

SANTA FE COUNTY
BOARD OF COUNTY COMMISSIONERS
MEETING

December 15, 2004

Paul Campos, Chairman
Michael Anaya
Jack Sullivan
Harry Montoya
Paul Duran - excused



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss BCC MINUTES
PAGES: 81

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SANTA FE COUNTY
SPECIAL MEETING
BOARD OF COUNTY COMMISSIONERS

December 15, 2004

This special meeting of the Santa Fe Board of County Commissioners was called to order at approximately 3:20 p.m. by Vice Chairman Mike Anaya, in the Santa Fe County Commission Chambers, Santa Fe, New Mexico.

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

Members Present:

Commissioner Mike Anaya
Commissioner Harry Montoya
Commissioner Jack Sullivan
Commissioner Paul Campos, Chairman [late arrival]

Members Absent:

Commissioner Paul Duran

III. Approval of the Agenda

GERALD GONZALEZ (County Manager): Mr. Chair, from the staff level we have no recommended changes to the agenda.

COMMISSIONER MONTOYA: Move for approval.

COMMISSIONER SULLIVAN: Second.

COMMISSIONER ANAYA: There's been a motion and second. Any discussion?

The motion to approve the agenda as published passed by unanimous [3-0] voice vote.

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IV. Presentation and Request Direction on Santa Fe Capital Outlay Funding Strategy
A. Infrastructure Capital Improvement Plan (ICIP) - Capital Outlay Priorities
B. Capital Outlay Gross Receipts Tax
C. General Obligation Bonds

COMMISSIONER ANAYA: Before we get into the presentation, I just want to acknowledge some people in the audience. We've got Senator Phil Griego. Senator, thank you for being here with us. And Representative Jeanette Wallace is here. Thank you, Jeanette. And as you know this is our ICIP meeting and we've got James Rivera, who is going to be helping us out, and Marlo Martinez, he's going to be helping us out along with our in-house people. Jaime Estremera, Tony Flores, Rudy Garcia is here. So those are the people that are going to be helping us out as long with the Public Works Department, James and Robert Martinez. So unless there's any other comments let's have the presentation. And we've got Commissioner-elect Virginia Vigil. Thank you for being here. Very important. Thank you, Commissioner.

TONY FLORES (PFMD Director): Thank you, Mr. Chair, members of the Board. Real briefly, since we got started a little late, I'll go through the presentation and allow some time for some questions and answers, and then time permitting, we'll get into the discussions of legislative initiatives for this 2005 session.

Real quickly, a brief overview, the Board of County Commission in April of 2002, what I consider took a huge step in redefining how the capital outlay process works at the local level. In April of 2002, at the conclusion of the 2002 session, we brought forward a proposal to begin the process of capital outlay reform at the local level. With that process the Board directed staff to look at existing projects that have been funded through the state level, local level, etc. to develop a plan and an ICIP process that would provide a mechanism to complete projects, get them off the books. At that time we had projects from 1996 and 1997. Begin the process to get those facility projects, road projects, etc. built and completed.

That led to the first two-stage ICIP plan which was presented in 2004, which the first part of it was the development of the ICIP document and the second part of that was the development of the capital outlay strategy. As a result of that push, last session Santa Fe County received sufficient funding to complete six facility projects and numerous road projects based upon that consolidated and coordinated effort to minimize the amount of capital outlay projects that we took to the session. We took a smaller list and we were able to complete projects in a timely fashion.

As you can see the strategy that was developed in 2002 had different pots of gold and unfortunately, I didn't have pots of gold for this presentation but you get the gist. One project can be accomplished using various sources. Let's say there were appropriations, both severance tax and general fund, our existing capital outlay gross receipts tax, our Community Development Block Grant and other funding sources. As you can see, a project, for instance from a facilities standpoint, if we use the Agua Fria Community Center, which is the first one, we used both the legislative appropriation and the Community Development Block Grant, we received sufficient funding, that project should be completed by September of 2005.

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The senior center in Eldorado, we used capital outlay gross receipts tax from the County and legislative appropriations to complete that project. Youth Shelter Phase 2, we received legislative appropriations. We've leveraged that with quarter percent capital outlay GRT and we've also received a grant for that project. So the demonstration here is that one project can be funded with various sources and not rely heavily on one. For instance, the legislative process or the quarter percent, because we know those funds are not adequate to cover the entire needs for the state.

From the road side it's a very similar process. For different roads we've used different funding sources. County Road 8, for instance. We've used legislative appropriations. We've used quarter percent. County Road 88, we've used legislative appropriations, quarter percent. So there are the same efficiencies that can be gained for projects across the board, not just in facilities.

For many of you the ICIP process was new when the new elected Commissioners came in and I think we are very fortunate to have Commissioner Vigil involved this year because she's been in this process and in the trenches so to speak at the session. The ICIP in the past was used as a tool for residents of the community come to the Board with their recommendations on projects and they get to develop into a plan. As part of the process that we proposed in 2002 is that we would actually start conducting community meetings, scoping meetings with areas to find out what their true needs were. The ICIP that the Department of Finance and Administration uses. It's published. It's provided to the delegation, to the governor's office and part of their initiatives. They review that quite often as well.

I think the most important thing is that it focuses community attention on the priorities, the goals and needs and current capabilities, and it also functions as a tool, as I've indicated to the Board. It functions as a tool to all of you to really establish the process. 0509, which is this document, and I provided this all to you when we completed it, was the first time that we actually included internal County and capital outlay requests -- vehicles, computers, heavy equipment, those types of things were included to a small degree in the County's operating or their submitted budget to DFA. It is our goal that as the process kicks off in January, the process will actually be going parallel with the session. Thirteen community meetings will be held in January and February as well as the internal team meetings. And then bring back a summation of that for the budget.

We're hoping that that plan is finalized once the DFA rule is published which will be ahead of their curve and be ready to submit to both our Finance Department and DFA in April of 05. As part of the process this year and in order to assist the prioritization of projects, we are proposing, the Projects and Facilities Management Department and the capital outlay team, that much like the session when bills are introduced or capital outlay requests are introduced, there's a fiscal impact report that accompanies that. We are going to attempt that this year so that we can start looking at long-range goals, long-range plans. For instance if we take on a new road, there's fiscal impact to that road over a period of time for maintenance. There's the up front costs to build it or improve it, and then there's annual costs, recurring costs that will go with that road forever, as long as the County facility.

The same can be said for facilities. I think we do a very good job at building our facilities and planning for our facilities. What we need to take into account from here forward is the impact that we have to the County when we take on additional facilities. As we build them, as we lease them, whether there's a sub-lease arrangement or not, those are still the responsibility of the County and there will be some recurring fiscal impact as we grow that project.

Again, we just have a brief snapshot of the project description of how those budgets are worked, and then they're split down by box. As we all know, legislative appropriation primarily are based upon the ICIP. There's a planning process that requires lobbying and testimony, and in the past there's been limited funding because of the entire request that the governor's office, our delegation has received, the pot seems to grow. I think it's been estimated at \$20 billion in requests over the next decade and about \$3 billion in capacity. The capital outlay, although there's a windfall certain years more than others, it's still not the tool to be able to fund a project completely.

And of course we've all been reading and been subject to this for the third year now is that there's still some discussion about the capital outlay legislative appropriation portion of it being subject to the Tax Reform and Stabilization Committee's recommendations. Most of us or a few of us were in attendance at Tax Reform and Stabilization. They are still pushing for minimum levels from the governor's office. They're still pushing for statewide projects. And as our Representative Whitaker has indicated and some of our delegation members here, that has yet to be decided on how that's going to be doled out.

The next slide represents road funding from the legislature since 2000. Water and wastewater, severance tax funding. This is an area that I think the County has been lacking in. Commissioner Sullivan pointed this out at last year's kick-off presentation is that water and wastewater have become the number one priority in this state at all levels and we have not used our tools properly to be able to go out and leverage resources for water and wastewater projects. This slide actually surprised me because I thought we had received more money in the past and the most we have received for water and wastewater projects is \$163,000 and that was at our last session. I definitely think this is an area that we need to consider, revamp, retook, when it comes to legislative requests.

Facilities and equipment, last year was the windfall and I indicated after the strategy was developed in 2002, in 2003, after everything was said and done and the dust settled last year, almost \$3 million in facilities and equipment funding was received, and as I previously indicated, that completes 83 percent of our projects on PFMD's facilities capital outlay list. Which puts us in an interesting situation this year as we develop our strategy. Now that we're in the process of completing those projects it is time for us to start looking at development of new projects and plan those out accordingly.

You're all familiar with the Santa Fe County quarter percent gross receipts tax and I won't go into a lot of detail on this but it's subject to the ordinance. It was adopted in 2002. Collected 2003. Functions or priorities are water/wastewater, open space, parks, roads and other permitted uses. There's a split; 75 percent of the total revenues goes into water and

wastewater, and then 50 percent of that goes to regional projects, 50 percent to County projects. There were specific projects that were set in the ordinance, Buckman Rio Grande water diversion project is the first one. There's also drinking water and wastewater infrastructure projects. Development of water quality, development of new wells, water and wastewater projects to protect and improve the aquifers in La Cienega, Agua Fria, Edgewood and Eldorado, and I bring those up because those were specifically listed in the ordinance that we are trying to accomplish through different sources.

That quarter percent also outlines specific permitted uses. We don't need to go into those right now, and the next slide was courtesy of the Finance Department. As you can see, the existing ordinance is valid through 2015. Those are in ten-year increments, basically. The Board after that time would have to come back and reauthorize the next ten-year funding cycle. The columns on the left indicate the total amount of revenue that would be generated, estimated over \$110 million on that.

Total revenues over the next eight years, nine years, these are projected of course. They've gone up less than probably three percent I think since the original projections were made. This year we've projected through the Finance Department \$8.2 million up to almost \$9 million in 2012. I use the word total on there because that's important to note that that's the total revenue generated, not the split. The next page indicates what the actual split is, out of the 2005 quarter percent GRTs. On the County's side, \$2 million for water and wastewater projects, \$615,000 for open space and parks projects, and \$410,000 for roads and other.

The regional side is to be decided upon or approved through the RPA. I know that Mr. Lujan from Public Works and Mr. Olafson through Open Space and Trails have taken projects through the RPA via both the Road Advisory Committee and COLTPAC. The ordinance requires that those two committees are involved in those two projects for recommendations, and then they go through the RPA for approval. So I want to set that out so that there's some basis there of how the projects on the RPA side and the County side are prioritized.

The next page indicates balances, and this is an important slide. On the water and wastewater side, we have 03 and 04 actual numbers, we have the obligations, and we went over water and wastewater last week, so I'll touch upon it briefly. It is estimated right now that based upon our obligations, our obligated projects through FY05 and they're indicated at zero, because the Board has not indicated what projects on that, although we do have the recommendations in there. Fund balances for the water and wastewater side is \$3.2 million on the County's 50 percent. And \$5.7 on the regional side.

For open space and parks, we can see the obligations. We finally had some movement on the City's side. Right now the fund balance through FY05 for the regional side is \$150,045 and on the County's side, through the COLTPAC recommendations for the budgeting process, there's not a balance. Now, on the open space side we have a plan of action and implementation on how those expenditures or obligations are doled out, very similar to the FY04. They include the Pojoaque tennis courts, the La Cienega Park, San Ysidro River Park, various number of other projects for the open space. La Puebla Park received funding out of this to complete their project, so we leveraged or utilized quarter percent GRT and state

legislative appropriation to complete the La Puebla Park for instance. The Madrid Greenbelt, Lamy Historical Park, improvements to Agua Fria, Cerrillos Hills Petroglyphs, rail trail, etc,

The next slide shows roads and other available balances. Based upon the projects that have been submitted and approved by the Board through budget adjustment resolutions, both in FY03 and FY04, the current available balance or fund balance through this fiscal year is \$312,472 on the County's side, and that includes a BAR that was just approved by the Board two meetings ago for \$82,094, which included County Road 88, Corral Blanco Way, and those are the match requirements for that. In the previous funding cycles that have been provided, they've provided funding for County Road 73-A in District 1, County Road 8 in District 3, Avenida Eldorado railroad crossing in District 5, County Road 55-A in District 3 and we've also included a \$45,000 match for County Road 74 in District 1. Those have already been obligated, not expended, but obligated or earmarked for those projects.

MR. GONZALEZ: Backing up just a little bit Tony for the benefit of the legislators who are here, the regional projects are those that have a benefit that would in one way or another spill into the City of Santa Fe. The County projects would be all other projects that are operated or funded by the County solely for County purposes. So the regional projects, the ones that spill over into the city run through the RPA recommendation process. The RPA, which is the joint City/County body, looks over the projects, makes recommendations for the regional projects and then their recommendations come forward to the County Commission for final approval.

COMMISSIONER MONTOYA: Mr. Chair.

COMMISSIONER ANAYA: Commissioner.

COMMISSIONER MONTOYA: Gerald, have you had any meetings with Jim Romero since he switched seats?

MR. GONZALEZ: No. We have attempted to schedule a meeting. That hasn't occurred yet, but Roman and I have been working on doing that. And he's indicated that he wants to meet on a regular basis once we've figured out a schedule. We do have a schedule operating now with the Santa Fe City Manager. So we'll be meeting with he and his deputy once a month.

COMMISSIONER MONTOYA: Okay. The reason I ask is because that's one of the requests in terms of the regional projects, that I've had from some of the City Councilors in Española, is that we look at and consider them for any sorts of funding that may be allocated out of that particular pot. It doesn't sound like you've had those conversations yet thought.

MR. GONZALEZ: Yes, but the tricky part of the regional is that the way it's worded, the way the ordinance was worded and the way the JPA is worded is that the spill-over has to be into the City of Santa Fe. So projects that would be joint projects with Española or Rio Arriba County or Los Alamos County would actually come out of the County portion of that funding.

COMMISSIONER MONTOYA: Okay.

MR. GONZALEZ: Unless we can find an effect within the City of Santa Fe for a project up north.

MR. FLORES: We've actually looked at Edgewood, and the Town of Edgewood in helping them further theirs along and that's where that issue was discussed about what constitutes a regional project. The ordinance actually spells out it's with the City of Santa Fe. So as we've suggested a few times it may be time that we look at how those regional projects are defined and prioritized and if we could expand that definition. But currently, the way the ordinance reads is that it's the City of Santa Fe, so it would have to come out of our part of the pot.

COMMISSIONER MONTROYA: Or amend the ordinance.

MR. FLORES: Or amend the ordinance. One of the other issues, real quick, is the basecourse program has also come out of the quarter percent capital outlay side in FY03, FY04 as an additional project.

COMMISSIONER ANAYA: I'd like to recognize Reynaldo Romero. He's from La Cienega, president of the water association. Ray, thanks for being here with us. Go ahead.

MR. FLORES: Thank you. One of the next pots of gold that we have although it's very limited is the Community Development Block Grant. As many of you know, that went through its own reform two rounds ago. You can only have one active grant in infrastructure capital outlay per entity. You have two years to complete the maximum funding level of \$500,000, and the guidelines are set by the Department of Housing and Urban Development. The Agua Fria Community Center, if you recall at this time last year, we actually did a CDBG application period. We had 13 applicants. We went through a prioritization process, brought that through a study session. I would like to point out our discussions on the Community Development Block Grant, outside of infrastructure, economic development, and planning are exempt from the one per entity. So there is a way, if we wanted to do some economic development through the Community Development Block Grant that there's a pot there; we could apply for that.

The other point that we have been made aware of is that DFA, Local Government Division for the State of New Mexico is changing the points of emphasis for funding. I think we were very fortunate and it took some extreme lobbying efforts on the part of the staff to be able to receive the funding we did for the Agua Fria Community Center. The points of emphasis this year were housing projects and water and wastewater projects, based upon the governor's initiatives. And although HUD sets the guidelines for a wide variety of infrastructure, we have been, it has been indicated to us that that may change in the future. They may minimize the number of allowable projects or types of projects for CDBG. This doesn't affect us this year but it will affect us in December of 2005 because we plan on having Agua Fria completed and we will be eligible for the next funding cycle in one year. And that would provide the Board the ability then to look at specific areas.

COMMISSIONER ANAYA: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Do you ever breathe?

MR. GONZALEZ: I've been breathing for him over here. We're a tag team.

COMMISSIONER SULLIVAN: You mentioned the basecourse program.

Where are we funding that and how much?

MR. FLORES: Mr. Chair, Commissioner Sullivan, the funding amount came out of the quarter percent in the amount of \$125,000, out of the FY03.

COMMISSIONER SULLIVAN: Because in the past we've had like \$200,000 in the basecourse program.

MR. FLORES: It's come out of the general fund previously.

COMMISSIONER SULLIVAN: That's correct. But now we're down to \$125,000 total?

MR. FLORES: Mr. Chair, that was the amount that was funded in FY03, was \$125,000.

SUSAN LUCERO (Finance Director): Mr. Chair, it's been at the level of \$125,000 since 1999. Prior to that it was at \$200,000 per year [inaudible]

COMMISSIONER SULLIVAN: Okay, and so the proposal this year, or has it been funded last year out of the GRT?

MS. LUCERO: It was funded in 03 out of the GRT, but the huge increase in jail costs [inaudible]

COMMISSIONER SULLIVAN: I just think that's an area that we can do more in now that we've got the road bonds. We have less than half - less than half of our roads are paved, I think, aren't they? Of our total road miles?

ROBERT MARTINEZ (Deputy Public Works Director): About 25 percent.

COMMISSIONER SULLIVAN: Twenty-five percent, Robert says. That's less than half. Considerably less than half of our - how many miles do we have? Six hundred on the system? So we've got only 150 paved. So we have that 450+ miles that are basecourse or dirt, and we service all those miles with \$125,000 which is pretty pitiful. So it's just a thought that we ought to think about some enhancements to that program.

COMMISSIONER-ELECT VIGIL: Mr. Chair.

COMMISSIONER ANAYA: Commissioner.

COMMISSIONER-ELECT VIGIL: I have a question, Tony, with regard to the CDBG. You're saying two years from now, the Department of Finance and Administration is actually going to create a focus for water/wastewater and housing projects. So the expansion wouldn't be to some of the areas for which we're being lobbied for right now, and then Women's Health Services or Esperanza Shelter. So is it accurate to say that if we provide assistance to these project it couldn't be from CDBG?

MR. FLORES: Mr. Chair, Commissioner-elect Vigil, no. We were at the hearings in March and April and the emphasis from the state, and you could see it through the seven rounds of cuts, and they literally went through seven rounds of project approvals and disapprovals. We were on cut number eight. That's how far down on the list, although our projects ranked very high. You read through the project applications and water and wastewater and housing projects were at the high end of the approvals. Even some of the lowest ranked projects received full funding. The statewide director for HUD made some remarks that the program is set up for a wide variety of allowable uses, which Women's Health Services and

Esperanza would qualify for today. However, based upon the make-up of the Community Development Block Council, which doles out the money for the state, for the HUD programs, their emphasis is being water and wastewater and housing.

So it wouldn't preclude us from applying for funding through CDBG. I do feel, my sense is that we would not be as successful with projects that were not in that area, or we would receive funding at a lower level than what we were able to receive for Agua Fria Community Center or what we received in the past. It could be \$100,000 versus the \$500,000 max or \$300,000 that's been consistent. So no, it doesn't preclude them. The indications are that they're going to focus on water/wastewater, housing projects.

COMMISSIONER-ELECT VIGIL: Okay. Thank you.

COMMISSIONER ANAYA: Commissioner Montoya.

COMMISSIONER MONTOYA: Thank you, Mr. Chair. Going back to Commissioner Sullivan's point, that \$312,000 right now, I would like to suggest to the Commissioners that maybe we take a look at - and this is on the roads and other available balance, that we maybe take a look at allocating maybe \$200,000 for roads out of that \$312,000 balance in addition to the \$125,000. Correct? That's from the general fund.

MR. FLORES: That would be in addition to - do we have an allocation currently out of the general fund this year? Yes.

COMMISSIONER MONTOYA: That would be my suggestion, Mr. Chair. That would give us about \$325,000 for roads,

COMMISSIONER ANAYA: Okay, is there any discussion on that? Commissioner Sullivan.

COMMISSIONER SULLIVAN: Mr. Chair, I agree with that. I think that's - and 90 percent of it should be District 5 and ten percent in District 1.

COMMISSIONER MONTOYA: I agree with the percentages, just wrong districts.

MR. FLORES: Mr. Chair, if we may, a point of clarification.

JAMES LUJAN (Public Works Director): Mr. Chair, are sure that came out of GRT?

MS. LUCERO: No, it didn't.

COMMISSIONER ANAYA: Question. On the \$312,000, where would that be used for if we didn't take the \$200,000 out? Where was it going to be used for and what could it be used for?

MR. FLORES: Mr. Chair, as we get further along in the presentation, the existing balance from my perspective, and I think James concurs, that we would be able to take some of the road projects off the list that he presented to you today. That was the purpose of this is that we would be able to knock off some of these roads, that we weren't piecemealing the road projects on there. So I think with \$200,000 coming out of the GRT, we would have to see what roads that could accomplish if any. So that was what it could be used for.

COMMISSIONER ANAYA: Okay, so that makes sense to staff to take \$200,000 out of GRT and add it to the \$125,000?

MR. FLORES: Absolutely.

COMMISSIONER ANAYA: And we can get some more road projects taken care of. Do we need that in the form of a motion?

MR. FLORES: Mr. Chair, we would bring back to the Board a budget adjustment, or Public Works Department would bring back forward a budget adjustment moving that \$200,000 into their projects fund and at that time the Board could act on that, with the direction today.

COMMISSIONER ANAYA: Okay, and I do agree with that. I think we need some more money in the road fund. So any other comments, Commissioner Montoya?

COMMISSIONER MONTOYA: No. Thank you, Mr. Chair.

COMMISSIONER ANAYA: Okay, Tony. Continue.

MR. FLORES: We'll get through this other part rather quickly. The other portion that we used for funding capital outlay projects, we called it "other" because it's a myriad of things. It includes grants, both at the state, federal and private levels. We've also instituted private project funding agreements with non-profits when we build buildings. And as you're all aware of, the last item on that is this year's general obligation bond which the voters authorized on November 2nd. And that breakdown is there.

COMMISSIONER ANAYA: Hold on a second. I just wanted to ask Senator Griego. I wanted to know if you wanted to say a few words or are you fine?

SENATOR PHIL GRIEGO: No, I'm fine, Commissioner. When we get to our provision I'd like to say a few words.

COMMISSIONER ANAYA: Okay. Thank you. Go ahead, Tony.

MR. FLORES: That covers how the Board in April of 2002 and staff worked out a plan that would provide different funding sources to complete a project. And that's kind of what we just walked through.

The next part that gets really to the meat of the discussion and that's actually the development of a strategy to be able to utilize all those pots or all those boxes of money so that we could complete a project. I thank Agnes Lopez for that definition, our IT director. I asked her, What does strategy mean and she handed me her dictionary. That was Agnes' input into the strategy. Quickly, there was two phases that the Board directed in 2002 and we've been using that model since. Phase 1 of course is to develop the ICIP, the Board to adopt that by resolution and submit it. The total ICIP request in this document for this fiscal year is \$60 million and that has been a consistent number. Last year was \$67 million for FY04, \$60 million - I would assume as we go out in January that number will increase.

It's very consistent with what the state is seeing over all of \$20 billion in requests is what they've been indicating that they're receiving. We have to be better at prioritizing and planning our projects. Phase 2 of the strategy is identify the projects that currently have funding in order to get them off the books, develop the funding options, which sources of money can we use to get them off, and then secure funding through the Board's direction, through today's meeting, how we set up the delegation, how we go after grants, etc., to be able to secure funding for project completion.

This slide, I'm going to go through it real quickly and I'm going to come back to Public Works because this has changed a little bit.

MR. GONZALEZ: Just to clarify though, Tony, that doesn't mean we're asking for \$60 million from the legislature.

MR. FLORES: No, no. Not at all. I'm sorry. That's a good point. We have in the past, and that worked out really - this first slide is a synopsis of the existing ICIP plan for the roads. And the roads, as we all know, go through a Road Advisory Committee. They establish the priorities, then they're included in the ICIP plan and the Public Works Department with the funding they've received, tries to click these off the list. This is my attempt to look at projects, and that has changed since this morning, but this is kind of the way the process would work is we would take a road project that exists on a list and has been prioritized and an indication whether it's included in the plan or not. Also an indication of what the ranking is, and if there's any existing funding. And then look at the sources. And that's both part of the Phase 2 strategy is to then look at the sources to be able to complete that project.

The \$200,000 that you just recommended that we move from the existing balance out of the GRT into roads, the Public Works Department now has the ability to work with the Finance Department and say what road or roads would be able to be completed or get to a point of completion with the money leveraged with the \$125,000. So the ICIP list from the roads now is going to be updated by Mr. Lujan and Mr. Martinez here in a second. The second part of the synopsis that I had included in here is that the Board in January of 2003, they were presented a road condition improvement plan from a private study, a private firm, Oden Miller, that looked at the entire county.

The estimated cost of that study reflected about \$12.4 million. And that plan is now approximately going to be two years old in January, and there would be potential that those costs were underestimated or were estimated properly at the time but based upon inflation, cost of oil, fuel, etc., at this time would have to be re-evaluated and those numbers may have to be updated. And I'm going to let James discuss roads in a second, because he's updated his list from this packet.

COMMISSIONER-ELECT VIGIL: Question, Mr. Chair.

COMMISSIONER ANAYA: Commissioner-elect.

COMMISSIONER-ELECT VIGIL: Tony, do these estimated costs reflect the ICIP synopsis on the page before? Each one of those projects?

MR. FLORES: Mr. Chair, Commissioner-elect Vigil, the numbers that we included in the ICIP was what's reflected currently in the list. The Oden Miller study that has the \$12.4 million, that study was not part of the ICIP. It was an independent study that was commissioned by the Board, presented to the Board, but was not included in the ICIP plan. The projects that were included in this plan in the five years are the recommendations of the Public Works Department and the Road Advisory Committee.

COMMISSIONER-ELECT VIGIL: Mr. Chair, Tony, do we have a synopsis of the projects that are in our ICIP, with regard to the cost of each of these projects?

MR. FLORES: Mr. Chair, Commissioner-elect Vigil, the estimated funding

that I show on this project synopsis for ICIP is what's included, that was our estimated costs.

COMMISSIONER-ELECT VIGIL: Okay.

MR. FLORES: The next page that has the Oden Miller study was a private study that was done by an independent engineering firm.

COMMISSIONER-ELECT VIGIL: Okay. Good. Thank you.

MR. FLORES: Last week we had the study session with the Utilities Department and we talked about project synopses and water and wastewater projects for the Utilities Department. And although one spreadsheet was updated, it doesn't look like - I apologize but the Eldorado is actually \$4 million, not \$3 million as Commissioner Sullivan indicated last week. These projects were listed in two places. The first place being the ICIP plan and the second place was in the pamphlet and the informational items that were presented to the community and the voters when the bonds were proposed.

As we indicated at last week's study session, there was a recommended process for water and wastewater projects and I'll just go through it rather quickly, and it's in the back of this. We would finalize the schedules for all projects that are funded with the 97 GOB and the 03/04 quarter percent GRT by December of this year. I have a spreadsheet from Mr. Sayre and it appears that we are going to be able to close out the 97 GO bond and we will also be able to implement projects under the 03 and 04 quarter percent, which is an important first step to this project.

Included in those obligated projects under the water and wastewater, there were some improvements anticipated in different areas of the county, that dealt with the San I's pilot project, the replacement and installation of the water meters, development of additional water lines in the La Cienega area off the County system, water system improvements on I-25 and County Road 54, improvements to the Valle Vista wells, Camino Polvoso sewer line, improvements to the Valle Vista water/wastewater system. Based upon the balance of the 97, we'll be able to close those projects out or at least have them obligated so that we're not subject to arbitrage issues on those bonds. In addition we'll be able to implement the projects that have earmarked funding through 03 and 04 GRT, and basically, that wipes the slate clean for us with those funding scenarios.

Currently, the 97 general obligation bond has a remaining balance of \$736,692. With the close-out of that, including the funding sources from GRT and the SAT money that we've received, we will essentially eliminate close to \$4 million in projects that are on the books today, that have been on the books for a few years. Once those are clean then we can identify and determine the process for the new projects that we have listed on this synopsis. I won't go through each one of them but there is the Santa Cruz trunk line in the north, La Cienega Mutual Domestic, the Cañoncito Mutual Domestic, the Eldorado Water Utility, Chimayo, Cuatro Villas, wastewater treatment in Edgewood, Pojoaque wastewater treatment facility to start that project, the pre-planning feasibility planning for that. In addition it gives us some flexibility for the Chimayo wastewater facility, and it also provides us the water and wastewater improvements for Agua Fria, Phase 3, which is the new project that we'll be talking about in a second when James gets here.

Agua Fria, Phase 3 is a road, water and sewer project. We are taking the water and sewer and paying for that out of existing quarter percent GRT 05, as well as the general obligation bond that will permit that. On the road side we would be looking at, that is our priority for one of the requests through this year's delegation, through the legislative process, as well as GO, as well as potentially quarter percent, either on the local side or the regional side for Agua Fria, Phase 3. So you'll see it on this list as well as the Public Works list.

COMMISSIONER ANAYA: Okay, Tony, I'd like to ask Senator Griego if he'd like to comment on the La Cienega Mutual Domestic Water, and I'd like to see if Reynaldo Romero would like to comment.

SENATOR GRIEGO: Good afternoon, Mr. Chair and members of the Commission, Mr. County Manager and Commissioner-elect Vigil. All I'm here to do is just to thank the County for being so cooperative for us throughout the last year in working with the community of La Cienega. They are in desperate need of refurbishing their water system out there and we were able to work with the New Mexico Mortgage Finance Authority to get the \$250,000 that they needed in order to move forward to complete their project. With the matching funds that the County is going to come up with, the other \$250,000 I think they'll be able to move forward with it. As you know, La Cienega is a growing community, Mr. Chair. You represent the area, and water is critical no matter where you go. The problem that we're facing at the legislature is all these small towns and unincorporated villages have the same problems. When you get local governments as the County here, Santa Fe County has done, that is willing to step up and work as amiable as you have been, Mr. Chair, and with the patience of the legislature, because you know the wheels of government turn very, very slow, especially at the legislature and what you have done for the community.

I personally want to thank you very, very much, and want to extend my cooperation throughout this next session to each of you in regards to your CIP projects and your capital outlay requests, and whatever kinds of legislation you all may be looking for. I look forward to a meeting with the Commission at some point in time prior to the session so that we can move forward and try to get an idea of what your priorities are going to be in order so that we can move forward. As you know, being a member of the Legislative Finance Committee as Representative Wallace and I sit on that committee, we kind of get an idea of what monies are going to be available throughout the session, but that changes, depending on oil and outside sources. But we're always willing to work and we're willing to go to that very nth degree to make sure that Santa Fe County is taken care of.

With that, Mr. Chair, I'm going to turn this over to Representative Wallace and I just want to thank each and every one of you for the cooperation that you have shown and again, want to extend my assistance to you during this next legislative sessions in whatever endeavors you may take in order to make Santa Fe County the great place that it is to live. Again, and I want to wish each and every one of you a happy holiday and thank you, Mr. Chair, for the opportunity.

COMMISSIONER ANAYA: Thank you, Senator, for taking the time out of your busy schedule to be here with us. We appreciate it and Merry Christmas to you too.

Representative.

REPRESENTATIVE JEANETTE WALLACE. Thank you. I really can't add a whole lot to Senator Griego. Both of us represent several of the mutual domestic water associations. They're either all old or in the fast growing areas or whatever and I think they are a priority with all of us. But it is difficult to find that funding and we are pleased that you are considering it and we will all work together. Thank you.

COMMISSIONER ANAYA: Thank you, Representative, for being here this evening. Reynaldo, do you have any comments?

REYNALDO ROMERO: Senator Griego and Representative Wallace covered it pretty well. I'd like to add we should get this water system in before any roads improvements are done on 54. I think that will be the thing to do. We really need the improvements there for fire protection and to serve the rest of the community. I would like to say something on the acequia when that comes up, if I may.

COMMISSIONER ANAYA: You go ahead and say it.

MR. ROMERO: As far as the acequia is concerned, we have a lot of drainage problems there from the road and there's a certain area down there where there was an accident in that area. I think we desperately need some help on that area also, on the acequias, on the drainage into the acequia. Most of the drainage from the roads falls from the acequias and we need to work on that.

COMMISSIONER ANAYA: Okay. I know we've got some monies set aside to help out acequia associations, so we'll be looking into that.

MR. ROMERO: Thank you very much.

COMMISSIONER ANAYA: Thank you, Reynaldo, Representative, Senator, for being here.

SENATOR GRIEGO: Mr. Chair, Commissioners, thank you very, very much and Merry Christmas to each and every one of you.

COMMISSIONER SULLIVAN: Same to you.

[Commissioner Campos joined the proceedings.]

MR. GONZALEZ: Just a reminder to be passed along to the rest of the legislative delegation, on January 5th at 4:30 here in the evening, we'll have our annual meeting with the delegation, just as we did last year. So we look forward to seeing you here.

COMMISSIONER ANAYA: Let the record show that Chairman Campos is here. Do you want to take over?

CHAIRMAN CAMPOS: Go ahead.

COMMISSIONER ANAYA: Okay, Tony, go ahead and continue.

MR. FLORES: Thank you, Mr. Chair. Those are specific points that we spoke about at last week's utility meeting on developing with the assistance of the Utilities Department, the Finance Department and the Attorney's office in conjunction with the County Manager's office, a process for being able to provide the funding to these mutual domestics and acequia associations. A non-restrictive process, but a process that's fair and equitable that the Board can identify priorities so that there's a way that the projects can be evaluated. As you

know the life, safety, welfare emergency issues and maybe there's a way that the Board can allocate a portion of those funds for emergency projects and some that we can develop as we go along.

COMMISSIONER ANAYA: Back up for a sec, Tony. Tell me again, emergency -

MR. FLORES: Mr. Chair, the suggestion on the acequia projects or the mutual domestic projects, we indicated at last week's meetings that we would set up a funding mechanism, so to speak of how we are able to assist in providing these dollars to the mutual domestics and the acequias. And within that process, a recommendation would be as how the projects are prioritized. And we can use emergency situations as a separate evaluation mechanism or tool to be able to provide that funding. Very similar to the same type of evaluation that we do for all capital outlay projects.

Once that is developed and we indicated that in January we'd be coming back to the Board with a process for you, so rather quickly, so we make sure that we don't violate any legal issues or anti-donation. We deal with ownership issues. We also deal with the benefit to the community or to the County. And if we can go through all of those lists or evaluation methods then I believe the Board is in a better position to be able to provide funding to these associations.

COMMISSIONER-ELECT VIGIL: Mr. Chair.

COMMISSIONER ANAYA: Commissioner-elect.

COMMISSIONER-ELECT VIGIL: I have a question. I'm not real sure because I'm sort of coming in. I don't know how these were prioritized but as I look at the water and wastewater distribution of projects and I see that in District 2, \$650,000 is for Agua Fria, Phase 3, a project that has been strongly supported by the state legislature, I know that at some point in time, Commissioner Paul Duran and then-Utilities Director had spoken with the Agua Fria Water Association with regard to some of their needs, with regard to projects, and it wasn't only limited to this. Actually, one of the projects that they're very much interested in which I think is part of a long-term project for the County involves infrastructure or lines once the South Meadows Road is built, I'm just wondering why that's not a part of this project prioritization.

MR. FLORES: Mr. Chair, Commissioner-elect, I'll try to be as politically correct as possible. The list was developed through the community input in Agua Fria. We actually held some meetings in the Village of Agua Fria and I think you attended two of them. They were developed through the Utilities Department and then it kind of trickled up to get in the plan and then it was eventually prioritized by the Board. I don't have a specific answer as to why it's not included as a project to date, but I do want to say that the lists that we're providing to you are part of the plan but it is a plan. It is a fluid document, and as priorities change and as projects are developed and brought forward, that's what the purpose of this is is to bring that forward. So I can't answer as to why it's not in here. I can't answer as to why it hasn't been brought up before. I can tell you that I get the message that I will work with the Utilities Department to get that project back on a list.

COMMISSIONER-ELECT VIGIL: Mr. Chair, I think in representing that constituency there is a level of expectation since communications have been made that this is a project that the County will throw into the mix or at the very minimum, I appreciate Tony's willingness to work with the Utilities Department to look at the prospect of that project. It is one of those projects that makes a lot of sense because South Meadows is a road project and the more we can merge projects together and I believe the community's intent is, at one time, at some point in time to hook this up to a cohesive conjunctive use system with the County Utility Department. So it would be something that would be enhanceable. We really need to look at it. I'd like to see it as part of the project list.

COMMISSIONER ANAYA: Thank you, Commissioner-elect. Commissioner Montoya.

COMMISSIONER MONTROYA: Thank you, Mr. Chair. I just wanted to reiterate what I had said at a previous meeting when we were discussing water projects and that's that we look at however we can to become a vested owner when we do invest in these water systems, however that may be. We haven't really discussed how that would be but again, I just wanted to put that on the table, Mr. Chair.

COMMISSIONER ANAYA: Thank you. Commissioner Sullivan has to leave at 4:30 so if we could continue.

MR. FLORES: I promise I won't breathe anymore.

MR. GONZALEZ: I'll keep breathing for you.

COMMISSIONER ANAYA: I guess I need some clarification. Are we going to need some direction, are you guys going to need some direction today or are you just giving us a presentation or what?

MR. FLORES: Mr. Chair, the list that we've provided is what we have told the voters that we would be funding in some form or fashion for the general obligation bond. I believe that this is a list that the Board has directed and agreed upon and provided us direction to go out and tell them this is what we're funding. The list today includes different sources of accomplishing that, so from my perspective, these are projects that are on the table that we're going to accomplish. I just need to bring back to you a method of being able to provide full funding for them.

COMMISSIONER ANAYA: Okay. I've got a question on the desalinization project. You've got \$3 million. Who is that for? I know what it is. I know where the desalinization is. So maybe you can -

MR. GONZALEZ: Mr. Chair, members of the Commission, that was sort of a place-holder that we put in there because we understood there were a number of discussions going on with respect to development of water sources in general. And we weren't sure exactly what to call it to begin with so we put it in as desalinization but it could apply, and I think we had indicated this at the last study session where we discussed it, we could apply it not only to desalinization but also to other water sources that we would develop. That could go for County wellfields. It could go for importing water from the Estancia Basin. If it wasn't desalinization water it could go to creating transmission lines. Anything that would create a water source other

than what's been captured on the list that we have here.

So that term probably should have been changed from desalinization to water sources in general.

COMMISSIONER ANAYA: Okay. We might want to do that. Thank you.

MR. GONZALEZ: Thank you, Mr. Chair.

COMMISSIONER ANAYA: Commissioner Sullivan.

COMMISSIONER SULLIVAN: Just a couple general comments, Tony. Again, back on your water and wastewater, that Eldorado keeps going down. It was \$4 million last time; now it's \$3, but the request is still \$4.5.

MR. FLORES: I keep trying, Commissioner Sullivan, to stretch that money as far as I can.

COMMISSIONER SULLIVAN: It keeps disappearing on us. It's the only project shown in District 5 so I have to be fairly diligent about -

MR. FLORES: I was just talking to Angela. It was my fault. I had revised the spreadsheet from last week's discussion and it includes the basic project and the \$4.5. That's my fault.

COMMISSIONER ANAYA: Next time we see it it will probably be two. Go ahead.

COMMISSIONER SULLIVAN: On a related, but not exactly this item, I think we need to ask the staff to look at on water issues, we allocated that temporary 375 acre-feet from the City as a part of our negotiations with the City and once those agreements are completed, we're going to need to set up a procedure for prioritization of requests of that temporary money. And we're going to need to be sure that that's not confused with the permanent money. The 375 that was the settlement of the San Juan/Chama water rights issue is acre-footage that the County may use in the future for other projects. The 375 is this bridge that we set up so that we can provide wet water as a part of subdivisions providing the water rights to the Buckman Direct Diversion project. That's a stipulation, part of that.

So I think as we look at projects, we heard one last night that said they may come forward and ask for hook-ups under that procedure. We need to talk about how we categorize them and what conditions we would put on them. Again, probably they need to transfer their water rights before the final plat. But we need to also talk about what the development itself should look like, with affordable housing and so forth. I really think I'd like, Gerald, to have the staff talk to us about that in January. So maybe at the admin meeting in January we can have that as an agenda item to talk about how that 375 is prioritized. That will help us I think, also think about some of these projects.

I did want to make a comment on the road projects. I'll make one comment on the facilities projects. Are there no facility projects in District 5 other than the one we're working on now which is the senior center?

MR. FLORES: Mr. Chair, Commissioner Sullivan, we have not identified any new projects for District 5. Facility projects.

COMMISSIONER SULLIVAN: Facility projects. I didn't realize we were in

such good shape. We must be doing a great job. They must be well represented. Looking at the road list, is this the one that James prepared? The multi-colored one?

MR. FLORES: That's correct.

COMMISSIONER SULLIVAN: You'll notice on the second page there are just four little blue lines which are District 5 and all of these big red lines and all these big yellow lines, which are Districts 1 and 3. You got three in District 4. All of District 4 is paved. There's no reason for any money in District 4.

MR. FLORES: Mr. Chair, Commissioner Sullivan, you have one other one. It's the kind of pinkish one. County Road 42 kind of overlaps some of District 5.

COMMISSIONER SULLIVAN: County Road 42 is the boundary, isn't it? It's the boundary between 3 and 5. So I'm supposed to take a half and Mike's taking half.

MR. FLORES: I'm giving you a quarter.

COMMISSIONER SULLIVAN: That's the boundary, and there's no voters on the boundary. The only thing I would add on the blue roads, let's call them the blue roads, are three things. You mentioned Valle Vista. Where are Pine and Spruce? Are those off the frontage road? Or are those off South Fork.

MR. MARTINEZ: Mr. Chair, Commissioner Sullivan, Pine and Spruce are off of County Road 44, which is North Fork and South Fork.

COMMISSIONER SULLIVAN: North Fork and South Fork. Because I was going to say that we need to have some in North Fork and South Fork.

MR. MARTINEZ: Those two roads are in that subdivision.

COMMISSIONER SULLIVAN: Okay, and those are the worst ones that we have to deal with?

MR. MARTINEZ: Well, basically, those are the only two that are County owned in that subdivision.

COMMISSIONER SULLIVAN: Okay, as of right now. And then what about Valle Lindo? I'm constantly getting calls on Valle Lindo. You have Valle Vista here which is where we have the public housing but I don't see any in Valle Lindo.

MR. MARTINEZ: Valle Lindo, the roads that you constantly get complaints about is Camino Bajo and that's going to be chip-sealed through the basecourse program this year.

COMMISSIONER SULLIVAN: This year.

MR. MARTINEZ: That is correct.

COMMISSIONER SULLIVAN: And there aren't any others in Valle Lindo that are really problem roads?

MR. MARTINEZ: Commissioner Sullivan, no. We just recently re-chipped sealed Avenida Vista Grande, which is in that subdivision, and another small road. So those are the major roads in that subdivision.

COMMISSIONER SULLIVAN: Okay. So we're in pretty good shape there. And then the last one would be the big gorilla of the district which is Eldorado. I don't see any roads here in Eldorado.

MR. MARTINEZ: Commissioner Sullivan, the majority of the roads, major arterials, in Eldorado are paved. We do have one road. I believe it's Cuesta Road, that is going to be chip-sealed through the basecourse program this year that is in the Eldorado Subdivision.

COMMISSIONER SULLIVAN: What about the one that we just paved? Monte Alto? Isn't there more on Monte Alto to do?

MR. MARTINEZ: No, that is complete.

COMMISSIONER SULLIVAN: That's all finished? All the way to Avenida Eldorado?

MR. MARTINEZ: Monte Alto runs from Vista Grande to Avenida Torreon, I believe. And that is complete. Two miles.

COMMISSIONER SULLIVAN: It can't be all the County roads are paved in Eldorado. That's not right.

MR. MARTINEZ: No, Commissioner Sullivan, we roughly have over 80 miles of road within the Eldorado Subdivision and all of the major arterials are paved.

COMMISSIONER SULLIVAN: So there's nothing that jumps out in Eldorado because certainly I'm going to get requests from the road committee in Eldorado that what part of the \$20 million bond issue goes to Eldorado.

MR. MARTINEZ: Commissioner Sullivan, the Road Advisory member for Area 11 has brought forth Cuesta, which was done through the basecourse program and there was another road. The name doesn't come to me right now. But we didn't have enough money through the basecourse program to do that road. We can place it on here if you'd like.

COMMISSIONER SULLIVAN: For basecoursing?

MR. MARTINEZ: For chip seal.

COMMISSIONER SULLIVAN: For chip sealing. I'd like to be able to at least point to one or two in Eldorado.

MR. MARTINEZ: We can place that and I can get you the name here.

COMMISSIONER SULLIVAN: Okay. That would be fine. Kind of following up on what Commissioner Anaya said, is our intent to kind of give this whole program a general green light? Is that the idea here today, Tony?

MR. FLORES: Mr. Chair, Commissioner Sullivan, yes. I believe we need to further develop the projects that come out of the bond. That is still something that we need to refine. I looked at this list today, and even the list that we provided as a starting point in the presentation. There are some projects on here that are very minimal in the amounts of funding needed to complete it. I think we would better serve ourselves if we allocate the monies out of the GRT or other sources we have on the books today for the smaller projects that we can complete, and look at funding for major projects and other projects out of the general obligation bond. I think we can leverage those. And that's what the whole strategy is is how do we leverage the dollars. And I think that we can work out with Public Works when they bring forward the budget adjustment resolution to the Board that outlines exactly what roads would be funded out of what source.

COMMISSIONER SULLIVAN: But we only have about \$130,00 left in the

GRT, don't we? For roads?

MR. FLORES: After today, yes.

COMMISSIONER SULLIVAN: That's not going to go too far. So basically, we're looking at about \$8 million in road work out of the \$20 million bond issue as a first, out of the box effort.

MR. FLORES: Mr. Chair, Commissioner Sullivan, four million dollars out of the box of the roads is going to the Public Works Facility.

COMMISSIONER SULLIVAN: I'm looking at \$8 million worth of roads.

MR. FLORES: Right. But you said out of the twenty, so it doesn't leave a balance of 12. It leaves a balance of about \$8 million.

COMMISSIONER SULLIVAN: Okay. I did want to make one last comment then about the Public Works Facility. We got into trouble - and I want to see the Public Works Facility go more than anybody. But we just ran into a buzz saw with the State Land Office. And I'm afraid, are we going to run into the same problem again with this project. Before we sink more money into this thing.

JAMES LUJAN (Public Works Director): Mr. Chair, Commissioner Sullivan, I just checked with Sophia prior to this meeting in reference to that. What she tells me is there's no problem there because we're not renting it out. We're building a building and we're going to occupy it.

MR. ROSS: Mr. Chair, it still might be a problem. It's on my to-do list. I still have to find that lease, take a look at myself. Because remember the problem that we encountered with the -

COMMISSIONER SULLIVAN: Is that the lease is unconstitutional.

MR. ROSS: The lease itself had a problem.

COMMISSIONER SULLIVAN: We had a problem where the lease has been determined by attorneys, and you have five attorneys you have five opinions of course. We have six.

COMMISSIONER-ELECT VIGIL: Not always, Mr. Chair.

COMMISSIONER SULLIVAN: Well, if you have eight engineers you have nine opinions of course so if you add engineers to it it gets even hairier. But the problem is in at least some opinions that there's unconstitutional provisions in the -

MR. FLORES: Mr. Chair, actually Mr. Ross and I had this discussion this morning over an awful pot of coffee at the jail. We actually are going to look at not only the Public Works Facility but the other properties that we currently have under lease with the State Land Office that we've built facilities. Youth Shelters, the Arroyo Seco Teen Center, other properties. So my sense is that it's not going to be a problem but it's something that we definitely have to look at in the next 30 days. So I can give you the assurance that that will be done before turn a blade on the property.

COMMISSIONER SULLIVAN: We already have how much committed to this?

MR. FLORES: \$3.8 million.

COMMISSIONER SULLIVAN: \$3.8 million. And we're essentially more than doubling that to build the size facility we need.

MR. FLORES: Well, Mr. Chair, Commissioner Sullivan, as you recall, previous administrations underestimated the cost of that facility twice. So it's not that the facility has grown. The facility has relatively stayed the same size. It's taken us three administrations to get to the point where we know exactly what we need rather than what we assumed or were told that we needed.

COMMISSIONER MONTOYA: This one's got it right.

MR. FLORES: Mr. Chair, Commissioner Montoya, yes.

COMMISSIONER SULLIVAN: If James would quit buying bulldozers and graders we could scale it back, but he keeps buying them to grade the roads which we keep demanding that he do, then we're going to need the space for them. I have no problem with the money if that's what the estimate is. I just have a problem with sinking \$7.6 million into a Public Works Facility and then finding out we've got a lease that the DFA is going to cause problems with the audit comes and when our Finance Department has to answer those questions and on and on and on.

MR. FLORES: And we've indicated - I know Mr. Ross and I had this long discussion this morning based upon yesterday's meeting. We will look into that and we will bring back an update. But it's my sense that it doesn't present a problem right now but that's my sense and I'm not an attorney but I'll give my seventh opinion.

COMMISSIONER SULLIVAN: For \$7.6 million let's give it some thought. Those were some of the comments I had, Mr. Chair. Those were some of the comments I had, Mr. Chair.

COMMISSIONER ANAYA: Thank you, Commissioner Sullivan.

MR. MARTINEZ: Commissioner Sullivan, that road in Eldorado was Encantado Loop.

COMMISSIONER SULLIVAN: Okay. And the other was what?

MR. MARTINEZ: The road we're doing through the basecourse program is Cuesta, but the road that we can put on here for the bond is Encantado Loop.

COMMISSIONER SULLIVAN: Cuesta's already being done under the basecourse program.

MR. MARTINEZ: That is correct.

COMMISSIONER ANAYA: I've got a question. What's the price difference between chip seal and paving? Because the chip sealed roads that we're doing, they're not holding up as well as the paved jobs that we're doing. So I'd kind of like to see us do away with the chip seal program or chip sealing and pave our roads because we're having to go back. For example, County Road 8; it's already coming apart.

MR. MARTINEZ: Commissioner Anaya, the difference between paving and chip seal, chip seal is \$48,000 a mile. Paving is about \$144,000 a mile. And granted, we did have some problems with Dinkle and another road that we chip sealed. Typically, we don't run into those kinds of failures.

COMMISSIONER ANAYA: Okay. Maybe next time we –

MR. MARTINEZ: Those are out of the norm.

COMMISSIONER ANAYA: All right. Go ahead.

COMMISSIONER MONTOYA: Just on that point, we do have some in my district that have held up and continue to hold up.

COMMISSIONER ANAYA: Are they holding? Okay. So what causes that? Is that –

MR. LUJAN: Mr. Chair, what happened on County Road 8 is we had the oil distributor had some deficiencies with the oil distribution and we've since corrected those items with the distributor that brings out the oil.

COMMISSIONER ANAYA: Okay. So we need to go and –

MR. LUJAN: What we're going to do out there is we're probably going to go back out there and re-do it. And we had that also on County Road 51. Same item.

COMMISSIONER ANAYA: It fell apart?

MR. LUJAN: Yes. In some sections, right on the shoulders and we'll repair them.

COMMISSIONER ANAYA: Okay. Because we recently did that, not even a year ago.

MR. LUJAN: That's correct.

COMMISSIONER ANAYA: The red column, Roberts Drive. Is that you driveway, Robert?

MR. MARTINEZ: That is correct.

MR. GONZALEZ: At least when he's on the road.

MR. MARTINEZ: That's a subdivision in the Edgewood area.

COMMISSIONER ANAYA: I didn't know if that was your driveway or Robert, my brother's driveway.

MR. FLORES: Mr. Chair, for the benefit of Commissioner Sullivan, if we could wrap up the strategy or the idea that we would be presenting to the session, our facility project, the County does not currently have a funding source, general fund or otherwise, based upon the needs of the roads program out of the GRT to fund facility projects. You will not find facility projects funded out of the general fund. We will go through other sources, primarily through the session, through the legislative session, to the federal delegation, looking for grants and what we've developed here for a couple years now is project funding agreements with the non-profits which we build their facilities for, which has worked out, that provides them some ownership into the program.

To set up the strategy for the session, there are three road projects that would be of high priority for the session. Those include County Road 42, Agua Fria, Phase 3, just the road portion, and the South Meadows bridge and road improvements. And the reason I picked those out of the road projects, Commissioner Montoya, is that list under projects and roads. I'm kind of jumping ahead for your benefit so you can meet your appointment, Commissioner Sullivan. County Road 42, since the dollar amount is relatively high, Agua Fria Phase 3, which we have

a small appropriation to the state delegation right now of \$25,000 for design, and the South Meadows bridge and road improvement, I believe we received a small, \$15,000 appropriation, Robert, or something along those lines for that. So those three projects under the road to me are priorities for the strategy for the delegation.

So we would go in again like we did last year with a consolidated, coordinated number, so that we wouldn't be all over the place with the delegation. This does not preclude delegation members from coming up with their own priority list or giving us the same information of different areas. But from the County's perspective, these three make sense from my perspective that would be a delegation issue or a request for the delegation. Would you agree with that Robert?

MR. MARTINEZ: Yes.

MR. GONZALEZ: In the right-hand column you'll see them listed as New Mexico Legislature under funding source.

MR. FLORES: And again, that doesn't preclude any other road projects from being presented and we will take anything we can get as long as we can do what they tell us. Water and wastewater, Agua Fria Phase 3, for Commissioner-elect Vigil's purposes, I believe we can fund the water and wastewater program out of our existing funds and not have to go to the delegation for support. I would rather use the support from the delegation for the road improvements since we do have existing sources.

We are in a precarious situation this year because of the bonds. We are going to be answering the same questions that Commissioner-elect Vigil answered three years ago when the quarter percent was passed and that we've been answering ever since. Because you have bonds and because you have GRT, why are you coming to us? So we have to strategize that. So that's why I'm saying out of water and wastewater for Agua Fria, Phase 3, we have that in-house.

But the Chimayo/Santa Cruz regional project up north would be a project that I feel that we should take to the delegation. Buckman Direct Diversion project is at the top of our list for a regional project, not to the degree that the City's requested but it is at the top of our list for additional funding from the state side. We would support, of course, the Chimayo Mutual Domestic, the Pojoaque Wastewater or Water system, as well as the Edgewood Wastewater Treatment Facility.

COMMISSIONER MONTOYA: Could you say those again please.

MR. FLORES: The Chimayo/Santa Cruz trunk line, the Buckman Direct Diversion, Edgewood Wastewater plant.

COMMISSIONER MONTOYA: You're going all over now.

MR. FLORES: Pojoaque, water and wastewater program.

COMMISSIONER MONTOYA: Those four?

MR. FLORES: Yes.

COMMISSIONER MONTOYA: Okay.

COMMISSIONER ANAYA: Are you saying you're going to the delegation for help?

MR. FLORES: For those four. So right now that gives us seven projects.

COMMISSIONER SULLIVAN: But you know, Mr. Chair, under the Buckman project, \$30 million, that's not legislative money. That's general obligation bond money.

MR. FLORES: Correct. But Mr. Chair, Commissioner Sullivan, we realize that Buckman Direct Diversion can cost, has the potential of costing –

COMMISSIONER SULLIVAN: Much more.

MR. FLORES: Than what's committed.

COMMISSIONER ANAYA: So we need more.

MR. FLORES: So the \$30 million is what we've asked for, or that you've allocated out of the GOB. Our request to the state at this time would be about \$3.5 million, phased per-year for four years.

COMMISSIONER SULLIVAN: How much is the City requesting.

MR. GONZALEZ: \$120 million.

COMMISSIONER SULLIVAN: Oh, the City's requesting \$120 million. That's useful. That will be a big help.

MR. GONZALEZ: We got the same reaction from the administration representatives when we talked to them about that.

MR. FLORES: So Buckman Direct Diversion, because of the potential price tag, I do believe that we still need to keep leveraging additional dollars besides GOB.

COMMISSIONER-ELECT VIGIL: I have question, Mr. Chair. Are we factoring any requests through the Mortgage Finance Authority's grant program at all? Or is that being considered for our lobbying efforts?

MR. FLORES: Mr. Chair, Commissioner-elect Vigil, it is being considered for the lobbying effort. As I indicated, like Chimayo, for instance, or any of the others that goes through NMFA for the Water Trust Board, we would be there supporting that, and I believe that as we open this up with these mutual domestics there's going to be match requirements that we would have to consider from the County's side. So they may not be included in the list but we're already planning for testifying on behalf of those mutual domestics for those trust boards.

[Commissioner Sullivan left the proceedings.]

COMMISSIONER-ELECT VIGIL: And have these mutual domestics already submitted their applications?

MR. FLORES: Mr. Chair, Commissioner-elect Vigil, we don't have an application process for the County. I do believe they have been submitted to NMFA.

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

MR. FLORES: And real quickly, in facility projects, the projects that I have listed have existing funding or have raised themselves to a higher level of priority on their ICIP plan, with the two additions of the Esperanza Shelter and the Women's Health Center. I believe these projects are of all priorities to be able to complete and get off the list. So I would see the facility projects, and I've provided a synopsis in there. But the facility projects are something that we were going to request hard again at this year's session, since the County does not have another source of funding within its own current budget for them. So we've included those on

there as priorities for us. And again, this does not preclude us from lobbying or having other requests from delegation members for additional projects.

COMMISSIONER MONTOYA: So we're going to go after all of the facilities.

MR. FLORES: Yes.

MR. GONZALEZ: And it is easier to respond to questions when they try to nail us on the bonding and the GRT funding, in terms of being able to defend these projects as opposed to the others that we're going to be funding out of our own funding sources. So part of the strategy was to emphasize those projects that we feel we can defend when we go in front of committee and make our requests from a funding standpoint.

COMMISSIONER MONTOYA: Mr. Chair, we haven't really discussed the 16th percent tax that is also a potential. And I don't know, Gerald, what's your thinking on that?

MR. GONZALEZ: The one thing I know is that the City has been talking about proposing a new GRT increment in the March election. This coming March, they're talking about proposing to the voters a new GRT increment on the City's side. So I guess it's sort of an interesting question. Does that mean then that we need to be careful about how we approach the voters on the County side with the 1/16. Obviously, we have to take it into account. I don't know which way that would cut. We really don't have any feedback at this point in terms of how the voters would use it. Now, I understand that the City is talking about using that full increment for water purposes. Of course the 1/16 that we're talking about would be for general operating purposes, and if the Commission were to go ahead and impose it at the appropriate time, I guess we need to take into account where the voter's attention would go in terms of looking at that. As you know, that's a negative referendum.

We did have some discussion mid to late this year about imposing the 1/16 and I guess those are the major considerations on the horizon that I see that we need to take into account. I think we can have that discussion after the first of the year once the City kind of solidifies their plans with respect to the GRT that they're proposing. It does leave outstanding the question - I understand that the City had made a commitment some time ago that if they did impose their own GRT for water purposes that they would reflect in the way that they propose it to the voters the way the County proposed to the voters so that there would be a regional portion and a City portion. Whether they're rethinking that I don't know.

But again, that's something else to take into account because if they do decide to put it to the voters and they do agree that they would reflect in sort of a mirror-like way, the allocation of those funds in the same way that the County has done, it could potentially alleviate us from some of the fiscal burdens that we're presently carrying by ourselves. So I think that we need to revisit this issue. I think once the City has solidified their plans, we need to talk some more about the 1/16, but that's the biggest factor that I see on the horizon. It may influence our ability to impose the 1/16 and do it in a clean way.

COMMISSIONER-ELECT VIGIL: Mr. Chair, could you add that into the mix? I remember last time during one of the work study sessions I brought up the issue of the real estate tax transfer. I actually at this point in time don't feel I have sufficient knowledge with regard to it except for that the little knowledge I have would be an understanding that

Santa Fe County would, of all counties in New Mexico would probably create the greatest benefit. I have a huge concern with regard to tax and particularly since we just had the general obligation bonds pass and the quarter percent gross receipts tax and throughout my campaign a lot of the please-don't-tax-us was echoed through my constituency.

But I think it's necessary at this point in time to look at some options and I know the real estate transfer tax might be one of those equitable options if anyone has any knowledge of it that they could share I'd be happy to hear it. But I think I represented that my understanding of it was it really was for a second or third homebuyer, that in fact that created some level of equity because it didn't really go to that first time, affordable housing buyer, but it went to someone who actually was investing more in real estate.

So my sense is that I'd like to get some more information with regard to that. It is probably a bill that will go before the legislature as it usually does. It isn't one that Santa Fe County had really placed on our agenda but I would like to consider the possibility because in fact that creates in my mind less restrictive funds than gross receipts tax, because those are so specific to a project and the real estate transfer tax is a little broader base of project funding. So I think Benito probably also has some significant knowledge on this.

MR. GONZALEZ: Mr. Chair, Commissioner-elect, we will be having a pre-session, legislative issues meeting again before we actually walk into the session. So that's something that we can put on that list. But it's on the list I think anyway by virtue of having discussed it this afternoon. That's part of the direction we were looking for is what do we add to the list so that we can finalize it as we move into the session.

The other thing in terms of project prioritization, you just raised a question earlier. I know sometimes it's a function of who attends the community meetings because not everybody who has a deep interest in a particular community project always attends the community meetings. This year I know Tony and Rudy did a second round of meetings in order to try to gather as broad input from the communities as possible, but if they don't attend and speak up, then the second chance or the second opportunity I guess for those communities is the Commission itself, because we do take input from the Commissioners to add to the ICIP list as it's developed and again, your concerns here this afternoon are something that we added to our radar screens so to speak for future ICIP prioritization.

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

MR. FLORES: To wrap up on legislative initiatives, we have a list of items that we've been tracking, Rudy and myself, my staff and James Lujan and the Manager's office have attended I think almost 80 percent of the interim committee meetings. There are certain issues out there that are brewing that the County needs to take a look at and that will be working with our lobbying team once they're on board for the session. They deal with the Association of County initiatives or their priorities, which included the liquor excise or liquor option tax, funding for adult and juvenile facilities at our jail. Our Public Records Act, of course the database deal that Commissioner Duran and Commissioner Montoya helped put together. Water/wastewater authority, expansion or clarification of indigents and what that means, annexation limitations. I know that the Commission - that's not in your packet,

Commissioner Montoya, this is just my litany of items that we'll be presenting to you shortly. Annexation limitations and how those things happen. This came up because of the City's proposal to annex 16,000 acres of County property.

Health initiatives, capital outlay, there's been a huge amount of discussions. I indicated earlier there's a \$20 billion request for the next decade and only about \$3 billion in state capacity. The other issue that the County has to be very aware of even on our existing bonds is arbitrage and certification. Right now the state of New Mexico has taken \$10.1 million in penalties because of arbitrage. And arbitrage is penalty for not moving the money in the fashion that you said you were going to move it in. The County has to be very careful. We just issued \$72.5 million. We have some other bonds on the books. Arbitrage is a big issue as well as certification.

They are doing a restructuring of certification. For those of you who don't know this, when state money comes through the County has to certify, one, that we own the property or there's an arrangement for the property and ownership of the County, two, that we can spend the money in a certain time fashion as indicated on the certification. If both things do not happen, technically we are in violation of that certification and the money can be pulled. That's the process that the Board doesn't see. After the money comes through, that's something that Rudy and I deal with on the certification side.

They are squeezing the noose on certifications and assurances this year. There's some tax initiatives the governor's office has proposed. One of them, the interesting one to me is that there's a sales tax holiday he's proposing. It's the first Saturday of August of each there's no GRT on tangible personal goods. I haven't seen a fiscal impact and I'm sure as we go through the session and it goes through Tax & Rev we'll get that type of fiscal impact.

The Aamodt settlement as well as the whole Native American settlement, we attended those hearings on Labor Day and the briefing we've provided, I think James was in attendance at that meeting as well, \$263 billion and they said we were at the point now where we're not talking real money; he indicated we're talking play money for the settlements that include Aamodt. That includes Navajo, the Gila, Taos settlements. So the proposal was that they create a revolving fund at the state level to fund the infrastructure, capital infrastructure requirements for this. A big discussion brewed about how and at what level and how that money is taken off the top of capital outlay. So that is something that is critical to us as a County that's involved in the Aamodt settlement.

We've also put the real estate transfer tax on the list. So those are just some initiatives that we've discussed at the Board's direction, amongst ourselves and as we move forward we'll be refining these with the legislative team after today's meeting and bring those back to the Board for the final round. We had anticipated that we would do the delegation meeting and also a second meeting on legislative initiatives after you officially take office so that we can finalize all the initiatives. That concludes our presentation.

CHAIRMAN CAMPOS: I missed the intro on that last comment about the Aamodt settlement and financing. You're saying it's coming off the top of what?

MR. FLORES: Mr. Chair, the proposal from the State Engineer's Office is that

the state, through capital outlay, create a fund that monies can be taken off and put in there each year so they can pay for the Aamodt settlement for the infrastructure. Not only the Aamodt but the other settlements – Navajo, Taos, Gila, and there was one other one. One down south. So it encompasses all of them. The total that we received on their presentation was 200 and some billion dollars. They're looking for federal dollars as is everybody. They're looking for local dollars and looking for state dollars. And right now, there's not a mechanism set up at the state in order to be able to throw that kind of money into that project or program for that. So one of the proposals that was presented by the OSE was that the state create a fund with capital outlay dollars – I hate to use the word recurring because it's not supposed to be, but that's essentially what it is. It's a recurring fund, funded through capital outlay to pay for those settlements.

CHAIRMAN CAMPOS: Where does capital outlay come from? As far as the state is concerned.

MR. FLORES: Oil and gas revenues.

CHAIRMAN CAMPOS: Severance?

MR. FLORES: Yes. And last year was the first year that I think the County was extremely fortunate. We received quite a bit of general fund appropriations because of the windfall that they had. It's like us with the enactment of the 1/8, that will only last for a little while and that's why we're trying to have a more consolidated effort for the second year now.

CHAIRMAN CAMPOS: The issue as far as – this is a recommendation by the OSE because of the lack of federal money? Is that why there's an effort to look at the state itself?

MR. FLORES: Mr. Chair, my understanding of this, and I wish John Utton was here, but Commissioner Montoya can step in. I know he's been a very vocal person in this is that they are looking at state money but there's also a requirement on the local and state level for funding this settlement, regardless of where. That includes us.

CHAIRMAN CAMPOS: Local share, including the County.

MR. FLORES: Including the County, or the municipality, and the state. And the feds. So there is a combination of all those entities that have to share in the responsibility of these settlements.

CHAIRMAN CAMPOS: So regardless of that huge amount of federal money, we're going to have to come up with some money locally.

MR. FLORES: Yes.

CHAIRMAN CAMPOS: So we need to look at a County, we also need to be putting some money away, I guess. Is that what you're suggesting?

MR. FLORES: Mr. Chair, we're estimating that although the number is a little bit higher at the state level, about a ten million dollar appropriation for that. I think it's \$10.3 million, just for that settlement.

CHAIRMAN CAMPOS: From the County.

MR. FLORES: That's our share.

CHAIRMAN CAMPOS: Where's that going to come from?

MR. FLORES: We're hoping to take it from Commissioner Sullivan since he's

not here.

CHAIRMAN CAMPOS: I was looking through those road projects. Some of those are a lot of money.

MR. FLORES: Mr. Chair, we spoke last week at the utilities meeting, there is a number that we've plugged in on the water and wastewater side, specifically the water side. I call it for development of a County water system, but in my mind it's really our contingency or reserve fund. We talked about this last week. As Buckman Direct Diversion is further enhanced and designed and moved forward, I think we'll have a better understanding - maybe not in the near future but the extended future of what that's truly going to cost. We need to be setting some of that money aside as almost a contingency reserve. If we were doing a construction project we'd be looking at five or ten percent if I could, for the unknown. I think we need to do that and that's what we've represented about the \$5 million we're putting to the side so that we can start building that reserve or contingency fund. We're looking at that now.

CHAIRMAN CAMPOS: As water projects are concerned and as the Buckman is concerned, it seems like there may be less and less federal money available. So it may be a shift to us that's going to be bigger than we thought. So I think that has to be taken into account.

COMMISSIONER MONTOYA: I agree.

MR. FLORES: Mr. Chair, we are diligently looking into that, since some meetings that we've had in the past couple of weeks, because of the federal share and that unknown amount. So we are looking at that currently.

COMMISSIONER ANAYA: Any other comments? Marlo, did you have any comments?

MARLO MARTINEZ: I think this is a very well put together document and I'd like to thank the staff for giving us good direction. We'll talk more about it at the staff meetings.

JAMES RIVERA: I'd just like to say thank you for the presentation and during the legislative process if we can all just work together and keep our guys informed all year and work with Tony and Gerald and the Commissioners. Other than that, it's a very well thought out plan and I thank you again, the County Manager, the County Commissioners. We've had a lot of success in working with Tony and Rudy, James, the others. [inaudible] bread and butter.

MR. GONZALEZ: Mr. Chair, Vice Chairman, as we close, I just wanted to, because the last item was a request for direction on legislative initiatives for the 2005 legislative session, and although we're going to have a further work session before we get into the session, I just wanted to make sure there wasn't any reaction on the part of any of the Commissioners to any of the items that Tony read off that are current, substantive initiatives or whether there are any additions from any of the Commissioners to that list that we can add as we move toward our pre-session, study session.

CHAIRMAN CAMPOS: Mr. Gonzalez, do you have a list of those, or are they all verbally -

MR. FLORES: I put a list together hastily. I will get it to you. It's not in this

packet.

MR. GONZALEZ: We can circulate that.

COMMISSIONER MONTOYA: Those are the ones that you read off, right?

MR. FLORES: Those are the ones I read off.

COMMISSIONER MONTOYA: That are in our packet.

MR. FLORES: The capital outlay requests are in the packet, but he's making a copy of those.

CHAIRMAN CAMPOS: But not the legislative –

COMMISSIONER MONTOYA: None of that's in our packet.

CHAIRMAN CAMPOS: Are you talking about annexation –

MR. FLORES: Annexation, water/wastewater authority, the priorities of the New Mexico Association of Counties dealing with adult and juvenile prisoners.

MR. GONZALEZ: Database protection, alcohol excise tax.

MR. FLORES: Alcohol excise tax, database protection. Also looking at the tax initiatives, tax proposals from the governor's office. The specific one is the tax holiday on the first Saturday of August each year. We're also looking now at the real estate transfer tax. Capital outlay reform is still an issue that we'll be following closely.

CHAIRMAN CAMPOS: What does that mean?

MR. FLORES: Mr. Chair, I've represented to you now for two years the governor's, from the fourth floor of the capitol, they are looking at revamping the capital outlay process and how the money is distributed, to what types of projects.

CHAIRMAN CAMPOS: So the governor wants more for statewide projects. Is that the deal?

MR. GONZALEZ: A piece of it.

MR. FLORES: Yes and no. So there's a reform that's been going on through the Blue Ribbon Tax Reform and Tax & Rev policy, stabilization that we will continue to monitor. We have been fortunate I think because we have a very strong delegation that it hasn't affected the County. I do feel though that in the future it's something we really need to strategize for and be prepared before. As the revenues go down and his requests go up.

MR. RIVERA: To answer that the governor is proposing his half and half.

CHAIRMAN CAMPOS: He wants half, right?

MR. RIVERA: And in speaking with the federal legislators, I've heard they're in favor of that. [inaudible] It's still up in the air.

CHAIRMAN CAMPOS: Another issue that might come up is from the SWMA Board, the Solid Waste Management Authority and the recycling center that's being planned there. We had a meeting the 8th and we discussed maybe a joint effort to get – was it additional funding for the recycling center, that would be operated through SWMA and we were going to – the City has apparently passed a resolution. There's some effort within the Municipal League to lobby for some money for the project. And we talked about perhaps having the County involved. We directed staff to contact you, Gerald. Have they contacted you yet?

MR. GONZALEZ: I've not had that contact yet. They were going to contact

you to see how they could coordinate, how they could connect, perhaps with the New Mexico Association of Counties, and if we could do a joint resolution for funding this particular recycling center. It's a big project. It might come on line in the next year or two after it gets all the funding

MR. FLORES: Mr. Chair, dollar-wise, what's the request?

CHAIRMAN CAMPOS: I don't have it. Miguel Chavez is the lead Councilor and Justin Stockdale - why don't you talk to Justin. He was the one that supposed to contact Gerald.

MR. LUJAN: We've got the information. In fact we have communicated in an e-mail There's not a set dollar amount yet. I'll get you that information.

MR. FLORES: On that same note, Mr. Chair, we've also talked to the Town of Edgewood in assisting in their lobbying efforts for development of their administrative complex, their wastewater treatment plant and their recreational complex. So that is also something that is not a County initiative per se, but it is something they need design assistance for in developing their program.

MR. GONZALEZ: Two other items. The Pueblo of Tesuque has been talking about and I think it's probably discussed with some of the other Pueblos, the possibility of revising the flow of dollars coming out of the gambling proceeds that the state receives so that a portion of that would go to local infrastructure and improvements and possibly operations, operating funds for counties that those facilities are located in. We've discussed the possibility of supporting that effort of the Pueblos come forward with it. So that will be on your list.

And the other item I had on my list was -

CHAIRMAN CAMPOS: We're going to put that on our list?

MR. GONZALEZ: Assuming the Commission feels comfortable with it.

CHAIRMAN CAMPOS: The Pueblo wants to do this? At least one Pueblo, Tesuque?

MR. GONZALEZ: And I think some of the others may. I think James may -

MR. FLORES: Who look it up last year to the City of Española?

MR. RIVERA: Last year, Santa Clara. The mayor took to the legislature a proposal, the same proposal, a small percentage to the County for infrastructure and other services.

MR. FLORES: Primarily public safety. It was done in last year's session.

COMMISSIONER MONTOYA: It was?

CHAIRMAN CAMPOS: So it requires I guess legislation right?

MR. FLORES: Yes.

CHAIRMAN CAMPOS: Or amendment to the contract or what?

MR. RIVERA: Amendment to the compact

CHAIRMAN CAMPOS: Would it require an amendment to the compact or new legislation or what?

MR. RIVERA: I was thinking it would be an amendment to the compact.

MR. GONZALEZ: The final issue that I was going to mention was on my list, I

don't know if anybody else has anything, but that was to also contact the City to make sure that as we move forward with their request for water funding for the Buckman Direct Diversion and other similar projects that we coordinate so that we're not singing two different songs. I think the \$120 million capital outlay request that they made versus our \$3.5 million sort of illustrates the problem. Mike Lujan and I and Roman Abeyta and Lowell Gilbert will be meeting some time later this month in order to talk about that coordination but I just want to let you know that that discussion is about to happen.

CHAIRMAN CAMPOS: Are we taking care of the courts, the district court building? Are we looking at it?

MR. GONZALEZ: Yes.

CHAIRMAN CAMPOS: Okay.

COMMISSIONER MONTOYA: All of the facilities, Mr. Chair, all of the projects, they're all going to be included.

MR. FLORES: As we indicated on the study session on state, we're coming back in January with an actual funding option plan for the courts as we indicated in November or whenever we had the other study session, about the possibility of using revenue bonds and looking at a source of revenue to dedicate to that debt service. So that discussion is ongoing right now. We do have a \$100,000 appropriation that we received. I think we got the agreement on December 1st for additional planning and design dollars for the first judicial courthouse.

CHAIRMAN CAMPOS: That's money from the legislature?

MR. FLORES: That's money from the legislature. So this was on the list from last year that we'll be continuing to look for.

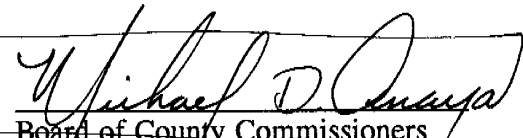
CHAIRMAN CAMPOS: Great.

COMMISSIONER ANAYA: Sounds good. Anything else?


ADJOURNMENT

Vice Chairman Anaya declared this meeting adjourned at approximately 5:05 p.m.


Approved by:


Board of County Commissioners
~~Paul Campos, Chairman~~
MICHAEL D. ANAYA

Respectfully submitted:


Karen Farrell, Commission Reporter

ATTEST TO:


VALERIE ESPINOZA
SANTA FE COUNTY CLERK

SFC CLERK RECORDED 01/27/2005

Santa Fe County 2005 Capital Outlay Strategy

Project &
Facilities
Management
Department

November 16, 2004

SFC CLERK RECORDED 01/27/2005

2004 Capital Outlay Funding Strategy

In preparation of the legislative strategy, PFMD presented a two (2) part Capital Outlay Plan that included the 2004-2009 ICIP document and the 2004 Capital Outlay Funding Strategy.

PFMD with the assistance of the PWD identified existing partially funded capital outlay projects and presented those to the Board for appropriation of unbudgeted ¼% Capital Outlay funds.

This approach allowed the County to leverage the funds and seek total project funding through the 2004 Legislative Session.

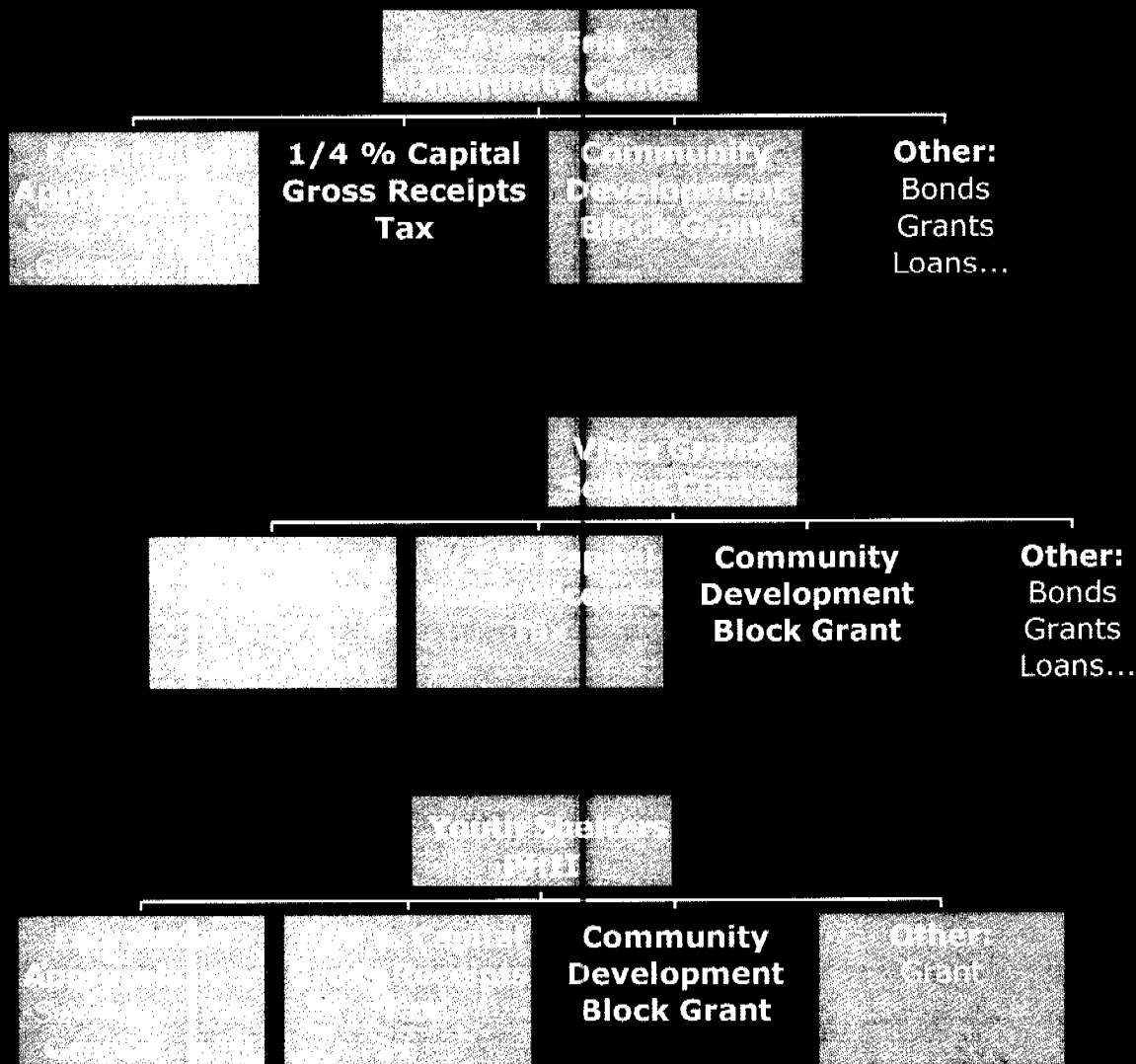
As a result of this effort, the County has received sufficient funding to remove the partially funded projects from the County's capital project listing.

Capital Outlay Funding Sources:

Project

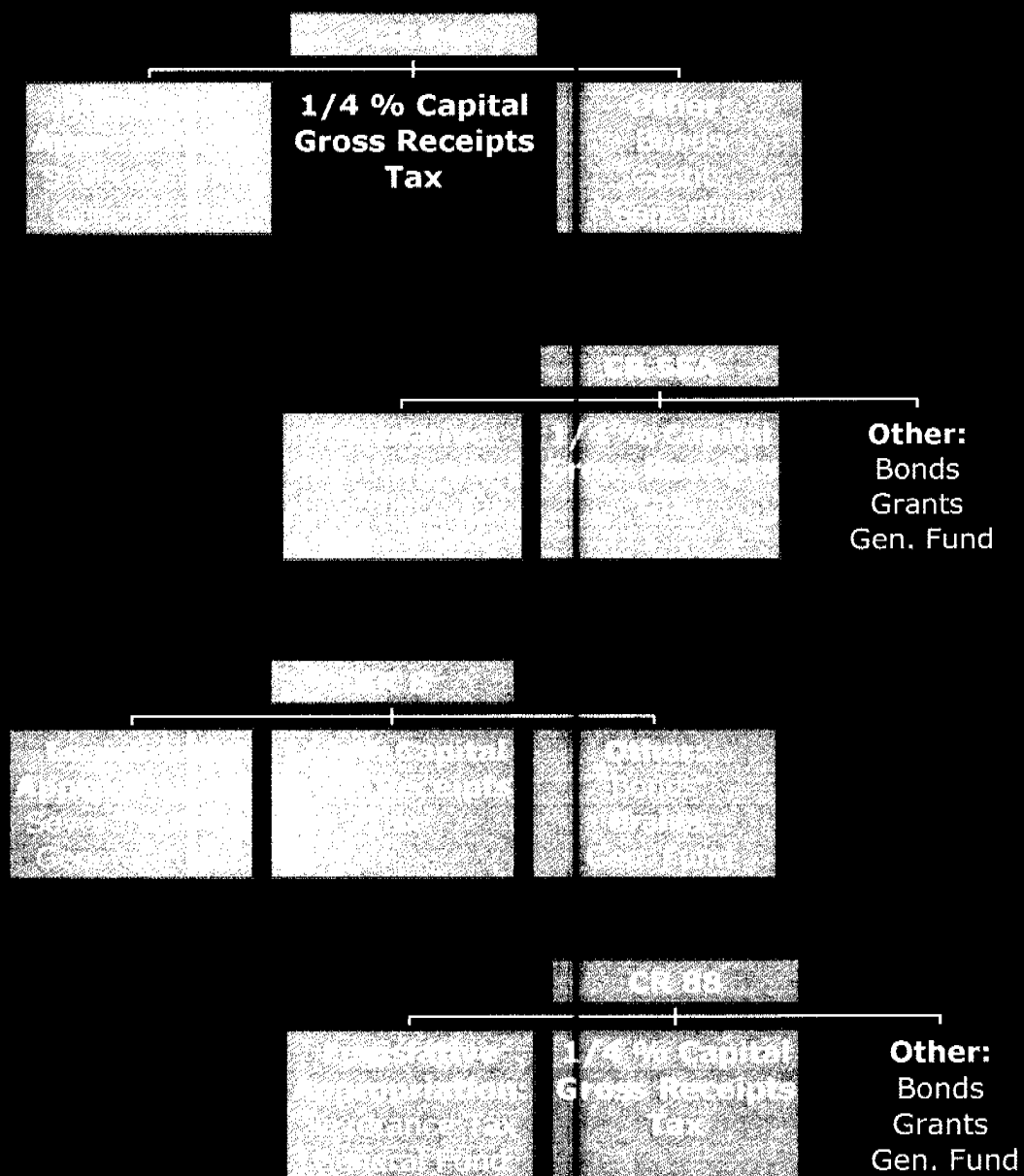
Legislative Appropriation: Severance Tax General Fund	1/4 % Capital Gross Receipts Tax	Community Development Block Grant (CDBG)	Other: Bonds Grants Loans...
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Facility Projects Fully Funded:



SFC CLERK RECORDED 01/27/2005

Road Projects Fully Funded:



SFC CLERK RECORDED 01/27/2005

Infrastructure Capital Improvement Plan (ICIP)

A plan that establishes planning priorities for all anticipated capital projects

Considers repair and replacement of existing infrastructure and development of new infrastructure

Includes policy direction, funding time frames, estimated costs and justification of each specific project by year over a five year period

Encouraged participation via NMSA 1978 Sect. 6-6-2J, 6-6-4, 9-6-5.1, 11-6-2, 11-6-3, 11-6-4.1, 11-6-5, and 11-6-5.1

Benefits of ICIP:

Promotes repair and/or replacement of existing facilities

Addresses County needs such as roads, water/wastewater, emergency services, housing and public/community facilities

Encourages a more efficient operation of government

Provides a framework for decisions about community growth and development

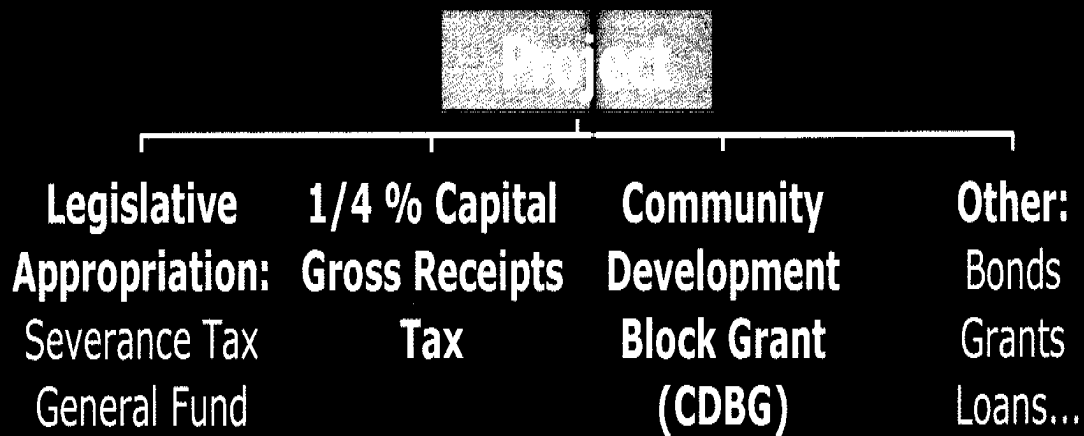
Focuses community attention on priorities, goals, needs and current capabilities

Functions as a tool for community/citizen involvement

ICIP Process:

- Identify capital outlay projects
- Solicit citizen participation
- Formulate goals, objectives and strategies
- Prioritize needs
- Explore options for meeting needs
- Estimate capital funding costs
- Develop draft plan
- Seek feedback through citizen participation through a series of community meetings and public hearings
- Seek input from County staff and elected officials
- Re-evaluate priorities as needed
- Finalize plan and request approval from governing body
- Submit Final ICIP document to Department of Finance & Administration

Capital Outlay Funding Sources:



SFC CLERK RECORDED 01/27/2005

Legislative Appropriations

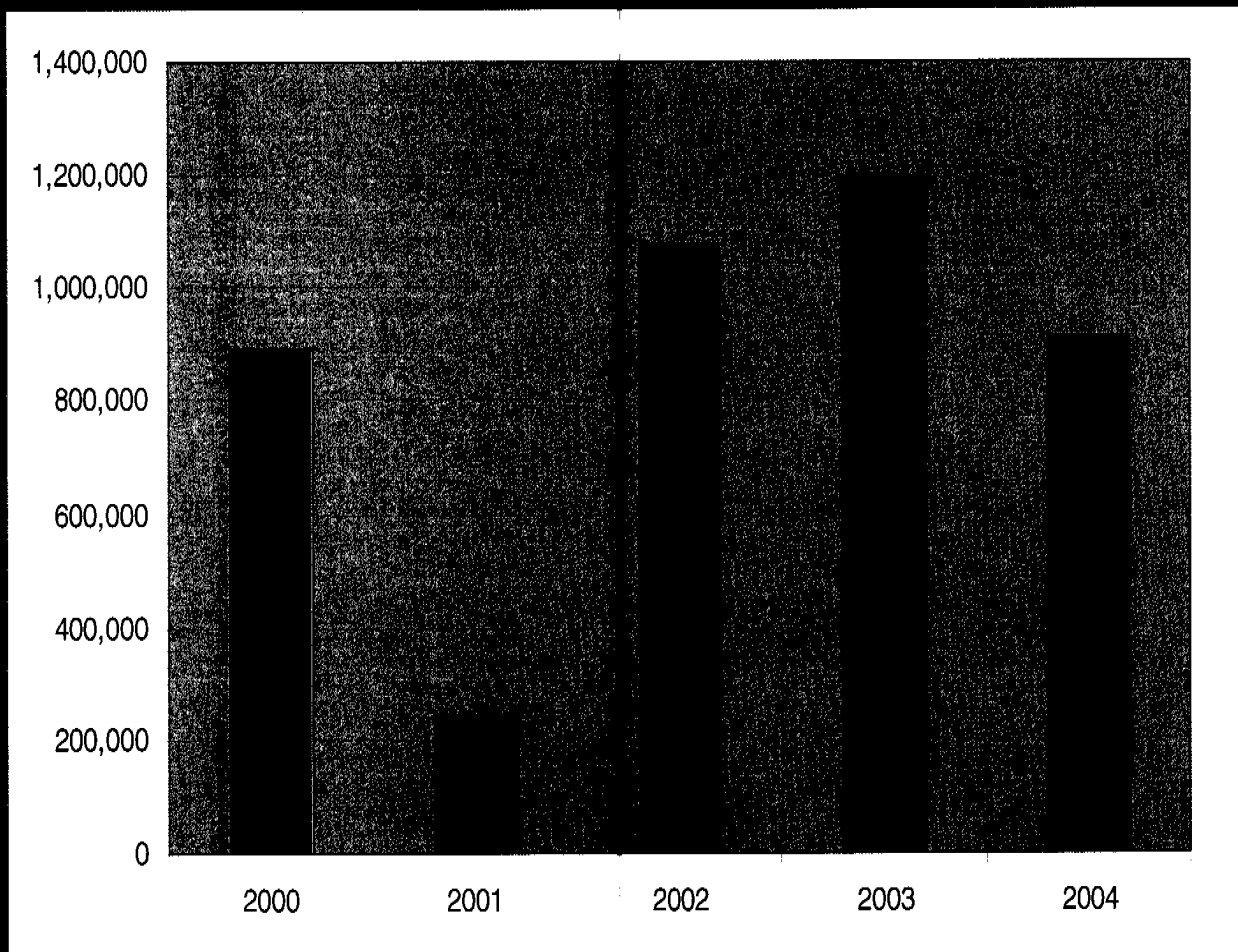
Based upon submitted
ICIP

Requires lobbying and
testimony

Limited (Piece-meal)
Funding

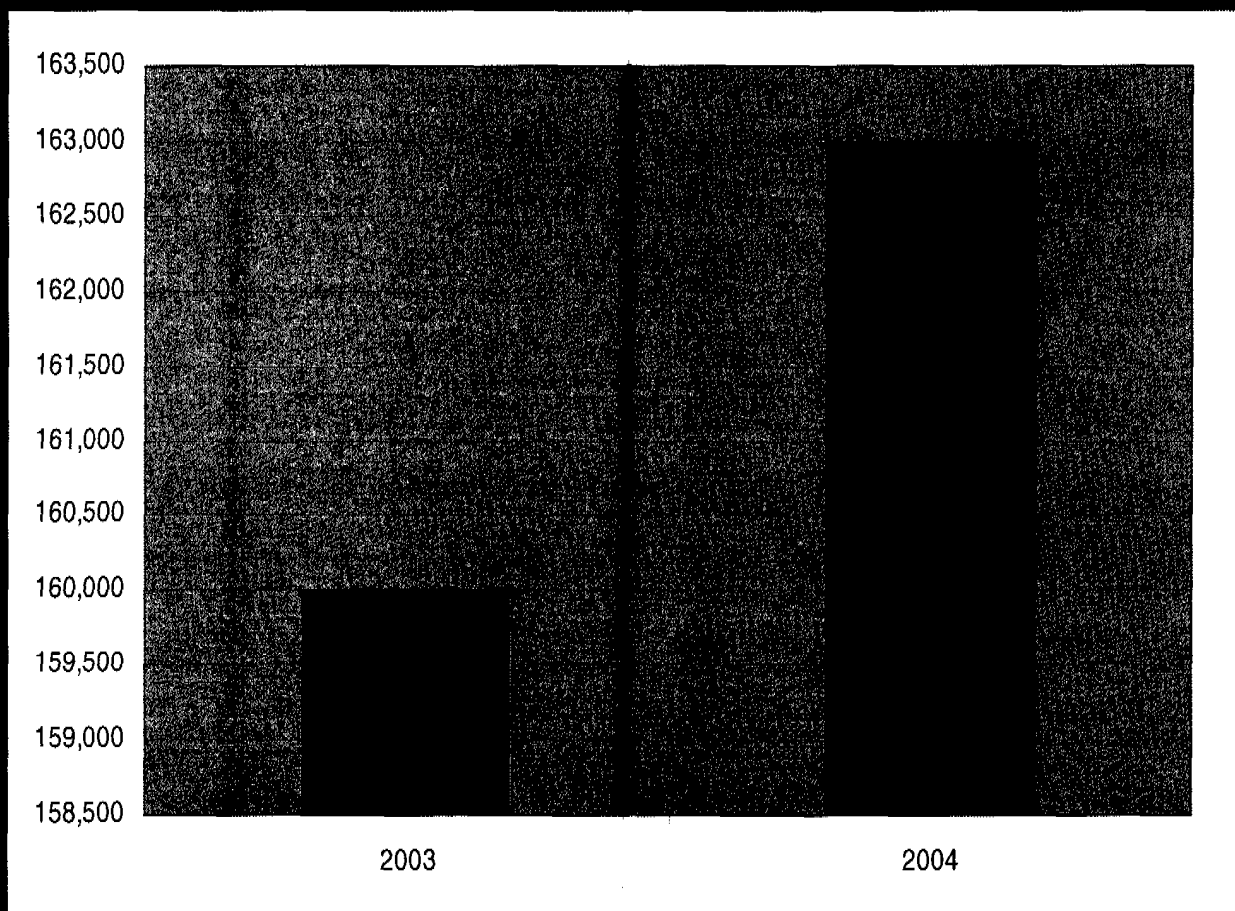
Subject to reform via
Gov's Tax Reform and
Stabilization Committee

Capital Outlay – Roads Severance Tax Funding



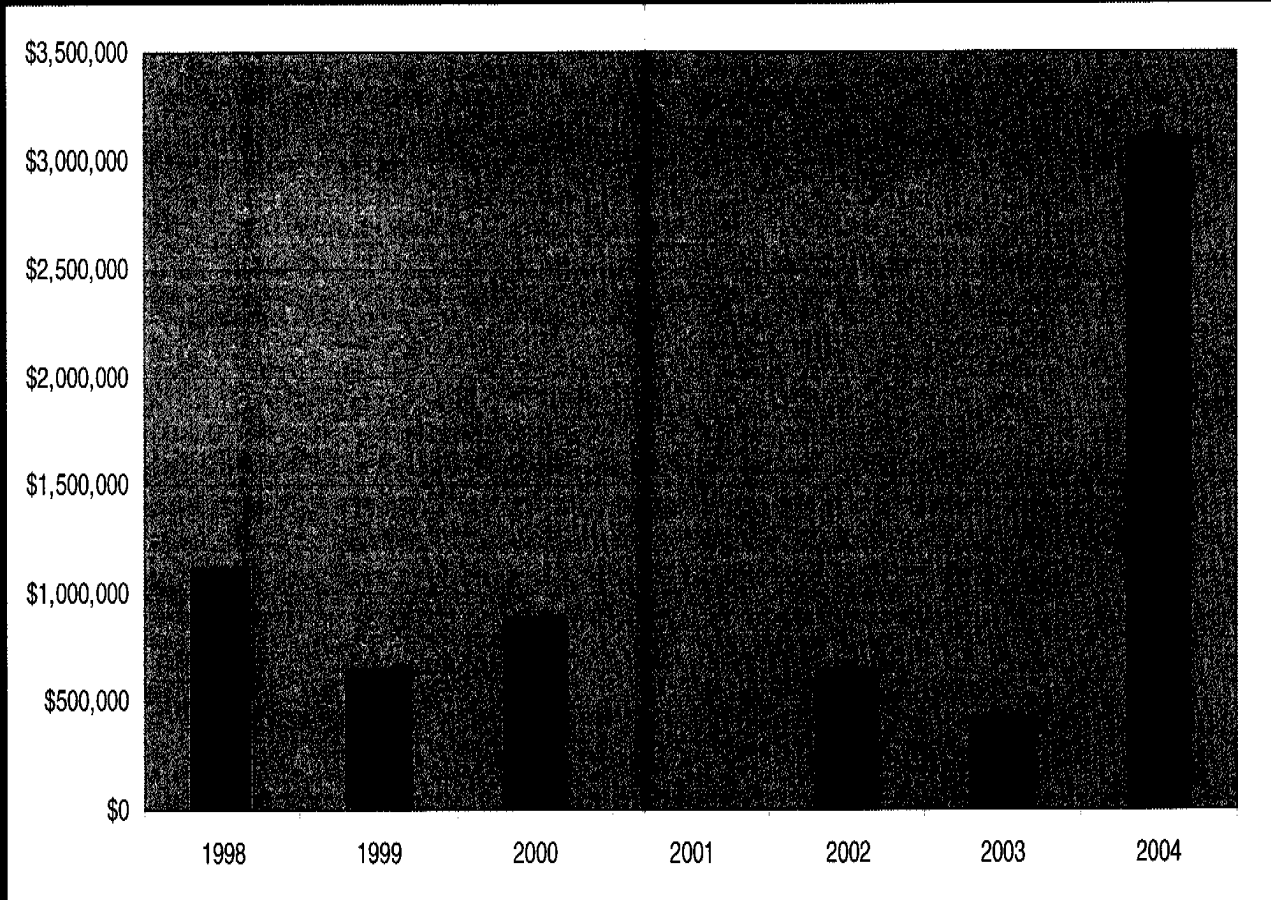
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Capital Outlay – Water/Wastewater Severance Tax Funding



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Capital Outlay - Facilities & Equipment Severance Tax Funding



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Santa Fe County $\frac{1}{4}\%$ Capital Gross Receipt Tax

Adopted March 26, 2002, effective January 1, 2003, to provide revenue for capital outlay projects in three (3) categories:

Water & Wastewater

Open Space/Parks

Roads & Other Permitted Uses

Formula for distribution set by ordinance:

Water & Wastewater	75%
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Open Space/Parks	15%
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Roads & Other Uses	10%
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In addition, distribution is split 50/50 between County and Regional Capital Outlay Projects (RPA)

Specific Regional Projects Set By Ordinance

Buckman Rio Grande water diversion project and/or alternate Rio Grande water diversion project(s)

Drinking water and wastewater infrastructure projects. Development of return flow, water recharge, storm management and/or aquifer storage and recovery projects

Development of water quality and quantity improvement projects

Infrastructure for affordable housing projects

City Railyard Park

River restoration and acquisition of trail easements

Specific County Projects Set By Ordinance

Development of new wells and re-drilling or refurbishing existing wells outside the Buckman area

Water and/or wastewater projects to protect and improve the aquifers in the La Cienega, Agua Fria, Edgewood and Eldorado areas

Water and/or wastewater projects in Northern Santa Fe County including communities in the Pojoaque, Tesuque, and Santa Cruz Valleys

Acquisition of land for Open Space, trail networks and improvement of existing projects

Santa Fe River Trail

Santa Fe Rail Trail

Various projects to enhance the safety of existing roads in Santa Fe County

Capital Outlay Permitted Uses

Design, construction, acquisition, improvement, equipping, or furnishing of PUBLIC BUILDINGS OR FACILITIES.

Acquisition, construction, or improvement of WATER, WASTEWATER or SOLID WASTE SYSTEMS OR FACILITIES.

Design, construction, acquisition, improvement or equipping of a COUNTY JAIL, JUVENILE DETENTION FACILITY, or MULTIPURPOSE REGIONAL ADULT OR JUVENILE DETENTION FACILITY.

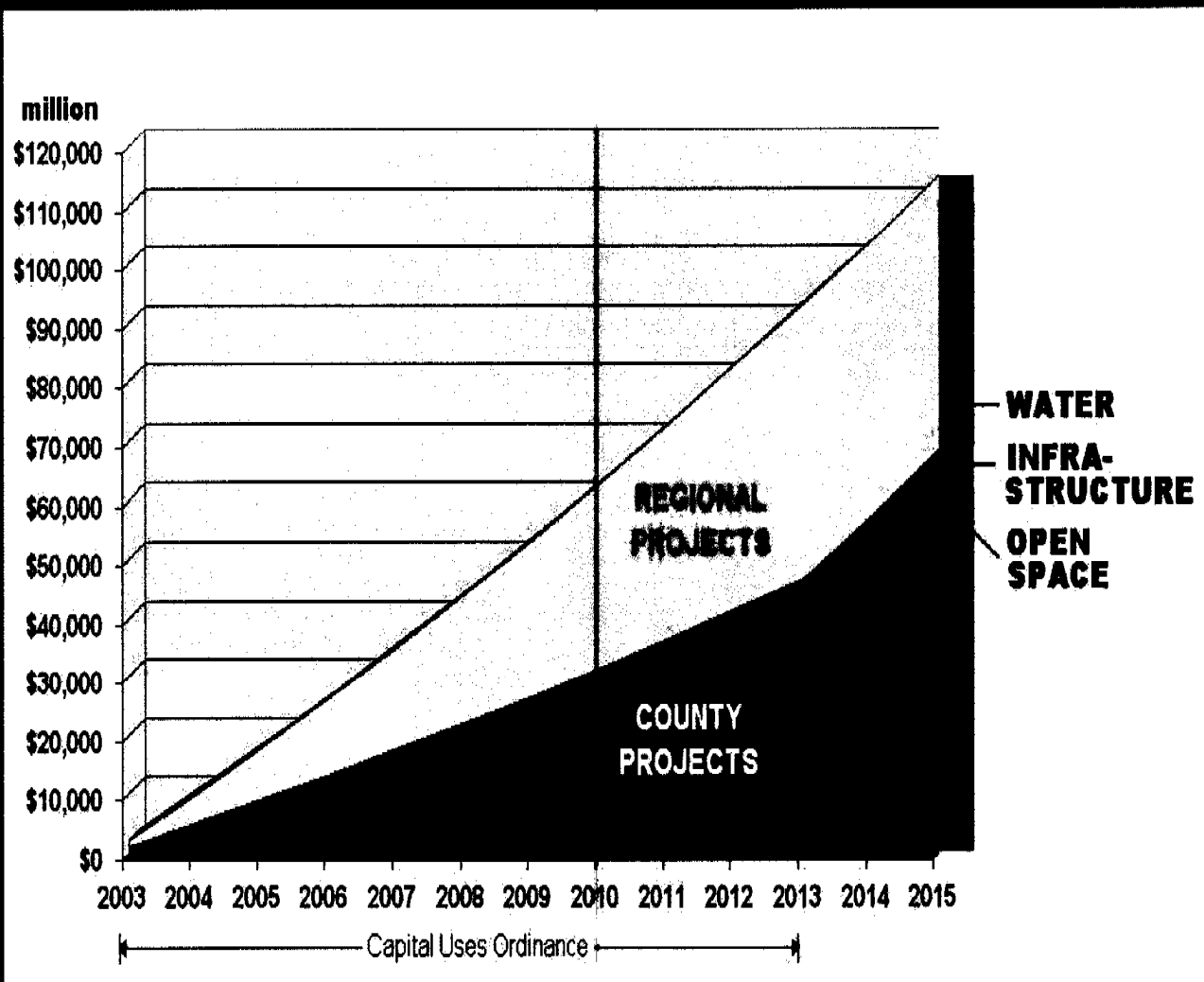
Construction, reconstruction, or improvement of ROADS, STREETS or BRIDGES including Rights of Way.

Design, construction, acquisition, improvement or equipping of AIRPORT FACILITIES.

Acquisition of LAND for OPEN SPACE, PUBLIC PARKS or PUBLIC RECREATIONAL FACILITIES.

Payment of GROSS RECEIPTS TAX REVENUE BONDS.

Santa Fe County Capital Outlay GRT Cumulative Revenue



1/4% GRT Total Revenues:

FY 2005 (Projected)	\$8,200,000
FY 2006 (Projected)	\$8,302,500
FY 2007 (Projected)	\$8,406,281
FY 2008 (Projected)	\$8,511,360
FY 2009 (Projected)	\$8,617,752
FY 2010 (Projected)	\$8,725,474
FY 2011 (Projected)	\$8,834,542
FY 2012 (Projected)	\$8,944,974

2005 Projected 1/4% GRT Revenues -

Regional

County

**Water /
Wastewater**
FY05 \$3,075,000

**Water /
Wastewater**
FY05 \$3,075,000

**Open
Space/Parks**
FY05 \$615,000

**Open
Space/Parks**
FY05 \$615,000

**Roads /
Other**
FY05 \$410,000

**Roads /
Other**
FY05 \$410,000

Water/Wastewater – Available Balance

	Regional	County
FY03' Actual	\$1,071,446	\$535,725
FY04' Actual	\$3,067,723	\$3,067,723
Total	\$4,139,169	\$3,603,448
Less Obligated	\$1,500,000	(\$3,414,476)
Fund Balance	\$2,639,169	\$188,972
FY04'		
FY05' Project Rev.	\$3,075,000	\$3,075,000
Obligated Projects	\$0	\$0
FY05'		
**Fund Balance thru FY05'	\$5,714,169	\$3,263,972

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Open Space/Parks – Available Balance

	Regional	County
FY03' Actual	\$0	\$321,434
FY04' Actual	<u>\$613,545</u>	<u>\$613,545</u>
Total	\$613,545	\$934,979
Less Obligated	(\$492,500)	(\$934,979)
Fund Balance FY04'	\$121,045	\$0
FY05' Project Rev.	\$615,000	\$615,000
Obligated Projects FY05'	(\$586,000)	(\$615,000)
**Fund Balance thru FY05'	\$150,045	\$0

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Roads & Other – Available Balance

	Regional	County
FY03' Actual	\$0	\$214,290
FY04' Actual	<u>\$409,030</u>	<u>\$409,030</u>
Total	\$409,030	\$623,320
Less Obligated	\$0	(\$638,754)
Fund Balance FY04'	\$409,030	(\$15,434)
FY 05' Project Rev.	\$410,000	\$410,000
Less Obligated Projects FY05'	\$0	(\$82,094)
**Fund Balance thru FY05'	\$819,030	\$312,472

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Community Development Block Grant (CDBG)

1 active grant in infrastructure
capital outlay per entity

2 years to complete project

\$500K maximum funding

Required to meet program
guidelines set by Department
of Housing & Urban
Development

***Agua Fria Community
Center - 2004 Grantee
\$300,000***

Other

Grants

State

Federal

Private

Private Project Funding
Agreements

General Obligation Bonds

Other – cont.

Grants – Santa Fe County continues to research, coordinate and apply for capital outlay grants. Past grant awards have been received for development of the Spur Trail, Cundiyo Water Project, San Ysidro-Santa Fe River Restoration Project.

Issues remain with type, number and match requirements for grants

Other – cont.

Private Project Funding Agreements – Santa Fe County has utilized this tool to develop the Youth Shelters and Family Services PHI, Vista Grande Library PHII and Arroyo Seco Teen Center PHII

Other – cont.

General Obligation Bonds –

Santa Fe County requested authorization for \$72.5 M in bonds from the electoral on November 2, 2004.

The County received overwhelming approval of three general obligation bonds:

Road Projects -	\$20M
Water Projects -	\$51M
Fire Safety -	\$1.5M

2005 Strategy

strategy – ***“a careful plan
or method for achieving
an end”***

2005 Strategy Phase I:

Develop 2005-2009 ICIP

Prioritize projects based upon
community, staff and
governing body
recommendations

Approve (by resolution) ICIP

Submit plan to Department of
Finance & Administration

2005 Total ICIP Project

Request \$60,224,410

2005 Strategy

Phase II:

Identify projects that currently have existing funding

Determine budget shortfalls

Prioritize (based upon ICIP) projects for completion

Develop funding options

Secure funding for project completion

Project Synopsis Roads - ICIP

Project	Comm. District	Included In ICIP	ICIP Ranking	Existing Funding	Required Funding	Source
County Road 42	3	Y	1	0	975,000	NM Leg 2005 GOB
El Silio Road (CR88A)	1	Y	2	0	80,000	SFC 1/4% GRT
Agua Fria PH III	2	Y	4	25,000	*1,800,000	NM Leg GOB 1/4% GRT
South Meadows Bridge/Road Improvements	2	Y	5	0	2,000,000	NM Leg GOB Reg 1/4%
Camino Bajo (CR45A)	5	Y	6	0	128,000	2005 GOB SFC
County Road 44A-B	5	Y	7	0	52,000	1/4% GRT
La Puebla Drainage Basin	1	Y	8	0	235,000	2005 GOB
County Road 98	1	Y	9	0	800,000	2005 GOB
Los Pinos Rd (CR54)	3	Y	10	0	1,000,000	2005 GOB
La Barberia Rd	4	Y	11	0	28,500	SFC 1/4% GRT
Churchill Road	5	Y	12	0	85,000	SFC 1/4% GRT
Wheat Rd (CR86A)	1	Y	13	0	44,000	SFC 1/4% GRT
Gun Barrel Rd (CR86B)	1	Y	14	0	51,000	SFC 1/4% GRT
Paseo de la Tierra	2	Y	15	0	330,000	2005 GOB

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Project Synopsis Roads - Oden/Miller Study

January 2003 County
presented Road Condition and
Improvement Plan

Plan identified all County
maintained roads, current
condition and estimated costs
for improvement in three
maintenance districts

Estimated Costs:

District 1	\$2,769,380
District 2	\$5,323,300
District 3	<u>\$4,333,455</u>
	\$12,426,135

Project Synopsis – Water & Wastewater

Project	Comm. District	Included in ICIP	ICIP Rating	Existing Funding	Required Funding	Source
Chimayo/Santa Cruz Trunk Line	1	Y			2,000,000	2005 GOB
Acequia Rehabilitation Program	1	Y		0	500,000	SFC 1/4%GRT
La Cienega MDWCA	3	Y		250,000	250,000	2005 GOB
Canoncito MDWCA	4	Y		0	300,000	2005 GOB
El Dorado Water Utility	5	Y		0	3,000,000	2005 GOB
Cundiyo MDWCA	1	Y		100,000	85,000	SFC 1/4%GRT
Chimayo MDWCA	1	Y		50,000	250,000	SFC 1/4%GRT
Cuatro Villas MDWCA	1	Y		0	250,000	SFC 1/4%GRT
Edgewood Wastewater Treatment Plan	3	N	N	0	2,000,000	SFC 1/4%GRT
Pojoaque Wastewater Treatment Facility	1	Y		0	1,000,000	SFC 1/4%GRT
Desalination Project	3	N	N	0	3,000,000	05 GOB SFC 1/4%
Buckman Direct Diversion	CW	Y			30,000,000	2005 GOB
Chupadero MDWCA	1	Y		0	550,000	SFC 1/4%GRT
El Vadito MDWCA	3	Y		0	475,000	SFC 1/4%GRT
Development of County Water System	CW	Y			5,000,000	2005 GOB
Chimayo Wastewater Fac.	1	Y		0	1,400,000	SFC 1/4%GRT
Canada de los Alamos Water System	4	N	N	0	300,000	SFC 1/4%GRT
Arroyo Hria PHII	2	Y		0	500,000	05 GOB SFC 1/4%

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Project Synopsis - Facilities

Project	Comm. District	Included in ICIP	ICIP Ranking	Existing Funding	Required Funding	Source
Youth Development Facility	CW	Yes	1	382,000	750,000	NM Leg. 2005
Public Works Facility	CW	Yes	1	4,000,000	4,000,000	GOB
Stanley Youth Ag. Facility Fair Grounds	3	Yes	2	61,500	475,000	NM Leg.
Santa Fe County Fair Grounds	2	Yes	1	100,000	500,000	NM Leg.
Arroyo Seco Teen Center	1	Yes	1	0	165,000	NM Leg.
Pojoaque Valley Community/Senior Center	1	Yes	2	0	125,000	NM Leg.
Edgewood Senior Center Addition	3	Yes	2	0	265,000	NM Leg.
Esperanza Shelter	2	No	N/A	0	750,000	NM Leg.
Women's Health	2	No	N/A	0	1,000,000	NM Leg.
County Administration Complex	TBD	Yes	2	0	20,000,000	
1st Judicial Court House	TBD	Yes	2	100,000	25,000,000	

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Recommended Facility Projects

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Youth Development Facility

Project Description: Interior/Exterior capital improvements to the facility.

Project Benefit: Provides the County the ability to utilize areas of the facility that are not currently occupied or utilized by the Detention Facility operations for potential Community based, social and health related programs.

Existing Funding: \$382,000 – State Appropriation & County ¼% CGRT

ICIP Priority Rank: 1

Commission District: CW

Estimated Funding Request: \$750,000

Proposed Funding Source: *Legislative Process 2005 Session*

Public Works Facility

Project Description: Construction and equipping of a new consolidated County Public Works Facility. The new facility will house the Public Works Administrative, Fleet Maintenance, Project Development, Solid Waste Management and Traffic Engineering functions.

Project Benefits: Provides for a consolidated modern and functional facility.

Existing Funding: \$4,000,000 –
2001 General Obligation Bond

ICIP Priority Rank: 1

Commission District: 2

Estimated Funding Request: \$4,000,000

Proposed Funding Source: *2005 General
Obligation Bond*

Implementation Schedule: Complete
Internal review of const doc's and preliminary
CID review. Prepare bid and let construction
March 2005

Stanley Fair Grounds Youth Ag. Facility

Project Description: Acquire land for, planning, design, and construction of a new southern Santa Fe County fair grounds and youth agricultural facility.

Project Benefits: Provide a southern Santa Fe County fair ground and youth agricultural complex.

Existing Funding: \$61,500 – State Appropriation & County ¼% GRT

ICIP Priority Rank: 2

Commission District: 3

Estimated Funding Request: \$475,000

Proposed Funding Source: *Legislative Process 2005 Session*

Santa Fe County Fair Grounds

Project Description: Planning, design, engineering and construction of new facilities and infrastructure for the Fair Grounds.

Project Benefit: Provide enhanced/functional facilities for use by County residents.

Existing Funding: \$100,000.00

ICIP Priority Rank: 1

Commission District: 5

Current Status/Readiness: Master Plan Developed

Estimated Funding Request: \$500,000

Proposed Funding Source: *Legislative Process 2005 Session*

Arroyo Seco Teen Center PHIII

Project Description: Planning, design, engineering, equipping and construction of Phase III of the teen center located within the community of Arroyo Seco.

Project Benefit: Provide enhanced/functional facilities for use by youth in around the communities of Arroyo Seco and La Puebla.

Existing Funding: \$00.00

ICIP Priority Rank: 1

Commission District: 1

Current Status/Readiness: Master Plan Developed

Estimated Funding Request: \$165,000

Proposed Funding Source: *Legislative Process 2005 Session*

Pojoaque Valley Community/Senior Center

Project Description: Acquire land for, planning, design, construction and equipping of a new community center for the Pojoaque Valley.

Project Benefits: Provide a community facility for residents in the Pojoaque Valley.

Existing Funding: \$00.00

ICIP Priority Rank: 2

Commission District: 1

Current Status/Project Readiness: N/A

Estimated Funding Request: \$125,000 for potential acquisition, planning and design.

Proposed Funding Source: *Legislative Process 2005 Session*

Edgewood Senior Center Addition

Project Description: Planning, design, construction and equipping of a new addition to the Edgewood Senior Center.

Project Benefits: Provide a functional addition for senior resident activities at the senior center.

Existing Funding: \$00.00

ICIP Priority Rank: 2

Commission District: 3

Current Status/Readiness: Preliminary programming and floor plan developed.

Estimated Funding Request: \$265,000

Proposed Funding Source: *Legislative Process 2005 Session*

Esperanza Shelter

Project Description: Acquire land for, planning, design, construction and equipping of new a administration and counseling facility.

Existing Funding: \$00.00

ICIP Priority Rank: N/A

Commission District: 2

Estimated Funding Request: \$3,000,000

Proposed Funding Source: *Legislative*

Process 2005 Session

Women's Health Services

Project Description: Acquisition, planning, design, construction and equipping of the Women's Health Services Facility.

Existing Funding: \$00.00

ICIP Priority Rank: N/A

Commission District:

Estimated Funding Request: \$3,000,000

Proposed Funding Source: *Legislative Process 2005 Session*

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County-Judicial Complex

Project Description: Acquisition, planning, design, construction and equipping of a new County Administration Building and 1st Judicial Court House.

Existing Funding: \$100,000.00

ICIP Priority Rank: 2

Commission District: TBD

Estimated Funding Request: \$45,000,000

Proposed Funding Source: *Revenue Bonds by pledging 1/4% GRT for debt service payments.*

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Recommended Process Water & Wastewater

Finalize schedules for ALL projects that are funded with 97' GOB, 03' & 04' ¼% GRT – December 2004

Identify ***process*** for providing funding i.e. grant process, partnership/ownership of system, requirements for receiving funding

Determine process for completion of projects i.e. internal project, contracted project(s) – January 2005

Prepare project schedules to include engineering services, bid schedule (or internal implementation), bid draw down schedule - March 2005

Sale of Bonds - July 2005