from and that gets back to the point that you're going to sell houses for as much as you can get for them and that's okay. That's perfectly legal.

MR. STRUMOR: Mr. Chairman, Commissioner Sullivan, just talking about this legal process for a minute. The time the tax mill levy rate is set is at the ordinance and public hearing phase. This is merely a request to come back with the plans and specs. So it would be I guess, at least in our view, premature to fix a mill levy at this point when that in fact the ordinance could set it at not to exceed five mills, or ten, or whatever. And the statute now, the limitation on infrastructure costs used to be a mill levy limit in the prior statute. Now it is at 25 percent of the estimated improved value.

So they don't use the mill levy test anymore. However, based on the information

coming to the developer, in order to be consistent with their first phase, they're going to impose a lower limit that would be permitted by the new statute. So the levy is set by the ordinance calling for the election and imposing the tax. That's not to say the Commission can't impose additional requirements at any phase. You can. But the intent of this phase of the resolution is to see, have the developer show the Commission plans, specs and more detail of what we are proposing. So these other steps, when they come back, and specifically at ordinance time if it ever gets that far, that's when the tax rate is set, and only if the election is successful. Because there is no tax imposed. It's a two question election. Shall the tax be imposed and shall bonds be issued? Both have to pass.

COMMISSIONER SULLIVAN: Mr. Chairman, I did bring that question up with Mr. Kopelman as to what conditions, if any we should or could put in at this stage. His opinion to me was that we could set a dollar limit or a mill levy limit or anything, any direction we wanted to and correct me if I'm wrong, Mr. Kopelman in paraphrasing your opinion on that.

MR. KOPELMAN: Mr. Chairman, Commissioner, you can do that in the resolution stage, you can do it later. But you can do it now.

COMMISSIONER SULLIVAN: Okay. And then the only other comment that I would have is I think following along with the theory that we have to raise the prices of the houses \$9,000 or \$18,000 or whatever it might be, on the flipside of the coin, if you would look at that you would say, Okay, if we pass this resolution, then the developer is going to guarantee that none of the homes in College Heights or Windmill Ridge I or Windmill Ridge II will increase in cost, because they've now—and I don't think that will happen. I think as the market dictates and as inflation dictates the prices of those homes will go up. So on the one hand they're saying, Oh, if you don't do this, we've got to increase the price of the homes, but I don't think the developer can say if we do do this, I won't increase the price of the homes. I think they will increase and that's normal. Those are my thoughts.

COMMISSIONER GONZALES: Mr. Chairman, it seems like there's still a lot that needs to be learned out of this and the rate can still be set during the ordinance if the Commission determines to go forward.

CHAIRMAN DURAN: That mill rate could be set?

COMMISSIONER GONZALES: The mill rate could be set at the ordinance level as indicated. So you could determine at the ordinance if we do pass it what the rate's going to be—25, 1, whatever it is, based on whatever other information that you gather during the public hearing. So it seems that in the interest to gather more information and continue this discussion that we ought to move forward with this so I move for approval of Resolution No 2002-105.

COMMISSIONER TRUJILLO: Second.

CHAIRMAN DURAN: For discussion. So the resolution does not have a set amount that needs to be retired.

COMMISSIONER GONZALES: Right. What was indicated by Mr.

Strumor was that when they come forward to the actual ordinance they're going to have to give you the actual cost, they're going to have to determine at that point, you can reasonably determine whether whatever mill rate they're asking for makes sense or not.

MR. STRUMOR: That's correct. I also agree with the County Attorney's analysis about the general theory of when restrictions can be imposed. This Exhibit A-3 is [Exhibit 1] is merely to inform the Commission what they're going to see more detail on. If they pass this resolution and plans and specs come back.

COMMISSIONER GONZALES: At the public hearing phase the Commission determines it's not in the best interest you can say no.

COMMISSIONER TRUJILLO: Call for the question.

CHAIRMAN DURAN: Okay, well, I just want to say that I think there's a lot more creative ways to deal with this thing. I will vote in favor of the motion but I really need some help understanding it further and working through some of what I think to be a more creative way of dealing with it.

The motion to approve Resolution 2002-105 passed by majority [3-2] voice vote, with Commissioners Sullivan and Campos voting against.

X. Consent Calendar:

- A. Resolution No. 2002-109. A Resolution Requesting a Budget Transfer from the Housing Special Revenue Fund (230) to the General Fund (101)/Boys and Girls Club Youth Program for Expenditure in Fiscal Year 2003 (Community and Health Development Department)
- B. Resolution No. 2002-106. A Resolution Requesting an Increase to the General Fund (101)/County Sheriff's Office to Budget Traffic Safety Grant Award Received From the New Mexico State Highway & Transportation Department for Expenditure in Fiscal Year 2003 (County Sheriff's Office)
- C. Request Authorization to Enter into a Memorandum of Understanding with Pojoaque Valley Schools to Assist in Funding the Summer Youth Program (Finance Department)
- D. Resolution No. 2002-107. A Resolution Requesting an Increase to the EMS - Healthcare Fund (232)/Fire Administration to Budget JPA Funding From Edgewood for Expenditure for in Fiscal Year 2003 (Fire Department)
- E. Resolution No 2002-108. A Resolution Requesting an Increase to the Fire Protection Fund (209)/La Cienega Fire District to Budget Fire Impact Fees for Expenditure in Fiscal Year 2003 (Fire Department)
- F. Resolution No. 2002-110. A Resolution Requesting an Increase to the Road Projects Fund (311)/County Road 73 to Budget Fiscal Year Cash

2227834

Balance and a Grant Received From the New Mexico State Highway & Transportation Department for Expenditure in Fiscal Year 2003 (Public Works Department)

CHAIRMAN DURAN: Are there any items on the Consent Calendar that any of the Commissioners would like to isolate for further discussion? If not, the Chair would entertain a motion to approve the Consent Calendar as submitted.

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: A and F, please.

CHAIRMAN DURAN: Commissioner Campos? Commissioner Trujillo? Okay, the Chair will entertain a motion then to approve the Consent Calendar, item X. B, C, D, and E.

COMMISSIONER TRUJILLO: So moved.

COMMISSIONER CAMPOS: Second.

The motion to approve items X. B, C, D, and E. passed by unanimous [4-0] voice vote. [Commissioner Gonzales was not present for this action.]

X. A. Resolution No. 2002-109. A Resolution Requesting a Budget Transfer from the Housing Special Revenue Fund (230) to the General Fund (101)/Boys and Girls Club Youth Program for Expenditure in Fiscal Year 2003 (Community and Health Development Department)

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: I'd just like a run down on this transfer. It was a little confusing to me.

KATHERINE MILLER (Finance Director): Mr. Chairman, Commissioner Sullivan, this is actually put forth by the Finance Department to clarify the funding source. One of the resolutions we're going to bring forward to the Commission—it's already been discussed but we need to revise the resolution is, one, to separate the interest earned on general fund monies and on housing, enterprise fund monies, so that the interest earned on the monies in the bank can be attributed to the enterprise fund versus the general fund. This \$75,000 was set up in fiscal year's 2003 budget as a transfer from general fund into the housing fund for the operation of the youth program that the Boys and Girls Club is contracted to do in the housing areas, the three housing sites.

What I'm requesting is that that money be put back to general fund and we track it separately so that the interest earned on it, as it stays in the bank throughout the year and monthly payments are made from that \$75,000 on a contract, that that interest earned is attributed to the general fund as opposed to the housing fund. Because it is financed from the

general fund, initially anyway. So I'm just asking to reverse that transfer and have the funds go directly from general fund for that contract.

COMMISSIONER SULLIVAN: So the amount paid to the Boys and Girls Club is \$75,000 for this contract?

MS. MILLER: Mr. Chairman, Commissioner Sullivan, it's \$75,000 of general fund monies. There's also some drug elimination grant money that comes through HUD into the housing and that would stay separate and would stay in the housing budget.

COMMISSIONER SULLIVAN: Okay, so this is not an increase to their contract. This is just moving it, as you say to a separate account so that the interest can go into the general fund?

MS. MILLER: Mr. Chairman, Commissioner Sullivan, that's correct.

COMMISSIONER SULLIVAN: Okay. Thank you. Are there any other questions on item X. A? If not, what's the pleasure of the Commission?

COMMISSIONER TRUJILLO: Move for approval, Mr. Chairman.

COMMISSIONER GONZALES: Second.

COMMISSIONER SULLIVAN: There's a motion for approval and a second. Any further discussion?

The motion to approve X. A. passed by unanimous [4-0] voice vote. [Chairman Duran was not present for this action.]

X. F. Resolution No. 2002-110. A Resolution Requesting an Increase to the Road Projects Fund (311)/County Road 73 to Budget Fiscal Year Cash Balance and a Grant Received From the New Mexico State Highway & Transportation Department for Expenditure in Fiscal Year 2003 (Public Works Department)

COMMISSIONER SULLIVAN: While you're on your way up here, Robert, my question is could you explain with this is for?

ROBERT MARTINEZ (Deputy Public Works Director): Commissioner Sullivan, this is for the cooperative agreement that was executed between the County and the State Highway Department for the repaving of County Road 73 in Tesuque.

COMMISSIONER SULLIVAN: And we're listing it as an increase of \$272,434. Is it an increase or is a transfer to a different fund?

MR. MARTINEZ: Commissioner Sullivan, it's an increase.

MS. MILLER: Mr. Chairman, Commissioner, we had budgeted this project last year and did not have a contract for construction awarded last year, so we did not rebudget in our original fiscal year 2003 budget that we brought forward. We did not budget road projects that we had estimated cash balance remaining on. We wanted to bring those forward to the Commission as we determined the exact cash balance left and bring them into the budget as we

were ready to do those projects. So this is rebudgeting last year's money and the grants that we received in this fiscal year.

COMMISSIONER SULLIVAN: And this project hasn't been executed yet? Or it's finished?

MR. MARTINEZ: Commissioner Sullivan, it has not been started yet.

COMMISSIONER SULLIVAN: Hasn't been started. So we now know the exact amount and so we're putting that into the budget, whereas before, we only had an estimate. Is that what you're saying, Katherine?

MS. MILLER: Mr. Chairman, Commissioner Sullivan, this is the amount that—I don't know that it's the exact amount that the project will cost. This is what we have as state grants and/or matching funds already in our hands. So that we're requesting to actually budget that in this fiscal year in order to award a contract in the future.

MR. MARTINEZ: Commissioner Sullivan, we will be awarding—I believe the contract was awarded for the milling of the existing roadway but we will be paving that in-house.

COMMISSIONER SULLIVAN: Okay. In your opinion, Ms. Miller, does Tesuque need more roads?

COMMISSIONER TRUJILLO: There's a lot of roads that need to be paved in Tesuque.

MS. MILLER: The whole county needs roads paved.

COMMISSIONER SULLIVAN: A diplomatic answer. The whole county needs roads. All five districts. Thank you, that answers my questions. Are there any other questions of the staff regarding Resolution 2002-110? Hearing none, what's the pleasure of the Commission? Item dies for lack of a motion.

COMMISSIONER TRUJILLO: Move to approve.

COMMISSIONER GONZALES: Second.

COMMISSIONER SULLIVAN: There's a motion and a second. Any further discussion?

The motion to approve Resolution 2002-110 passed by unanimous [4-0] voice vote.
[Chairman Duran was not present for this action.]

XI. Administrative Items

A. Committee appointments/reappointments

1. Appointments to the Property Tax Protest Board

COMMISSIONER SULLIVAN: I see our representative from the Assessor's office has faithfully been waiting for several hours for this item.

RALPH JARAMILLO (Deputy Assessor): Thank you, Commissioner Sullivan, members of the Commission. At this point in the Assessor's office we are requesting your

2227837

approval for the reappointments to the Property Tax Protest Board. They run for two years and there are no limits on those two years. The names that we bring to you, which they are existing as of today are Eli Valdez, who's been with us about six years on the board, Richard Castellano has been with us one term, and John Valdez is the alternate, which if one cannot fulfil his obligation Mr. Valdez would come aboard.

We, also there's three that sit on the board. The other one is appointed by Property Tax division, Taxation and Revenue, and they chair the board. So at this time we are requesting for Eli Valdez, Richard Castellano, and John Valdez to continue their service to the Protest Board of Santa Fe County.

COMMISSIONER TRUJILLO: Move for approval, Mr. Chairman.

COMMISSIONER SULLIVAN: Is there a second for discussion? I'll second for discussion. I think Ralph, there's some questions.

COMMISSIONER CAMPOS: Mr. Jaramillo, this memo gives me very little information coming into the meeting as to who these folks are, whether they're on the committee now, off the committee. Anything about them. Their qualifications. I'm concerned when I don't get any information to make a decision.

MR. JARAMILLO: I apologize for that, Commissioner Campos, Mr. Chairman, at this point. What we do have, in the past we have given you information about who sits in the Protest Board. We had Brian Baca, who's been with us about 19 ½ years who submitted this last week to the County Manager's office and it was vague. So I apologize. It does not come this way. I would like to just share with you—in fact Brian Baca has resigned for Santa Fe County and at this point we are missing a chief appraiser which we are in the process of filling his position.

But let me if I can, Commissioner Campos, let me tell you something about these individuals and how they're picked. Eli Valdez, first off, there are three that are chosen. Number one comes from the Property Tax Division, Taxation and Revenue, which they appoint the chair. We in turn, there's one that is selected that is knowledgeable in the field of real estate and that one at this point is Richard Castellano. Mr. Castellano has been with the state. The last years has spent several years with the Property Tax Division, Taxation and Rev. for 25 years. He's been with the state. Very, very knowledgeable in the real estate area. So as far as knowledgeable, we choose someone who is very knowledgeable in real estate at this point. Richard Castellano has fulfilled this obligation.

Eli Valdez, we pick one from the public and Mr. Valdez has served for three terms and has done quite well, faithful to the protest board. Mr. Valdez has been serving now for six years. John Valdez is also, he's a realtor in Santa Fe and also familiar with real estate and he's our alternative at this time.

COMMISSIONER CAMPOS: Mr. Jaramillo, as far as the statutory authorization, I assume the statute says that the County Commission will appoint these folks.

MR. JARAMILLO: Yes, sir.

COMMISSIONER CAMPOS: And that that Assessor will make the nominations or suggestions or what?

MR. JARAMILLO: Yes, sir. We make the nominations, recommendations, to you all with your blessings and approval.

COMMISSIONER CAMPOS: Thank you.

COMMISSIONER SULLIVAN: What was the process in filling these? Is there any advertising?

MR. JARAMILLO: No, sir. In the past six years that I've been here, as we appoint, they ask us, Property Tax Division of Taxation and Rev. asks us if we know anyone in this area that will fulfill these. We go out and we don't put it in the paper. That's something—I appreciate that. That's something that maybe in the future we can do and give the county, who's interested out there, an opportunity to be on the board. But in the past, no sir, we haven't. We ask realtors, we ask the public if they're interested, and we have names of people that are interested in fulfilling, serving on the board.

COMMISSIONER SULLIVAN: Do these make up the entire board or are there other statutorily appointed members?

MR. JARAMILLO: This makes up the board, Commissioner Sullivan. There's three on the board that sits on the board.

COMMISSIONER SULLIVAN: But only two, one's a substitute.

MR. JARAMILLO: An alternate, yes, sir.

COMMISSIONER SULLIVAN: So only two make the actual decisions unless one is absent.

MR. JARAMILLO: Three make the decisions, along with Property Tax Division, their chair.

COMMISSIONER SULLIVAN: Oh, their chair is automatically—

MR. JARAMILLO: Yes. We have nothing to do with that.

COMMISSIONER SULLIVAN: I understand. Are there any other questions of Mr. Jaramillo? If not, what's the pleasure of the Commission?

COMMISSIONER TRUJILLO: I made a motion and you seconded.

COMMISSIONER SULLIVAN: Oh, that's correct. I seconded the motion for discussion. Is there further discussion?

The motion to approve the appointments to the Property Tax Protest Board passed by unanimous [5-0] voice vote.

MR. JARAMILLO: If I may, Chairman Duran at this point, if I could, just for the record, we have two new Commissioners that are probably not familiar with the process. As far as compensation for the ones on the board. They are compensated by Taxation and Revenue. So just for the record I want to let you know that.

COMMISSIONER SULLIVAN: Thank you.

XII. Staff and Elected Officials' Items

A. Community and Health Development Department

1. Request Authorization to Enter into a Professional service Agreement with the Santa Fe Community Partnership for Substance Abuse Prevention for RFP #23-06-CHDD

MR. ANAYA: Mr. Chairman, Commissioners, the agreement before you is based on an RFP that we put out for alcohol and substance abuse prevention classes that will be held throughout Santa Fe County in the north and the central part of the county and in the south. The money utilized for this project were monies allocated by Commissioner Trujillo and Commissioner Duran, I believe, as well as possibly Commissioner Sullivan as well. I stand for any questions regarding—

CHAIRMAN DURAN: Any questions of Robert?

COMMISSIONER CAMPOS: Question.

CHAIRMAN DURAN: Commissioner Campos.

COMMISSIONER CAMPOS: Mr. Anaya, you're saying that this \$50,000 comes from the Commissioner fund?

MR. ANAYA: Mr. Chairman, Commissioner Campos, yes, that's correct.

COMMISSIONER CAMPOS: Thank you.

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Yes, part of that did come from my funds, Mr. Anaya. This was part of the program that included some of the faith-based initiatives, is that correct?

MR. ANAYA: Mr. Chairman, Commissioner Sullivan, yes, that is correct.

COMMISSIONER SULLIVAN: And how many submittals did we get on this?

MR. ANAYA: Mr. Chairman, we only received one submittal. We advertised it twice, actually. We only received one submittal, which, to be honest with you isn't that surprising. They're the entity that we're very familiar with that does this service in the community, the Santa Fe Community Partnership.

COMMISSIONER SULLIVAN: And have we participated in this type of an initiative before?

MR. ANAYA: Mr. Chairman, Commissioner Sullivan, we are chartering some new territory as a County entity in doing this service in the community.

COMMISSIONER SULLIVAN: I am interested. I participated in it to essentially see what the results would be. So I know you're requiring quarterly reports and things of that nature but I want to ensure that we keep a close eye on this and see if we think it's a viable mechanism.

MR. ANAYA: Mr. Chairman, Commissioner Sullivan, we will do that.

COMMISSIONER TRUJILLO: Move for approval, Mr. Chairman.

COMMISSIONER SULLIVAN: Second.

CHAIRMAN DURAN: There's a motion and a second. Any further discussion?

The motion to approve the agreement with the Santa Fe Community Partnership passed by unanimous [5-0] voice vote.

G. Project and Facilities Management

1. Request Authorization and Approval of Professional Services Agreement #23-0074-PFMD with the Highest Rated Offeror (RFP #22-26) for Architectural/Engineering/Planning Services for Phase 1 of the Santa Fe County Training Facility

MR. ANAYA: Mr. Chairman, this isn't my item. I just request permission to make a brief comment.

CHAIRMAN DURAN: Go.

MR. ANAYA: Mr. Chairman, Commissioners, I think that given the things that have occurred over the last several years that I would be remiss if I didn't take a moment to, as a department head and somebody that's been working in Santa Fe County for going on six years, to just take a moment to personally thank Commissioner Gonzales for the support that he's provided our department and for the support he's provided the community and the good things that he's done and I just want to take a moment to thank you for that and wish you the best of luck.

CHAIRMAN DURAN: Do you want to reconsider your resignation?

COMMISSIONER GONZALES: No way.

CHAIRMAN DURAN: We'll give you one more shot at it. We'll ask you in about ten minutes.

MR. FLORES: Mr. Chairman, we're before you today requesting authorization to enter into a professional services agreement with the firm of Custer Basarich, Architects, for phase one of a planning and feasibility study for an envisioned Santa Fe County fire training facility that's a collaborative effort between the County Fire Department, some Sheriff's offices and other regional emergency service agencies. It was solicited formally. At this time we are only requesting phase 1, which is the planning and feasibility to determine whether the ideas that are envisioned are practical from a functional standpoint but also fiscal standpoint and I stand for any questions.

CHAIRMAN DURAN: Any questions of Tony?

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Tony, two questions. One, where will this be located?

MR. FLORES: Mr. Chairman, Commissioner Sullivan, because the planning study has not been done, the feasibility has not been done, we have identified two potential sites

within an approximate five-mile radius of our current public safety complex. The problem with this is that the sites range in size. Without an actual program developed to tell us how big this thing can be, we have not secured any type of lease with any state agency or other agency for the property. After the planning and feasibility study is completed, we will then bring each of the sites to the table and see which one can accomplish the program with the least fiscal impact.

COMMISSIONER SULLIVAN: This is a fire training facility where they simulate fire exercises and that type of thing. So there's only certain kinds of properties, obviously, where this can occur. Okay, so we're only going to go through the planning phase, because we don't have a site. And is the site identification a part of this contract?

MR. FLORES: Mr. Chairman, what we will do is we will present the site to the consultant or the architect in this case after the program document is completed. We are looking for a conceptual design product out of one of the phases or one of the components of this. At that time, with the study itself, we will then determine the cost per site and which is the most advantageous to undertake this.

COMMISSIONER SULLIVAN: Then my other question was that you indicate that it was determined that interviews would not be required. Was the firm of Custer Basarich that much more qualified than the others that you felt that interviews wouldn't be necessary?

MR. FLORES: Mr. Chairman, just as a reminder, the evaluation teams that are set up for A & E services primarily are usually between six and seven individuals. We have sitting engineers that are on staff with the County, the using department, in this case the Fire Department and Sheriff's Department, Project and Facilities Management staff, based upon a cumulative total of all the individual evaluations, the firm of Custer Basarich was far and away exceeded any of the other three offerors, based upon the criteria that were set forth in the solicitation.

COMMISSIONER SULLIVAN: So they seemed to be so much better that you felt that interviews wouldn't be necessary?

MR. FLORES: The team as a whole, based upon their—

COMMISSIONER SULLIVAN: Felt confident?

MR. FLORES: Yes.

COMMISSIONER SULLIVAN: Okay. Is this is the same firm that's designing the fire station?

MR. FLORES: No.

COMMISSIONER SULLIVAN: No.

MR. FLORES: No, sir.

COMMISSIONER SULLIVAN: They're not doing any fire stations.

MR. FLORES: They're currently, we have no current contracts with this firm.

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

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Campos.

COMMISSIONER CAMPOS: Mr. Flores, this training facility, has concept

approval been given by the County Commission at some time in the past?

MR. FLORES: Mr. Chairman, as part, in my memo I touched upon it. As part of the entire development of the public safety complex out on Highway 14, a fire and training facility was presented in a very conceptual fashion at that point in time. It had not, though, been taken to the level that the environmental concerns, the smoke dissipation and things like that were figured into the equation. So on the surface, conceptually, yes. To the detail that we're preparing now, no.

COMMISSIONER CAMPOS: So when did the County Commission give concept approval to this training center?

MR. FLORES: When the public safety complex, if I have recollection, it was in 1999.

COMMISSIONER CAMPOS: Now, do you have any idea how much this is going to cost, broad range?

MR. FLORES: Mr. Chairman, Commissioner Campos, at this time, without a plan, to put all the pieces together of the different props and the different facilities that would encompass this, I can't guess.

COMMISSIONER CAMPOS: So you don't have parameters, any parameters? This is going to give you some parameters.

MR. FLORES: Yes, sir.

COMMISSIONER CAMPOS: Now, how do you foresee we're going to pay for this?

MR. FLORES: Mr. Chairman, Chief Holden, who's been very instrumental in this whole process, we do currently have some bonds out there that we would at least get the initial part of it started. Once we get a definitive idea of cost and phasing—I envision this project to take some years—we will sit down with Chief Holden and the Commission to determine what funding sources will be used out of the fire fund for this project.

COMMISSIONER CAMPOS: When you say fire fund, are you talking about the quarter cent GRT or what are you talking about?

MR. FLORES: It could be a public safety bond that's currently out on the table right now. It may be quarter percent. I don't have the specifics as to what fund out of the fire area would be used for this.

COMMISSIONER CAMPOS: Okay.

MR. FLORES: For the construction of it.

COMMISSIONER CAMPOS: Okay.

CHAIRMAN DURAN: Fire impact fees? Why don't we use the one in Los Alamos?

STAN HOLDEN (Fire Chief): Mr. Chairman, in response to your direct question on impact fees, I wish we could use impact fees for this, but the impact fees, if you'll recall, have to be spent for capital expenditures within a given fire district, and they have to be associated specifically to development within that fire district. Commissioner Campos, in regards to your question, specifically, we're looking at all funding sources at this time,

including a legislative appropriation at a later time. As you know, it's best to, when you go before a legislative committee, it's best to have a plan in hand, when you go before a legislative committee, to ask for funding. And it's also a good idea to have, or bring with you, some matching funds. So that's what we intend to do. We're going to try to leverage the monies that we have in hand and take that to the legislative Finance Committee and other committees that we might get some appropriations from at some point and ask them for some matching funds because we intend to have this training facility be a regional training facility and not just the Santa Fe County fire training facility.

COMMISSIONER CAMPOS: Does that involve the City of Santa Fe?

CHIEF HOLDEN: Yes, sir, it does, and as a matter of fact, the City of Santa Fe Fire Department has two members of its department on our planning committee.

COMMISSIONER CAMPOS: Is the City going to contribute or do you anticipate the City may contribute some money to this project?

CHIEF HOLDEN: We'll ask them at an appropriate time to fund it just as we did with the regional communications center. Yes, sir.

COMMISSIONER CAMPOS: Thank you.

CHAIRMAN DURAN: Any other questions of staff?

COMMISSIONER TRUJILLO: Move for approval, Mr. Chairman.

CHAIRMAN DURAN: Is there a second?

COMMISSIONER GONZALES: Second.

CHAIRMAN DURAN: Any further discussion?

COMMISSIONER CAMPOS: Discussion.

CHAIRMAN DURAN: Commissioner Campos.

COMMISSIONER CAMPOS: I'm just—you know we have a lot of projects. The Public Works project, the bond money wasn't sufficient. There's a lot of demand. I assume we're going to be looking at additional bonds. No?

CHIEF HOLDEN: Mr. Chairman, Commissioner Campos, I'm sorry if I didn't answer that clearly. We have \$1.5 million currently from an existing general obligation bond, the public safety bond, that we intend to use those funds as leverage funds with the state and with the City.

COMMISSIONER CAMPOS: Makes sense. Thank you.

CHAIRMAN DURAN: Any further discussion?

The motion to approve the professional services agreement passed by unanimous [5-0] voice vote.

2227844

XII. B. 2. Request authorization to enter into a lease agreement with the New Mexico State Land Office for real property located off Agua Fria Road in the vicinity of San Felipe Road

MR. FLORES: Thank you, Mr. Chairman. We are requesting authorization to enter into a lease agreement with the state of New Mexico Land Office for a 7.87-acre parcel located off of Agua Fria in the vicinity of San Felipe Road. The site currently has a CDBG project identified as a potential first user or occupant. However, there are other projects that are on the table that will be on the site eventually, and based upon the fact that we have no vacant property to utilize, we are recommending approval of this lease. I stand for any questions.

CHAIRMAN DURAN: Any questions of Tony? What's the pleasure of the Board?

COMMISSIONER TRUJILLO: Move for approval, Mr. Chairman.

COMMISSIONER GONZALES: Second.

CHAIRMAN DURAN: There's a motion and a second. Any further discussion?

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

XII. B. 3. Recommendation from COLTPAC for submission of applications for new property acquisitions

PATICK KRAICH (Open Space Trails and Project Manager) : Good afternoon, Mr. Chairman, Commissioners, I'm Patrick Kraich, the Open Space Trails and Project Manager. During the July 30th BCC meeting, the Commissioners gave direction to COLTPAC to consider methods to deal with urgent acquisitions for the Open Space Program and then to come back to the BCC with recommendations. So in consequence, at the August 1st COLTPAC meeting this issue was discussed and it was decided that a special application period to consider new open space properties should be established.

The special application period consists of a 30-day application period and a 30-day evaluation period. After the evaluation period, COLTPAC brings its recommendations for purchase before the BCC as usual. In addition, COLTPAC recommends that properties considered in the special application period have certain characteristics. These include properties that represent time-critical opportunity, for instance a property that will be lost due to immediate sale; properties that already have a well defined management plan in place; and properties that are considered unique and compelling. So we await the BCC's direction on this matter.

CHAIRMAN DURAN: I can move for approval.

COMMISSIONER GONZALES: Second.

2227845

CHAIRMAN DURAN: There's a motion and a second. Any further discussion?

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: I had asked a couple meetings back to have the staff look at one parcel that I thought might be a gateway, possible gateway acquisition. Has there been any progress on that?

MR. KRAICH: I believe that was one of the—that and also the Camino Real River Corridor, there's already been talk about those projects possibly being in this process.

COMMISSIONER SULLIVAN: So you think, can we get those at least in the consideration mill in this process?

MR. KRAICH: Commissioner Sullivan, I believe so, yes.

COMMISSIONER SULLIVAN: Because it seems that the rate we're going here with the Jacona Land Grant we may be out of money fairly quickly. So I appreciate that. Thank you very much.

COMMISSIONER TRUJILLO: Any many more.

COMMISSIONER SULLIVAN: Any many more. That's what I'm afraid of.

CHAIRMAN DURAN: Great.

The motion to approve the new COLTPAC process passed by unanimous [5-0] voice vote.

CHAIRMAN DURAN: Could you please advise COLTPAC of the decision we made early on in the meeting relative to the Parker property and may they can call a special meeting, emergency meeting to analyze the property and make some recommendations to us. It sure would be helpful to us and the decision we're going to have to be making relatively soon. We sure would like them on board.

MR. KRAICH: Sure.

CHAIRMAN DURAN: Or at least have their input.

MR. KRAICH: Sure. I could do that.

MR. OLAFSON: Mr. Chairman, excuse me, if I might just ask for further clarification on that. So have a meeting in the immediate future to address that issue and then have some kind of evaluation and bring it forward.

CHAIRMAN DURAN: No, I said please communicate to COLTPAC the direction we gave staff relative to the purchase of the Parker property. You were here when we made that decision, right? Or gave staff the direction. We would for them to—I would like for them to perhaps have an emergency meeting so that they can analyze the Parker property and make recommendations to us as to whether or not we should purchase that thing, purchase that property subject to all the requirements that we need to fulfill prior to acquiring the property. Appraisal, all that.

MR. OJINAGA: Mr. Chairman, Commissioners, just for clarification, I thought that the direction was that we were going to proceed with the discussion and

negotiations with the Parker property, bring that back to you with all that information.

CHAIRMAN DURAN: That's exactly the direction we gave you.

COMMISSIONER CAMPOS: Are you changing that?

CHAIRMAN DURAN: No, I'm just asking you to let COLTPAC know what the decision that we made.

COMMISSIONER CAMPOS: Period.

CHAIRMAN DURAN: Period. Just let them know what we made, but I would like for them to recognize the urgency that we recognize in acquiring that property and maybe they could make some recommendations relative to it rather than spend hours discussing how we might be circumventing the process.

MR. OJINAGA: Mr. Chairman, we will take that information to COLTPAC. Their next meeting is not this Thursday but the following Thursday, a week away.

CHAIRMAN DURAN: Well, why don't you let the chairperson know before that?

MR. OJINAGA: Mr. Chairman, we don't have a chair on COLTPAC. That's one of the things that I've discussed with Paul trying to designate a particular chair.

CHAIRMAN DURAN: I thought they rotated the chair every—

MR. OJINAGA: Every month, so that's the problem.

CHAIRMAN DURAN: Who's the next chair this month? You figure it out and let us know

MR. OJINAGA: David Gold, I believe might be the next.

COMMISSIONER GONZALES: Mr. Chairman, what I'm understanding of this is to advise them that the Commission is going forward with this and if they chose to provide some input that they can provide input, but this project is not going to be subject to their input. We're asking for them to provide some advice to the Commission if they choose to do so.

COMMISSIONER TRUJILLO: Which I disagree with.

CHAIRMAN DURAN: Totally, totally disagree.

XII. C. Public Works Department

1. Request authorization to enter into a professional services agreement with Gannett Fleming West, Inc. for a location study and preliminary design of the South Meadow Road project

MR. MARTINEZ: Mr. Chairman, Commissioners, the County has received funding through the New Mexico State legislature and developer contributions to design and construct South Meadows Road. South Meadows Road is a road that was recommended by the ARTF as a major arterial in the future road network in Santa Fe County. The County, the department seeks to enter into a professional services agreement with an engineering firm to perform a location study and preliminary design for this project. The project is vitally important

in providing a safe and alternative route for the residents of Agua Fria Village in Santa Fe County.

RFP #22-48 was advertised on May 12, 2002 with Gannett Fleming West, Inc. being the most qualified firm for the projects. The Public Works Department requests authorization to enter into a professional services agreement with Gannett Fleming West, Inc. for a location study and preliminary design of the South Meadows Road project in the amount of \$88,606.37, inclusive of New Mexico gross receipts tax. I stand for questions.

CHAIRMAN DURAN: Any questions of Robert?

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Robert, is this going to involve right-of-way acquisition?

MR. MARTINEZ: Mr. Chairman, Commissioner Sullivan, it will.

COMMISSIONER SULLIVAN: A lot?

MR. MARTINEZ: Depending on the alignment that is recommended by the consultant. Quite a bit has already been donated by developers in anticipation of alignment that was already looked at.

COMMISSIONER SULLIVAN: Is this project our sole responsibility or are we doing this jointly with the City?

MR. MARTINEZ: Mr. Chairman, Commissioner Sullivan, this is strictly in the county.

COMMISSIONER SULLIVAN: And the purpose of the project is to connect through to Agua Fria?

MR. MARTINEZ: Mr. Chairman, Commissioner Sullivan, it's intended to connect to Agua Fria and extend to the 599 frontage road.

COMMISSIONER SULLIVAN: Right. Okay. Thank you.

CHAIRMAN DURAN: Any questions of Robert? What's the pleasure of the Board?

COMMISSIONER TRUJILLO: Move for approval, Mr. Chairman.

COMMISSIONER GONZALES: Second.

CHAIRMAN DURAN: There's a motion and a second. Any further discussion?

The motion to approve the professional services agreement passed by unanimous [5-0] voice vote.

COMMISSIONER GONZALES: Mr. Chairman, just before Robert leaves. Robert, there's been a request by Mora County to come before the Commission. Mora County is in need of a couple of blades, from what I understand and they would like to ask the Commission to consider either a donation of some surplus that we might have for them or some reduced cost, and I was wondering if you could bring something back for the Commissioners to consider and ask representatives of Mora County to address the Commission whatever their

2227848

needs are. As the Commissioners may know, Mora County is the poorest county in the country and in dire need of some type of assistance. So, just for consideration to determine whether you want to support a neighboring county or not.

CHAIRMAN DURAN: What kind of blades? Shaving?

COMMISSIONER GONZALES: Road blades.

CHAIRMAN DURAN: For?

COMMISSIONER GONZALES: Graders.

MR. MARTINEZ: Mr. Chairman, if I could comment on that. We requested for the replacement of two motor graders in this budget and we were approved for the lease of two graders to replace some 95 Champion blades that we currently would like to replace. So those are the blades that Commissioner Gonzales is referring to.

CHAIRMAN DURAN: The actual tractors?

MR. MARTINEZ: That is correct. Motor graders. I believe we sold them a couple about three years ago at a cost of \$35,000 apiece.

COMMISSIONER SULLIVAN: Mr. Chairman, was this a request made to the County Manager or how did this come about?

COMMISSIONER GONZALES: I got a letter actually from one of the Commissioners in Mora County a couple of months ago and I've just neglected to bring it back and the reason I remembered it is the Commissioner is on the phone and Mark called me out and said they were wondering if I was able to bring it up to you guys. So the truth be known, I neglected in my duties to bring it before you earlier so I'm just asking if Robert could come back for your consideration to provide some assistance to Mora County.

MR. LOPEZ: Mr. Chairman, I have had some communications with some folks from Mora County in the last week or so as well where they brought it up to my attention and I had talked to James about it.

COMMISSIONER GONZALES: I think that when they come forward that they should be here to present their issues before the Commission so the Commission can determine whether they want to assist or not.

CHAIRMAN DURAN: Well, for your penance, I think you need to spend two months as a County Commissioner.

COMMISSIONER GONZALES: Penance for forgetting. Man, I'll buy the blades for them.

COMMISSIONER CAMPOS: Mr. Chairman.

CHAIRMAN DURAN: Commissioner.

COMMISSIONER CAMPOS: When we do have that meeting, I think it would be important to have information as to the value of the older tractors, the fair market value.

MR. MARTINEZ: Mr. Chairman, Commissioner Campos, last time we surplus blades that we intended to sell we had an appraisal done.

COMMISSIONER CAMPOS: And do you think that appraisal would fit these two units?

MR. MARTINEZ: It may, but we can always conduct another appraisal on

these two other blades.

COMMISSIONER CAMPOS: Are these older units worth about \$35,000 apiece?

MR. MARTINEZ: Mr. Chairman, Commissioner Campos, I believe they were 94 or 95 blades that we sold them two years ago and I think these are similar in age and hours on the equipment.

COMMISSIONER CAMPOS: We sold them for appraised value?

MR. MARTINEZ: Mr. Chairman, Commissioner Campos, I believe we sold them below appraised value. I think they appraised at about \$42,000.

COMMISSIONER CAMPOS: Okay.

CHAIRMAN DURAN: Okay. Well, just let us know. I think it's something to definitely check into.

MR. MARTINEZ: Mr. Chairman, can I take a moment? I'd just like to thank Commissioner Gonzales for his support of the Public Works Department and everything he's done for the County and the other departments. I'm sure you're going to be missed and good luck to you.

COMMISSIONER GONZALES: Thank you, Robert. Appreciate it.

COMMISSIONER SULLIVAN: Mr. Chairman, Robert, before you slip away into the night. Where do we stand on our strategic road improvements study?

MR. MARTINEZ: Mr. Chairman, Commissioner Sullivan, we met with the consultant that is going to be providing these services for us. I believe we are still lacking about 80 miles of road that needs to be evaluated by the Public Works Department for them to include in their report but I believe we were requesting for them to come to the Commission either in October or November to provide you with an update and some information.

COMMISSIONER SULLIVAN: And I believe I asked you this before but let me just confirm it, they are going to take the information that you're putting together, which is kind of handwritten on all the forms and so forth, and they're going to be entering that into a database so we've got electronic access to that?

MR. MARTINEZ: Mr. Chairman, Commissioner Sullivan, that is correct.

COMMISSIONER SULLIVAN: Okay. Good. So you're thinking October?

MR. MARTINEZ: I believe it was either October or November that they said they would have enough time to come back to the Commission and give a report.

COMMISSIONER SULLIVAN: Okay. Thank you.

CHAIRMAN DURAN: Thank you, Robert.

XII. D. Matters from the County Manager

1. Request approval of an amendment to agreement #22-0041-MG, operation, management and maintenance agreement for the Santa Fe County Juvenile Detention Facility between Cornell Corrections of Texas, Incorporated, and Santa Fe County

GREG PARRISH (Corrections Coordinator): Mr. Chairman, Commissioners, you have before you an amendment #2, and the changes are Article III, Paragraph B, where we reduce the term for notification from 120 days to 90 days. That is item B. And then Section 2, Article V. A. 1, where the agreement amends the per diem rate. The County will continue to pay \$100 for each County juvenile housed at the facility in excess of an average of 8 ¼ juveniles. So we're not going to be charged until 8 ¼ juvenile days have been subtracted on a monthly basis. That's the part of the amendment for A. 1.

The other one is the revenue sharing. The County and Cornell agree to have revenue sharing so that funds collected by Cornell related to the operation of the juvenile facility in excess of \$4.2 million in a 12-month period, beginning October 1, 2002, will be shared between the County and Cornell. The County will receive 25 percent and Cornell will receive 75 percent of the \$4.2 million. The reasoning behind this was because of the drop in the juvenile population it was necessary to adjust the per diem rates and this was an agreement between staff and Cornell.

CHAIRMAN DURAN: Any questions of Mr. Parrish?

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Greg, what was the limit before this amendment?

MR. PARRISH: In the current contract, we pay for every juvenile that is housed there. Now we will have 8.25 that we will not pay for before we start paying.

COMMISSIONER SULLIVAN: But the reason for this agreement was that the total number of juveniles was being reduced because of the requirement that they be housed within, what? 250 miles of their—

MR. PARRISH: Right. The BOP contract specified that.

COMMISSIONER SULLIVAN: So what are we giving up to Cornell in this?

MR. PARRISH: Well, basically, right now the contract reads that they pay \$50,000 per month for the use of the facilities and we pay for all our juveniles. Basically now the 8.25—

COMMISSIONER SULLIVAN: Oh, so we're eliminating the \$50,000 completely.

MR. PARRISH: Well, no. The 8.25 transfers to about \$25,000.

COMMISSIONER SULLIVAN: But we're eliminating the \$50,000 and we're adding in 8.25 at no charge, which translates to roughly \$25,000.

MR. PARRISH: Roughly \$25,000.

COMMISSIONER SULLIVAN: The net result being that this is amending the contract to the favor of Cornell to the tune of about \$25,000 a month.

MR. PARRISH: Depending on how the profit sharing works out. It could work out to our favor, but the population would have to—it's right now at about 72. It has to get up to about 90.

MS. MILLER: Mr. Chairman, Commissioner Sullivan, what it does is to put—we have a set of about \$300,000 in services. And then the other \$300,000 is variable, based upon the population. We can actually, at a population of about 72 we start to recoup some of that \$300,000. As a matter of fact if we have 70 juveniles at an average of \$165 a day, which the per diems range anywhere from ours at \$100 to the BOP's at around \$197, we would even recoup around \$39,000 of that \$300,000. When we negotiated the agreement with Cornell, we had estimated the population at around 100 and that's what we had sustained for about three years. And then the BOP came in with the change of having to have juveniles within 250 miles of their home, and they also, with 9/11, they quite gearing funds towards prosecutions and incarceration of federal inmates. So we've seen a drop, there's been a drop across the country in receiving federal dollars for juveniles at our facility.

So, to hit the \$4.2 million, they would actually, if they stay at their current population, we would start to recoup some of that \$300,000 that we're in essence putting on the table to be a revenue sharing as opposed to a flat rental rate.

COMMISSIONER SULLIVAN: Disagreement—would cost us \$300,000, roughly, \$25,000 a month for 12 months. Say \$300,000 a year, minus whatever we might recoup on the revenue sharing issue. Let's say that didn't occur. Where would we get the \$300,000?

MS. MILLER: Mr. Chairman, Commissioner Sullivan, that's one of the things that we probably will need to revisit mid-year as far as the budget goes. We had anticipated approximately \$600,000 in revenue from that facility. We only budgeted about \$500,000 but this will also be, our costs will be determined on how many juveniles we house of our own at the facility. We average about 14 per day. If that number drops, we could see the savings right there on our own expenditures out of the juvenile cost center of the jail enterprise fund.

Otherwise, we may have to look at somewhere during the year, revisiting a budget adjustment if that's necessary. It's hard to say right now. What Cornell is doing is trying to bring in more juveniles even since we've discussed this amendment, they brought the population up by about seven or eight since we started it. So at the current rate, we would start to recoup some of the \$300,000 that we put on the table with this amendment.

COMMISSIONER SULLIVAN: So if we don't recoup it, or if we only recoup \$100,000 or \$150,000 of it, then where would we get the money?

MS. MILLER: Mr. Chairman, Commissioner Sullivan, we did sent up a contingency reserve for incarceration costs of \$400,000 or \$500,000, so that would be one of the possibilities. We'd also look at revenues across the County to see if there's any other areas or expenditures across the County to see if there was any savings anywhere.

COMMISSIONER SULLIVAN: Okay. Thank you.

CHAIRMAN DURAN: Any other questions of Mr. Parrish? What's the pleasure of the Board?

COMMISSIONER SULLIVAN: Move for approval, Mr. Chairman.

CHAIRMAN DURAN: There's a motion to approve. Is there a second?

COMMISSIONER TRUJILLO: Second, Mr. Chairman.

CHAIRMAN DURAN: Any further discussion?

The motion to approve the amendment with Cornell Corrections passed by unanimous [4-0] voice vote. [Commissioner Gonzales was not present for this action.]

XII. D. 2. Manager's recommendation relative to a federal lobbyist

CHAIRMAN DURAN: I didn't know you had a recommendation.

COMMISSIONER TRUJILLO: Now you know.

MR. LOPEZ: Mr. Chairman, I was asked a few months ago to bring forth a recommendation relative to a federal lobbyist. And in that context I was also asked to review the success of our past lobbying contracts. Virginia did some research for me and we basically had two lobbying contracts over the last couple of years. The first was Patrick M. Murphy and Associates and subsequently with O'Connor and Hannon.

Each contract was for approximately \$125,000, although the O'Connor and Hannon contract was terminated early and we didn't expend the entire amount. The overall expenditures under both those contracts was approximately \$200,000. During that time, during the time that we had those services, we were able to, we were the beneficiaries of several million, approximately almost \$5 million of federal funds. It's pretty difficult for me in retrospect to go back and say just how much of those federal funds came as a direct result of those federal lobbying efforts.

However, I am intimately familiar with two of these and those are the last two listed, the small communities mutual domestic water systems, and the Santa Fe Regional Water Management and River Restoration project, allocations that we got. The first was for \$300,000, the second was for \$601,000. I know, I was intimately involved from a staff perspective and with respect to the small communities mutual domestic water systems, our federal lobbyist was instrumental in getting us through that. They helped me write up the initial draft of what it was we were asking for and kind of guided me through the entire process. I know they also had a significant impact on the Santa Fe Regional Water Management and River Restoration project.

So even if we only account for those two, that's almost a million dollars, it's \$900,000 for an investment of about \$200,000 in lobbying efforts. So I guess my conclusion from that is that we've recovered all of the investment relative to federal lobbying efforts and if you'll recall to the meeting of I guess it was on the 15th of August when you adopted the 40-year water plan, one of the areas that you asked Gary to concentrate on was helping small communities and their water projects and so forth. That in essence is what this small communities mutual domestic

water systems fund is for. And we think that if we're able to get that out to communities and put it to work quickly that it basically represents something that we should be able to get funded again.

And for that reason, I started looking at where we might have some money that we could use for a lobbying contract. And the water company and its capital reserve is one of those areas. I should say, before I get to that point though that even before considering a separate lobbying effort, due to our involvement on the Buckman diversion and the water improvements in general with the City, we are the beneficiaries of their contract with CDM, which, and they have a federal lobbyist that's a subcontractor to the contract, and we benefit from that effort. We will be bringing to you, probably within the next couple of months or so, a cost-sharing agreement that will compensate the City for a portion of those efforts as well.

So we've already got some federal lobbying effort for the regional water efforts that are going on. I would say, my recommendation relative to any other independent effort is that I think it would be money well spent and I would identify perhaps up to, say, \$50,000 out of the water capital reserve fund to seek out federal funds for outlying communities and I would further say that—and I'm not sure exactly how we get there from a procurement perspective but I think it's important whatever lobbying effort we're going to have, say a couple of firms that might be working at cross purposes with each other.

So I guess that I would recommend that we set aside some money from the water capital reserve fund to seek out lobbying services beyond what we're getting right now and if the Commission agrees with that, the other thing that I would say in general is that I think any lobbying effort is going to be most fruitful if it's an ongoing effort, not something where we start it this year and cancel it a few months down the road. I think we have to build a relationship with a lobbying firm so that their representation of us in Washington becomes synonymous with Santa Fe County. When they go visit one of our delegation, the delegation understands who they're talking on behalf of. So I would entertain any questions relative to that recommendation.

COMMISSIONER GONZALES: Mr. Chairman.

CHAIRMAN DURAN: Commissioner.

COMMISSIONER GONZALES: I think it's obviously no secret that I've been an advocate for the federal lobbyist and based on what the staff has provided I think that it's been a proven investment. I don't think that it's necessarily gone as far as it could go for the reasons that Estevan has indicated, that primarily we have not established a level of consistency to develop a good federal program. But Santa Fe County, there are a lot of critical issues that are facing our community. There are 50 independent county water systems. We've seen thus far this year that a couple of them have actually gone dry. I believe it was the Cañada de los Alamos—

MR. LOPEZ: Cañoncito and—

COMMISSIONER GONZALES: Cañoncito, Cañada de los Alamos, and—

MR. LOPEZ: Cerrillos has also had some problems.

COMMISSIONER GONZALES: Cerrillos and also Madrid, which needed

2227854

some emergency help. And they're having to turn to the County general fund to try and assist them through this process. With the help of the GRT that's been approved recently by the voters, we can actually leverage that money for more federal money, but we need help. And what I've always argued is that granted, Congressman Udall, Senator Bingaman and Senator Domenici have been very good about helping Santa Fe when we need help, the point is they have to take care of 100 other cities in this state and 33 other counties. So we need to assist them in trying to find some specific projects. I think that for the 50 independent water systems, for the number of roads that are in our county that need continued upgrading, and we're getting ready to come up, the federal government is about to approve the reauthorization of their TEA-21 monies. A supplemental bill that's making its way through Congress would allocate \$400 million for voter upgrades. That's part of a \$4 billion voter rehabilitation program that the federal government is making its way through.

It just makes a lot of sense to have a presence in Washington. What I would encourage the Commission to do, there's actually, the Commission has allocated in the last budget cycle, or in the current budget cycle, \$50,000 for homeland security. That's not going to be anywhere enough to try and address the homeland security issues here but to direct the County Manager to shift the \$50,000 of the homeland security money to whatever line item is created along with maybe \$30,000 from the area that you've identified in the water reserve fund and cap it at \$80,000 and find, it doesn't have to be this expensive and find a firm that would accomplish the goals that Estevan had talked about.

I think there's a lot of community project money that's available in Congress and it's very competitive and we need people that understand the process to bring home the money. So Mr. Chairman, I would encourage that we provide the direction to the staff to begin the process of identifying the money and coming back with a recommendation for the Commission to proceed forward in hiring a federal lobbyist.

CHAIRMAN DURAN: I'd just kind of like to add to that. We really need to find money to pay for the diversion project and our other projects like wastewater. We had a presentation today about the wastewater problems up in the northern part of the community and we don't, in our general fund have money to pay for those things. So we're going to have to go to the state, we're going to have to find federal funds to pay for those things and I really believe that we need some help doing that. I don't think there's anyone here as a Commission that's going to be able to be as effective as we need someone to be, to find this money for us at the federal level. So I would support that effort.

COMMISSIONER TRUJILLO: Mr. Chairman, I'd sure hate to limit the amount of monies that we can allocate for this purpose. We need to get the best lobbyist that we can and by limiting it to \$80,000 I don't think will serve the purpose of the needs that we have in Santa Fe County and attract the type of lobbyist that we need in Washington, DC, to attract the funding that we want to get for specific projects. I think that we should attract and retain the best lobbyist that we can.

CHAIRMAN DURAN: The other thing is I think we need to coordinate this effort with the City, but I think we need to have own lobbyist because we have County issues

we need to deal with, but I think that this lobbyist, if we decide to go for one, needs to be able to coordinate the regional effort that we're in with the City in addition to our County issues.

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: I think a couple of changes that we need to consider are first, to give the lobbyist direction as to what they're supposed to do. And if our target is small mutual domestic water associations, which is a good target, then we tell them to work on that and spend all the time they need, up to whatever budget we establish toward that. If they see other targets of opportunity, then they home in on them and search and destroy. But if we focus their efforts, as opposed to just having them wander the halls and set up meetings, I think we'll get more bang for our buck. As I mentioned before, on these mutuals, there's a great deal of funding with the New Mexico Finance Authority, however, that funding is impeded by some matching requirements that they've assigned to it that weren't put in as part of the statutory authorization but were put in as a part of their own regulations.

And so we're seeing a lot of these small communities in Santa Fe County that have 5, 10, 25, 50 members being required to come up with 50 percent and 25 percent matching requirements for water system improvements which you might as well ask them to give the moon. They just don't have it. So what happens is the state funds go unused because they don't have that matching. So this is a great leveraging mechanism. So number one, I'd say, target and focus them on that, and number two, is there a potential for some type or performance-based contract with these firms?

COMMISSIONER GONZALES: I don't think federal law allows them to—I don't know how you would structure it but I know that you cannot pay them based on contingencies.

COMMISSIONER SULLIVAN: Is that a law that they got passed?

COMMISSIONER GONZALES: Probably. They probably did.

COMMISSIONER SULLIVAN: They're pretty good at lobbying.

COMMISSIONER GONZALES: Right.

COMMISSIONER SULLIVAN: So I think it's worth looking into but I think everybody works better, I think under an air of some competitive and some incentive, if we can do it. It may not be possible, as Commissioner Gonzales said. I sure think that would be useful.

MR. LOPEZ: Mr. Chairman, Commissioner Sullivan, we can certainly explore that. I don't know the answer to that. I presume Commissioner Gonzales' answer is correct. I don't know. If I may go back to the issue raised by Commissioner Trujillo earlier about capping this amount. Maybe capping isn't a real good way of looking at it but I think that for approximately \$80,000 we should be able to get a quality firm. When we really look at the fact that we're already going to be expending some other funds via our effort that's ongoing with the City, overall, we're spending something in excess, if you approve this, we'll be spending something in excess of \$100,000 probably on lobbying efforts all told.

COMMISSIONER GONZALES: I would just add, Mr. Chairman, in an effort, I think the issue of consistency is really important. It can't be sporadic. I'd encourage as an

option that the Commission would have when this comes forward is similar to our advertising contract that it would be a three-year contract with one year options so it would have to be confirmed by the Commission annually if they're doing a good job, but at least there would be some level of continuity, some consistency in place and we can actually embrace the program so that we know that this isn't going to be one of those things that we're just going to do whenever it feels okay to do it. But the Commission may determine they don't want to have a three-year contract. They may just go to annual but I think that that should come forward as a consideration to the Commission.

COMMISSIONER SULLIVAN: Mr. Chairman.

CHAIRMAN DURAN: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Let me add one other item and that is, I think for that kind of budget, and I understand Commissioner Trujillo's concern that we're either going to do this right or don't do it at all. I think we tend to focus on firms that have the high profiles, the \$350 an hour firms, let me suggest from a pure business standpoint that we take a gamble on a firm that's perhaps a new firm on the block and a firm that might want to make a name for itself and might want to have some good ideas and some motivation and some hustle and whose hourly charges might be more within our budget so we can get more hours of contact time on the Hill. I think that's worth a gamble.

We tend to think, well, we're going to ride along with these big firms and when they talk to the congressmen they'll happen to mention Santa Fe County or something like that. My experience has been more if you get someone that's really motivated and they want to prove themselves and you're kind of their loss-leader as it were and maybe they're fairly new at the business. You've got a higher chance of failure but you've also got a higher chance of success. I don't know if there is such a firm, but even if there is I'd certainly be willing to consider it. Commissioner Gonzales, is there such—

COMMISSIONER GONZALES: I think you're right on target. Commissioner Sullivan, I think originally there was a thought that we need to find someone who had the political connections to both sides and really get a message, but what I've learned being up there and watching this process is that you have very strong firms that have a very good understanding of the appropriations process. So maybe they're not as politically connected, but that's all right. We just need to find a firm who understands their way around the bureaucratic appropriations process so they can find the money for the mutual domestic associations. These are the people actually beating those bushes, looking for the monies, whether it's filing a grant or working with Congressman Udall to enter in a bill for the specific appropriation, firms exist out there that know it inside and out and I would think that those would be the firms that we'd want to target who have that demonstrated understanding of the appropriation process. That would take a much larger weight than just the political side of things.

If we can't have access to Senator Domenici or Senator Bingaman on our own as not only citizens of New Mexico and representatives of this county, we shouldn't be paying \$100,000 to someone who would have that access. So I think your point is right on target. There are a lot of firms, second and first year firms who know the federal process very well,

specialize in it and can actually deliver. So I would encourage the staff, however they develop it for what you consider it because it's going to come back for consideration that you really ask the hard questions of what do you really know about the appropriations process? And do you have that demonstrated ability where you've shown that you understand it. And I think that would help where you are wanting to do.

CHAIRMAN DURAN: And that they're from Texas.

COMMISSIONER GONZALES: From Waco. Or from Crawford.

COMMISSIONER SULLIVAN: Or from Maine, Kennebunkport.

CHAIRMAN DURAN: Okay. So there's the direction. I would just like to say—

MR. LOPEZ: Mr. Chairman, may I just make sure that I've gotten this correct then? I am to proceed on trying to procure lobbying services and taking \$50,000 from the homeland security, what has been set aside for homeland security and up to \$30,000 with the caveat that, obviously taking into account the concerns raised by Commissioner Trujillo that we don't want to shortchange ourselves. I think we've got a little bit more room in that water front. And to really focus on water and wastewater issues, at least initially and let them bring other initiatives that might be available to us.

CHAIRMAN DURAN: Let's put together an RFP.

MR. LOPEZ: Exactly. We'll do that, but I just want to make sure that I got the direction correct. And then finally, the point brought up by Commissioner Sullivan that we ought not to overlook small, hungry firms and give them a shot. Did I generally get it correct?

COMMISSIONER GONZALES: I agree. And I think one of the things though that we learned in the past and we'll see of lot of New Mexico lobbying firms coming forward and wanting to do this and I would encourage us to look at a Washington based firm as opposed to someone out of Santa Fe who didn't want to go—or Albuquerque to lobby for this.

CHAIRMAN DURAN: And I think we should give special emphasis on ones that are owned by women. That was for you, Becky.

MR. LOPEZ: Mr. Chairman, may I bring up one other item, please?

CHAIRMAN DURAN: Sure.

MR. LOPEZ: Mr. Chairman, Commissioner Gonzales, on behalf of all of the staff I want to thank you for eight years of service and for eight years of support and leadership. On a personal level, I've had the pleasure of knowing you now for five years and I very much appreciate all of the support that you've given me and speaking to staff in general, everyone's going to miss you, and I guess I would say, miss you and miss your leadership and lest we be accused of just letting you go without doing something to show our appreciation, we do intend to have a staff potluck, hopefully in this room, probably in the next couple of weeks we'll be coordinating with you as to when you're going to be available and obviously we'll invite all of the Commissioners. But again, thank you. You'll be missed.

COMMISSIONER GONZALES: Thank you. Mr. Chairman, it's nice to finish quietly and as I've indicated to all of you, it's been a privilege and an honor to serve with everybody and I've aspired to be a servant's leader and I hope that I've been able to be a leader

for this community that's been in line with the people of this community. I thoroughly have enjoyed it and have enjoyed the friendships I've developed and will miss parts of being a Commissioner. Certainly there are other parts that you're okay without. But the parts that I'll miss are the friendships and the camaraderie, the development of policy, the lively debate that was discussed and it's a great place to be.

So this actually is a very nice way to close out a seven-year political career here at the County. Very quiet and quietly go off into the sunset, hopefully.

CHAIRMAN DURAN: Well, I've enjoyed the six year that I've been here with you. I was green when I came onto the political scene. My development as a Commissioner and taking the community's interest in heart and trying to make those hard decisions. So I appreciate working with you and you are going to be missed.

COMMISSIONER GONZALES: Thank you. Appreciate it.

COMMISSIONER TRUJILLO: If I can say, Mr. Chairman, Commissioner Gonzales and I go back to the beginning. We both started together and we came into the Commission with a bang and we thought that we were going to make major differences, major changes and we did. I appreciate Commissioner Gonzales' refreshing initiatives, creative mind, very pro-active role in community, extending to community, understanding community and forcing and helping community participation in the process. As far as I'm concerned, as a public servant he is a conduit to the community. He is the epitome of public service and the initiatives that he's implemented will be in place in Santa Fe County for a long time. I appreciate your service. Thank you.

COMMISSIONER GONZALES: Thank you, Marcos.

CHAIRMAN DURAN: Anyone else have a word to say.

COMMISSIONER SULLIVAN: I was criticized for saying too much, Mr. Chairman.

CHAIRMAN DURAN: Just say good bye and good luck.

COMMISSIONER GONZALES: That's fine too.

COMMISSIONER CAMPOS: I want to thank Javier too. I haven't known you for very long, Javier, but I've met you as a very talented person who really is very bright and has done a lot for the County, has caused a lot of progress to be made in the last seven years and I appreciate that. And I appreciate your courtesies, your ideas that you've shared and your advice. I've appreciated it very much, and we will miss you.

COMMISSIONER GONZALES: Thank you.

COMMISSIONER CAMPOS: I've always enjoyed the lively back and forth and I'll have to find somebody else now.

COMMISSIONER SULLIVAN: Mr. Chairman, I did make my comments when Commissioner Gonzales tendered his resignation at the last meeting so I'll just make reference to those in light of keeping my comments short and wish him the best of luck. I know we'll see him at some point in the future in the political arena. I know he's got his family and his daughter uppermost in his mind right now and I wish him luck and good fortune in that regard as well.

COMMISSIONER GONZALES: Thank you.

CHAIRMAN DURAN: Karl, I'll let you say a few words.

KARL SOMMER: If I could be permitted just a minute.

COMMISSIONER SULLIVAN: Is he being paid for this?

MR. SOMMER: Not yet, and I can't be accused of brown-nosing because he's got nothing to offer me. He's just leaving. I'd just like to say this on the record. I was here when you guys showed up and I've got to say that it is a different County today than it was when you started. You can pick up the paper today and read about—what you read about is the debate in this room going on over the issues. You don't read about roads not getting done, Public Works is a mess. You don't read about the Land Use Department is in shambles. They can't find their records. You don't read about a Finance Department that can't keep track of things.

What you read about is what we ought to be reading about. That there is a debate, a lively debate going on at the highest level, and that's only because the County functions today at an administrative level. You can walk through the doors in the County and walk out at an administrative level and have accomplished something. You came to do your business and then you left and you got it done. That wasn't the case before you guys showed up. It was not. You have a legal staff now. When I first started practicing or when you first came, you had one lawyer.

COMMISSIONER GONZALES: It was a paralegal actually.

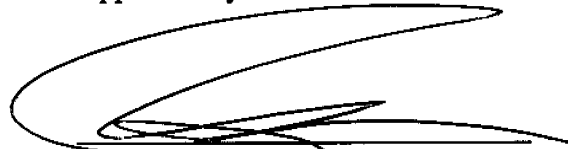
MR. SOMMER: And before that you had one lawyer and now you have a team of lawyers with a diverse group. You have a Land Use Department that has equipment, offices, procedures, division, a chain of command where decisions get made and implemented. Policies get made and implemented. It would be difficult to exaggerate the credit that you deserve, the two of you, for having done what you've done. And I just want to thank you.

CHAIRMAN DURAN: I agree. Good bye and good luck.

ADJOURNMENT

Chairman Duran declared this meeting adjourned at approximately 3:50 p.m.

Approved by:

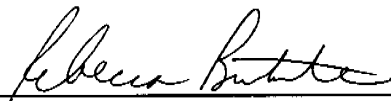


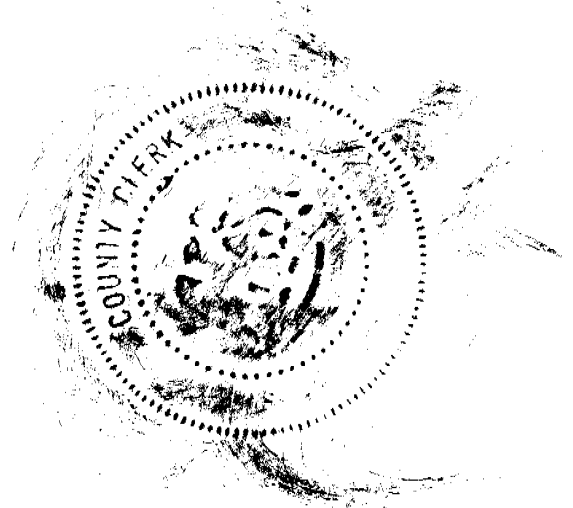
Board of County Commissioners
Paul Duran, Chairman

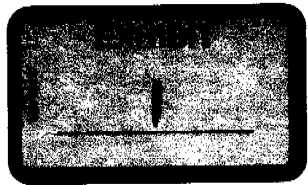
Respectfully submitted:


Karen Farrell, Commission Reporter

ATTEST TO:


REBECCA BUSTAMANTE
SANTA FE COUNTY CLERK





1 WINDMILL RIDGE UNIT 2

2 This will serve approximately 136 units and include an extension of 5,200' to A-Van-Nu-Po to
3 create a looped system.

4 Water line length: 13,000'
5 Number of service connections: 136
6 Number of meters: 136
7 Estimated cost: \$500,000
8 Completion date: September 2002

2227861

9 COLLEGE HEIGHTS PHASE 1

10 This is for the extension of water into and around College Heights Phase 1.

11 Water line length: 1,720 ft
12 Number service connections: 20
13 Number of meters: 20
14 Contract cost: \$60,000
15 Completion date: February 2000
16

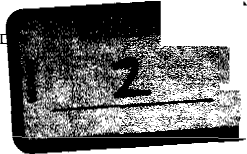
17 TOTAL IMPROVEMENTS

19 **Roads: \$ 1,531,500.00**
20
21 **Water: \$ 1,065,000.00**
22
23 **TOTAL: \$ 2,596,500.00**
24
25
26
27

28 **ESTIMATED DEBT SERVICE RESERVE FUND: \$300,000**
29 **ESTIMATED COSTS OF ISSUANCE AND CONTINGENCIES: \$250,000**
30 **ESTIMATED TOTAL BOND AMOUNT: \$3,146,500**

RANCHO VIEJO IMPROVEMENT DISTRICT DISCLOSURE

As of Nov 1, 2000



Rancho Viejo de Santa Fe, Inc. ("RV, Inc.") has participated with Santa Fe County to create the Rancho Viejo Improvement District ("District") on approximately 2,500 acres owned by RV, Inc., pursuant to the County Improvement District Act Section 4-55A-1 through 4-55A-43, NMSA, 1978 as amended. The District has been created by Santa Fe County at the request of RV, Inc., to finance the acquisition of public infrastructure at Rancho Viejo..

The District has initially acquired the following public infrastructure:

- Rancho Viejo Boulevard from State Route 14 to Avenida del Sur
- Water lines and water system, located in The Village at Rancho Viejo, Unit 1

2227862

The cost of acquisition of these improvements was paid for by bonds issued by the District. The bonds are paid from a General Obligation property tax assessed solely against **The Village at Rancho Viejo, Unit 1 and 2 subdivisions** within the District. The bonds are structured with a maximum tax rate of \$10.00 per \$1,000.00 of taxable value. The tax would exist until the bonds are repaid. The District may issue additional bonds in the future for other public infrastructure, within the framework of the statute.

The mail ballot election was held August 2, 1999, and the election approved the improvement district property tax not to exceed \$10.00, and authorized Santa Fe County to issue bonds not to exceed \$2,000,000.00. Bonds totaling \$ 1,950,000.00 were subsequently sold April 2000. This bond sale represented **Phase 1** of public financing within the District.

To protect the home and homesite and the tax rate, RV, Inc. will provide monies to the District to maintain the tax rate until such time as monies from the tax levy are sufficient to provide for the debt services of all bonds issued and the administrative costs of the district. Payment of the District's property taxes will be included as part of the purchaser's tax deductible property tax.

The maximum \$10.00 tax rate per \$1,000.00 of taxable value corresponds to the following estimated annual tax payments.

<u>Sales Price of Homesite</u>	<u>Taxable Value (1/3 of Sales Price)</u>	<u>Improvement District Tax</u>	
		<u>Annually</u>	<u>Monthly</u>
\$125,000	\$ 41,667	\$ 417.00	\$ 35.00
\$150,000	\$ 50,000	\$ 500.00	\$ 42.00
\$200,000	\$ 66,667	\$ 667.00	\$ 56.00
\$250,000	\$ 83,333	\$ 833.00	\$ 69.00
\$300,000	\$100,000	\$1,000.00	\$ 83.00
\$400,000	\$133,333	\$1,333.00	\$111.00

The District tax would be in addition to base property taxes imposed by Santa Fe County and other governmental jurisdictions.

Phase 2 of public financing will involve the **College Heights, Windmill Ridge**, and may include other future subdivisions and the District may acquire water lines and public roadways installed or to be installed by Rancho Viejo de Santa Fe, Inc. which are required for the development of those subdivisions. An election of qualified landowners will be held by Santa Fe County to approve a future improvement district property tax for Phase 2 of the District. The maximum tax rate of \$10.00 per \$1000.00 of taxable value will continue.

~~This disclosure statement does not substitute for, or take the place of any other documents, which the buyer has received, prior to purchasing a property from Rancho Viejo de Santa Fe, Inc., including without limitation the Amended and Restated Disclosure Statement for Windmill Ridge, Unit 1, the Amended and Restated Declaration of Covenants and Restrictions, a title insurance commitment and any documents referred to therein. Buyer acknowledges that he has read this Disclosure Statement at the time of signing the Purchase Contract.~~

Date: 8/12/02

Buyer's Signature: _____

Lot Number: 23 at Windmill Ridge, Unit 1





2227863

Rancho Viejo de Santa Fe, Inc.

ADDENDUM "D" TO PURCHASE CONTRACT

BUYER: _____

SUBDIVISION: Windmill Ridge, Unit 1 PLAN # 4735 LOT # 23

Description

NO ORAL CHANGES OR REPRESENTATIONS:

Seller wishes to avoid any misunderstandings concerning the purchase of the Property. It is the policy of Seller not to enter into any oral agreement or to ask any Buyer to rely on any oral representations concerning the Property, the Subdivision in which the Property is located, or the surrounding area. The entire agreement between Buyer and Seller must be expressed in writing. Therefore, Buyer shall write in below any representations or promises which are not set out in this Contract, but which have been made by Seller or its purported agent(s) or employee(s), and upon which Buyer is relying in making this purchase, and if there are NONE Buyer shall so indicate.

Due to the fact this is an Addendum to the Purchase Contract, this space is not to be used for pricing requests or questions.

NONE

Buyer's initials: RTK Bel

To induce Seller to accept this Contract, Buyer acknowledges that there are no understandings, representations or promises of any kind that have been made to induce the execution of this Contract, except as set forth in writing in this Contract, that this contract sets forth in full the entire agreement between the parties; and that Buyer has not relied on any oral agreement, statement, representation or other promise that is not expressed in writing in this Contract. No salesman, broker, agent, subcontractor or employee of Seller has the authority to modify the terms of this paragraph or the authority to make any oral representation or agreement not contained in this Contract and no person on behalf of Seller is authorized to make any future oral agreement upon which Buyer may rely to cancel, change or modify any portion of this Contract. The Contract supersedes any and all prior ~~understandings and agreements.~~ This Contract may be amended or modified only by an agreement in writing signed by Buyer and Seller's designated, authorized agent.

Buyer's initials: RTK Bel

Buyer acknowledges that this Addendum is hereby made a part of the original Purchase Contract dated 8/12/02 for the Property as referenced above.

Date 8/2/02 Date 8/26/02

Buyer _____ Approved and Accepted for Rancho Viejo de Santa Fe, Inc.
Buyer _____ By: Robert G. Taunton

Its: UP