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Date: 6.12.17 Time: 8:14 am
By: Anna Bacca

Board of County Commissioners of Santa Fe County
City Council of the City of Santa Fe
Joint Meeting

County Commission Chambers
County Administrative Building
102 Grant Avenue
Santa Fe NM 87501

June 15, 2017
10:00 a.m. – 2:00 p.m.

Please turn off cellular phones during the meeting.

Amended Agenda

I. **Opening Business**
- **A. Call to Order**
- **B. Roll Call**
- **C. Pledge of Allegiance**
- **D. State Pledge**
- **E. Moment of Reflection**
- **F. Approval of Agenda (Action Item)**
  1. **Amendments**
  2. **Tabled or Withdrawn Items**

II. **Introductions**

III. **Discussion Topics (5 minutes each with overview provided)**
- **A. Regional Emergency Communication Center (Ken Martinez, RECC Director)**
- **B. Gross Receipts Tax (Don Moya, County Finance Director/Adam Johnson, City Finance Director)**
- **C. Regional Water Authority (Mike Kelley, County Public Works Director/Andrew Erdmann, City Water Resources Coordinator)**

D. **Annexation (Rachel Brown, Deputy County Attorney/Marcos Martinez, Assistant City Attorney)**
E. **City and County Growth Management Planning (Penny Ellis-Green, County Land Use Administrator/Lisa Martinez, City Land Use Director)**

IV. **Open Dialogue**

V. **Next Steps**
A. **Public Community Survey**
B. **Options for Future Meetings (*Item Added*)**

VI. **Public Comment**

VII. **Adjournment**

Santa Fe County makes every practical effort to assure that auxiliary aids or services are available for meetings and programs. Individuals who would like to request auxiliary aids or services should contact Santa Fe County Manager's Office at (505) 986-6200 in advance to discuss specific needs (e.g., interpreters for the hearing impaired or readers for the sight impaired).

CITY CLERK'S OFFICE
DATE 6/8/17 TIME 2:20
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Posted at the Santa Fe County Administrative Building
Date: 6.8.17 Time: 9:48 am
By:

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City Council of the City of Santa Fe
Joint Meeting

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County Administrative Building
102 Grant Avenue
Santa Fe NM 87501

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SPECIAL JOINT MEETING

SANTA FE COUNTY
&
CITY OF SANTA FE

GOVERNING BODIES

June 15, 2017

I. Opening Business

A. This joint meeting of the Santa Fe Board of County Commissioners and City of Santa Fe Council was called to order at approximately 10:15 am by Commission Chair Henry Roybal in the Santa Fe County Commission Chambers, 102 Grant Street Santa Fe, New Mexico.

B. Roll Call

Roll was called by County Clerk Geraldine Salazar and indicated the presence of a quorum for both bodies as follows:

County Members Present:
Commissioner Henry Roybal, Chair
Commissioner Anna Hansen, Vice Chair
Commissioner Anna Hamilton
Commissioner Ed Moreno
Commissioner Robert A. Anaya [late arrival]

County Member(s) Excused:
None

City Members Present:
Mayor Javier M. Gonzales
Councilor Signe I. Lindell, Mayor Pro-Tem
Councilor Carmichael Dominguez
Councilor Mike Harris
Councilor Joseph M Maestas
Councilor Christopher M. Rivera
Councilor Ronald S. Trujillo
Councilor Renee D. Villarreal

City Member(s) Excused:
Councilor Peter N. Ives

County & City Staff:
Katherine Miller, County Manager
Renee Martinez, Deputy City Manager
Robert Garcia, Santa Fe County Sheriff

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Mark Trujillo, Española City Manager
Rachel Brown, Deputy County Attorney
Lisa Martinez, City Land Use Director
Penny Ellis-Green, County Land Use
Adam Johnson, City Finance Director
Don Moya, County Finance Director
Mike Kelley, County Public Works Director

C. Pledge of Allegiance
D. State Pledge
E. Moment of Reflection

The Pledge of Allegiance, the State Pledge and the Moment of Reflection were provided by the County Manager's Office.

F. Approval of Agenda
1. Amendments
2. Tabled or Withdrawn Items

Councilor Dominguez requested the removal of item III.C, Regional Water Authority, from the agenda. At this time the issue is moving through the City's committee process.

Councilor Dominguez moved to approve the agenda as amended. Councilor Maestas seconded.

During discussion Commissioner Hansen pointed out that III.C is a presentation item and discussion is optional.

County Manager Miller said neither action nor direction was contemplated on any of the discussion/presentation items listed under III. Santa Fe County has passed a few resolutions endorsing regional water and this agenda item presented that information.

Commissioner Hamilton said it was hoped placing the item on the agenda would foster further future discussions.

Councilor Maestas said that he is currently the sponsor of a resolution establishing a position on a regional water authority. The City's staff has been developing a white paper to establish a policy position on regionalizing water. At this point, it would be premature for the City to engage in discussions regarding this topic since few of the Councilors are familiar with the topic.

Mayor Gonzales suggested that the opportunity of today's joint session and hearing the County's presentation may better inform the City during its deliberations regarding regionalization. Stating he appreciates the leadership Council Maestas is taking in moving this item within the City, hearing the voice of the County is a critical component in formulating policy.

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Councilor Dominguez amended his motion to include III.C limited to the County's presentation. Councilor Maestas accepted.

Commissioner Hansen thanked the Councilors for including III.C and stated it will be advantageous for the governing bodies to hear the presentation.

Councilor Villarreal concurred with Commissioner Hansen and noted that the City's proposed resolution and white paper were included within today's packet materials.

The motion passed without opposition.

II. Introductions

Those present introduced themselves.

[The following is an edited transcript of the meeting. In an effort to condense and eliminate redundancy this record does not reflect that all speakers were recognized by the Chair prior to speaking and that the Chair introduced each agenda items and presenters of that item.]

III. Discussion Topics

County Manager Miller said she and the City Manager, City Deputy Manager and County Deputy Manager developed the agenda together and focused on items that have been discussed in the past that continue to have outstanding issues. County and City Staff will make presentations providing the perspectives of the two entities. The packet material is divided by subject matter and again by entity. Procedurally, staff will provide presentations to be followed with questions of the governing bodies. The Councilors and Commissioners are encouraged to suggest future agenda items and discuss how the entities can together move forward.

A. Regional Emergency Communication Center

KEN MARTINEZ (RECC Director): The RECC, the Santa Fe Regional Emergency Communication Center, the 911 Center that serves Santa Fe City, Santa Fe County for all communications: fire, emergency, law enforcement, medical services. We handle all the 911 calls that happens in both jurisdictions and dispatch the appropriate resources…The packet materials provides a history and the evolution of the Santa Fe Regional Communication Center since the time established in 2002 and then it leads you through again the evolution of the different amendments that were made to the Joint Powers Agreement that created the RECC. And those amendments were to one, in include the Town of Edgewood as a client agency and provided their Chief of Police with a seat on the Board of Directors and the second major amendment was one that affected

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the structure and governance of the center, and effectively made the RECC which had been established as a separate, quasi-governmental entity providing communications underneath the a board of directors made up of representatives from both the City and the County and the Town of Edgewood, basically turned the center into a division of the County. So the white papers will lead you through that evolution and how that created the division that the RECC is now under the County structure and some of the issues and concerns and difficulties that the RECC has had as a result of those changes to the JPA.

These white papers were drafted to be presented to both the City and the County but the County took this draft white paper to the City in the summer of 2015 and it was presented by a couple of our Commissioners, Commissioner Roybal and Commissioner Anaya, Chief Sperling, chief of the Fire Department, myself and representatives of the Sheriff's Office to the City to present the difficulties and show how we believe that a renegotiation of the JPA might have been in order.

At that time, the issue of RECC had been brought up several times in joint City-County meetings as Manager Miller mentioned earlier, between 2010 and 2014. But also, as she mentioned, it was thrown in amongst several other items and issues and never was quite discussed and none of the issues were resolved. And so the question at hand is the renegotiation of the JPA has been discussed between Manager Miller and City Manager Brian Snyder and they seem to be open to the possibility of discussing ways that the governing bodies might be able to renegotiate the terms of the JPA to maybe consider a change to the structure and governance of that board and also to help come up with an idea to solve some of the funding issues that have been the crux of the challenges that the RECC has faced over the years.

I have been director of the center since 2007, I began with then in 2006. Up until the time that the JPA amendment took place, the structure, governance and funding of the RECC was clearly defined. As a result of the changes to the JPA, the structure, funding and the governance became kind of ambiguous and so there they been difficulties even amongst the RECC board members who are made u of the City Manager, County Manager, the chiefs of all the agencies both fire City and County, the police Chief, the Sheriff, and of course we've got a representative that is a civilian at-large that sits on that board and then the chief of the police department in Edgewood. So those eight members make decisions that concern the operations of the RECC and, of course, they oversee me as the director. But the funding for capital improvements, the funding for maintenance agreements, the funding for operations, those issues have been ones that need to be discussed and resolved. So this white paper outlines those and hopefully provides an avenue by which we can come to an agreement and look at those issues and then move forward in that direction.

I believe that the white papers are self-explanatory but as Manager Miller mentioned, at the end of all presentations I will be available and stand for any questions that you all might have regarding the RECC's operations and structures.

COUNCILOR DOMINGUEZ: Just a question real quickly. Thank you for the presentation. On the draft white paper, and Councilor Rivera maybe you can help me with this and certainly Councilor Trujillo because they were around at that time, it talks about the City of Santa Fe, the second paragraph down, halfway through, it says the City of Santa Fe objected to the imposition of the proposed tax unless the County

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dedicated funds to entire cost of operations of the center. And I think it was a much more complicated issue than that. I think it was a tough negotiation even between City and County staffs at the time and that wasn't the only issue that the City had at that time in opposition to the proposed tax. So I just want to make the record clear that that sentence right there is not necessarily entirely true.

COMMISSIONER HANSEN: Can you please tell me exactly, again, where that is in the JPA?

COUNCILOR DOMINGUEZ: It's in the draft white paper about the second paragraph, about halfway through. And it starts with the City of Santa Fe objected to the imposition of the proposed tax unless the County dedicated funds to entire cost of operations of the center. Certainly, the center was a point of discussion and part of the negotiation unless someone can remind me differently.

COMMISSIONER ANAYA: Mr. Chair, respectfully, Councilor Dominguez, we don't have about probably 48 hours that it would take to go through every document associated with the regional dispatch. I think it's a very complex item but I think it was probably about 2011 we did have numerous discussions here and I also went with Commissioner Roybal to I think your committee, Finance, and I believe Public Works. So I would just say on the record if we're going to encapsulate the full brunt of the discussion then let's make sure that we have the minutes that reflect that full discussion, respectfully, let's include those as an informational piece for all members current associated with that particularly item, Thank you, Mr. Chair.

COUNCILOR MAESTAS: I guess before we move onto another topic, does the City have a position on the County's white paper?

MS. MARTINEZ: Mr. Chair, Councilor Maestas, no we did not prepare a position for this topic.

COUNCILOR RIVERA: Along with the minutes from the meeting that took place in both Finance and Public Works, it would also be nice to have the original agreement that was signed by the County back when the tax was imposed to see exactly what was agreed to at that time. If it's in here, I haven't seen it. Did you guys include it, Katherine, in the packet?

MS. MILLER: Mr. Chair, Councilor, I believe that both the first amendment and the second amendment are in there. The second amendment – the second amended JPA is the agreement that resulted out of that tax being imposed and the discussions that Councilor Dominguez was referring to. So that second amendment and restated Joint Powers Agreement is the current agreement and that is the one that came out of the results of that tax being imposed and the discussions between the City and the County.

COUNICLOR RIVERA: Yeah, so there was a letter written, I believe, on County letterhead that was sent to the City that's what I'm referring to that outlined the overall agreement that then led to the second and amended JPA so if we could include that, that would be helpful. Thank you, Mr. Chair.

MAYOR GONZALES: Thank you, Mr. Chairman. Just a quick set of questions for Katherine. What is the current dedicated tax generate annually and does that include the City geographic gross receipt?

MS. MILLER: Mr. Chair, Mayor Gonzales, yeah, the current tax that is in

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place for the quarter cent that goes across municipal boundaries as well as in the unincorporated areas I believe that particular tax generates around $8.5 million to $9 million annually and the last budget that we did – the average budget for RECC has been $3.5 million over the last few years. It has gone up and down depending on capital and other items but it's probably around $3.5 million to $3.8 million right now and the tax was put in place by the voters to support both the RECC – so tax by law can go into effect for three things. It's for regional dispatch, emergency medical services and for behavioral health. When the County went to the voters it was for the two, regional dispatch and for emergency services and so that's all that it is legally authorized to be spent on. It's split between the two.

What the white paper basically says though is that it was never an amount dedicated.

MAYOR GONZALES: So the question to the voters was open ended in terms of what the distribution would be between the two areas.

MS. MILLER: That's true, Mayor, yes.

MAYOR GONZALES: So of the $8.5 to $9 million do you have an estimate of what the government entity participation would be: City of Española, Santa Fe County, City of Santa Fe and City of Edgewood. Do we know what the contribution of each of the entities are?

MS. MILLER: In the GRT, Mr. Chair, Mayor Gonzales, we can figure it out for the City of Santa Fe. It is very difficult for us to figure Edgewood and Española because they are in two counties so we can't tell and we don't get that data. We can probably roughly figure it out but I'd have to look at –

MAYOR GONZALES: What would the City's contribution be of the $8.5 to $9 million?

MS. MILLER: Mr. Chair, we'd probably have to ask Adam what a quarter cent tax generates inside the City limits – 7.8 million, okay.

MAYOR GONZALES: Okay, $7.8 million annually is put in basically by City transactions that are occurring that include this quarter cent dedicated revenue for the RECC and emergency services.

MS. MILLER: Mr. Chair, Mayor, it's correct that most revenue is generated within municipal boundaries because there's were economic development happens on the edge usually annexed. So in the County if you were looking at quarter cent GRT not in any municipal area it's about $1.4 million so you can figure anything else of that $8.9 to $9 million is within one of the cities, yes.

MAYOR GONZALES: So this agreement between the City and the County to cover the $3.5 to $3.8 million originally was set up to share capital costs 50-50 and operational costs would be split – what's the 69 and 31 percent?

MS. MILLER: Mr. Chair, Mayor Gonzales, that is based on the call volume. So call volume generated in the center at that time was 69 percent were City residents or City calls and the other 31 percent were the County's calls.

MAYOR GONZALES: What is it currently; the call volume?

MS. MILLER: It's about the same.

MAYOR GONZALES: So to be clear about the County's concern over the current arrangement that I'm assuming is – the County absorbs all of the capital costs;

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is that right? And the City supports 70 percent of the --

MS. MILLER: Mr. Chair, Mayor, the County absorbs all operational costs.

MAYOR GONZALES: All operational costs. So the –

MS. MILLER: And capital is still split between the entities and now that Edgewood is in there it's a little different.

MAYOR GONZALES: So you're the fiscal agent. You collect all $7.8 million from the City; is that correct?

MS. MILLER: Mr. Chair, we collect for – the State distributes us, we don't collect the entire county, whatever is inside the boundary of the County which is about $8.5 to $9 million.

MAYOR GONZALES: But as the fiscal agent you would be the recipient of City participation revenues; right?

MS. MILLER: The taxes is a County tax and the way the statute is written for that tax to be implemented it has to go for regional dispatch and so we do have to be a joint dispatch, City and County, and it goes across both municipal and unincorporated areas and we receive that distribution from the State.

MAYOR GONZALES: So in your budget annually, the $7.8 million or the total GRT revenue comes into the County of that it includes the municipal participations, Española, Santa Fe and Edgewood, and then you basically make an allocation to cover. You pay for costs of the operations of the regional dispatch, right, out of that entire amount and basically we share the capital costs.

MS. MILLER: Mr. Chair, Mayor, that is correct.

MAYOR GONZALES: So is it the position of the County that that would be modified where you would still collect the quarter cent gross receipts tax and be the fiscal agent of that, we would share the 50 percent but then the $3.5 to $3.8 million would be paid for 80 percent by the City? So you would like to negotiate something with the City where we would come to the table with 70 percent of the operational costs.

MS. MILLER: Mr. Chair, Mayor, no, that's not what was proposed. It was that there would be a cap of how much went to the center of that tax and that's one of the things that has never been negotiated.

MAYOR GONZALES: Okay.

MS. MILLER: And, Mr. Chair, the purpose for that is what's difficult and it's in the white paper, is that that competes with our Fire Department. So every dollar that is generated there when you're looking at a new dollar; does it go to the dispatch or does it go to our Fire Department? And as it currently stands under the way the agreement sits, the City has no say in that because it's part of the County, it's a division of the County and it's a budget decision by the County Commission, but the City is a partner in that. But the way that the JPA was modified really doesn't allow for the RECC Board to have any say in it, ultimate say, nor does it allow for the City to participate in that decision.

MAYOR GONZALES: Is this the only dedicated source of revenue for your Fire Department?

MS. MILLER: Mr. Chair, Mayor, for operations, this is the primary source of operations. There are taxes but they are not allowed for salaries and benefits.

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There are other funds and there is one other increment and that will be in the next presentation. There are two GRT increments that do go towards are fire department that are cross municipal boundaries. There's one outside that cannot be used for staff.

MAYOR GONZALES: So there are about three sources of revenues that go to the fire department that go across boundaries.

MS. MILLER: Mr. Chair, there are two sources that are in the GRT.

MAYOR GONZALES: Thank you.

CHAIR ROYBAL: Thank you. We're going to go ahead and go to the rest of the presentations and save questions and comments and discussion until last.

B. Gross Receipts Tax

County Finance Director Don Moya introduced information regarding the GRT in general received by the County and dispel myths and rumors:

MR. DON MOYA: The total combined rate of all of the County ordinances including the gross receipts tax of the state of 5.125 percent is 7 percent – that's an important number to remember. The County's total gross receipts tax rate is 7 percent. If you subtract the State's 5.125 percent what remains is 1.875 percent which represents actually what comes to the County as a whole in terms of gross receipts tax. A more detailed examination of that 1.875 percent reveals that about 1.375 percent is the portion of the gross receipts tax within the City of Santa Fe boundaries. With the remaining .5 percent representing the three gross receipts taxes outside of the City limits also known as the unincorporated area. It's important to note that those three GRTs are the maximum number of GRTs allowed by current State statute. They are the current quarter cent fire excise tax which we just discussed, the one-eighth cent infrastructure gross receipts tax and the one-eighth cent environmental gross receipts tax. If we dig down a little deeper what remains it terms of uses of that 1.875 subtracting the State's piece, less than 1 percent or about .076 is what is actually available for Santa Fe County operations. The dollar amount associated with that .07 percent is approximately $6.8 million as shown on the table on page 5.

The 6.8 million represents about 15 percent of the total $43.3 million generated by that 7 percent. The remaining 85 percent or $36.5 million is restricted for use by statute, referendum or often times both. This is illustrated in the tables and pie charts on pages 3 through 5.

What is currently under consideration by the County Commission are two available increments. The first increment being considered is referred to as a Safety Net Care Pool. This was first authorized by the State of New Mexico for imposition in the form of a one-sixteenth or a one-twelfth. The state authorized this imposition of a 1 percent increment of gross receipts tax by counties when the state created the Safety Net Care Pool. The legislation requires a contribution from Santa Fe County of an amount equal to one-twelfth of 1 percent for Santa Fe County's countywide gross receipts tax collection annually. That amount is approximately $3.1 million in 2017.

Santa Fe County has been paying this required contribution since FY 16 from the Healthcare Assistance Fund at the expense of other County healthcare programs. Authorization for imposition of the one-sixteenth or the one-twelfth increment expires on

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The second increment being considered for imposition is for public safety and behavioral health services is the second one-eighth hold harmless increment authorized by the State in 2013. Santa Fe County implemented the first one-eighth hold harmless in 2016 for replacing the loss of hold harmless distributions from the state as well as financing a courthouse demolition, construction and remodel of the County administration offices in downtown Santa Fe.

The Board of County Commissioners is not currently considering the imposition of the third one-eighth hold harmless increment.

The attached spreadsheets on pages 7 through 9 of this particular presentation show the planned expenditures for the two increments under consideration and the variations of the increments as standalone proposals or combinations. There are several possible scenarios for imposition of only a one-sixteenth, only a one-twelfth, only a one-eighth or a one-eighth and a one-sixteenth combined. Each proposals shows what the proposed expenses or uses of the revenues of those particular scenarios. And it is also important to note what the revenue would be for FY 2018 and the full year of revenue which actually wouldn't be realized until 2019.

That's basically it, Mr. Chair, Councilors, Commissioners, Mayor Gonzales, Manager Miller. If you'd like I could take you through the pie charts as well as the table on page 5. The first pie chart on page 4, there are two pie charts that basically show what I spoke of to begin with which is the 7 percent and in the orange area you'll see the 5.125 percent that is captured by the state and what is remaining is 1.875. The one just below that basically cuts out the fire excise tax, the infrastructure and the environmental which are the three maximum allowable taxes in the unincorporated area which leaves the 1.375 County gross receipts tax rate within the City.

On page is a larger pie chart showing essentially all of the gross receipts tax that have been implemented by the County as well as some additional information on what actually flows to the County, what is captured by the State and what particular uses of those gross receipts tax are.

Finally, on page 5, what you'll see is again more detailed analysis of all the gross receipts taxes that have been implemented by the County but it also associates a dollar amount or an approximate dollar amount. We used budgeted numbers for FY 18 in this particular case. They are relatively conservative as I always like to plan for the worst and hope for the best. It's always good to deliver good news. And then it further distills that information down into categories. What can be used for County operations, what's capital and infrastructure, public safety and health and then in the blue area are basically dedicated streams of revenue that cannot be used for anything else.

Finally, it takes it in the lower right-hand corner of page 5, pulling out that piece that increment that is strictly for district court building and operations of $2.4 million and you'll see where the $6.8 million which is about the 15 percent of the $43.3 million is available for County operations.

The proposed GRTs are on pages – on page 6 you'll see a little bit more about the authorization of the proposed GRTs where that comes from. Then on pages 7, 8, and 9 are the different scenarios. You have the proposed one-sixteenth gross receipts tax increment and all of the associated uses. You'll see that it's all for public safety as well

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as for behavioral health. Primarily, actually all, for FTE primarily in public safety. The proposed one-sixteenth increment will generate about $2.2 million when fully implemented. In FY 18 revenue generated will be about $767,000.

The proposed one-twelfth increment, again, is dedicated toward public safety and behavioral health. The total community services or behavioral health is $1.5 million, total public safety and community services $3 million on the one-twelfth.

The proposed one-eighth on page 8, again, you'll see the fire department, sheriff department, RECC, $2.2 million for behavioral health and admin support. I think it's important to note and I don't want anybody to take this any other way, but as you add more staff, as you add more public safety staff – you have to add the incremental additional to finance, to legal, to support those functions. So it does include, a modest amount of it is administrative support to support the additional FTEs.

Finally, on page 9 is the combination of the proposed one-eighth and the one-sixteenth increments and what particular uses that those will be. There is an amount that will – an unallocated amount is what I used but it basically has not been budgeted because it won't be realized until 2019 but upon realization of those revenues it will only be budgeted toward the expenditures of public safety which includes sheriff, fire department and corrections and behavioral health services. Total expenditures for the proposed combination of the one-eighth and the one-sixteenth is 6.9 million.

Manager Miller, did I leave anything out? At this point I turn it over to my colleague, Adam Johnson.

ADAM JOHNSON (City Finance Director): Good morning, Commissioners, Councilors, Mayor, may name is Adam Johnson. I'm the City of Santa Fe's Finance Director. I am also formerly the Santa Fe County Budget Administrator so I am familiar with the chambers. I'm not familiar with the new Commissioners, so congratulations. It is nice to see you.

Today I have brought forth a significant amount of information to help support any conversation that takes place here today. I did hand out a packet that somewhat reorganized the material that is in your packet. I also brought some additional source document information that I thought might be helpful and I did distribute that to everybody. I did provide all of the enactment tables provided by the State of New Mexico, Department of Taxation and Revenue that helps us understand what increments are available to both the City and the County and which ones of those increments are either countywide or in the unincorporated areas only and that's the table in the packet I handed out and it's not in your binder. In addition to that information I've also provided two source documents from the State of New Mexico that are essentially recreations of the statutes that give the legally allowable uses of all of the increments at a statewide level. Both the City and the County are also able to essentially restrict or further customize the way that they may use those gross receipts taxes but this is where it begins at the state level and I have provided both of those documents in the event that they may be useful for any discussion that takes place. The cover of the packet that I handed out and stapled is a breakdown of the 8.3125 percent that the citizens and residents within the City boundary, the City limits do pay on taxable gross receipts. It does detail all of the increments that are both for the County and for the City again across the entire County and how much those generate. As many may know, the City of Santa Fe depends much

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more heavily upon gross receipts tax based upon the structure of the allowable property tax that can be given to the City's revenue base.

So the first page simply details all of those various increments in the exact same format as the State of New Mexico provides so that we are all speaking a common language because you can quickly start to call things public safety increments when that's not actually the correct name for the increments.

The majority of the information that is simple to understand is provided in your packet that pulls out – it's also in the big packet, but this spreadsheet details the gross receipts tax that is distributed both to the State, to the County and to the City of Santa Fe and you can see in the first pie chart the 8.3125 generates approximately $289 million. The second pie chart illustrates that $178.4 million of that goes to the State of New Mexico and approximately 63.1 to the City of Santa Fe and 47.8 to Santa Fe County. We show then next the green pie chart below that which has the State retained amount of 153 million of which they give back to the City of Santa Fe what is known as State Shared Gross Receipts Tax which actually has an interesting history of them being so nice to share it with us when we actually generate it before they actually started calling it that.

The pie chart on the top right illustrates of the increments that the City of Santa Fe receives what those specific increments are, what their various titles and the amount of gross receipts tax that each of them generate. Below that in red is a pie chart of the exact same thing for Santa Fe County. If you turn over to the next page, these actually do go together, unfortunately I didn't have large enough paper to put them all on one sheet. It shows the dedication has to how it is distributed to the various areas for the City of Santa Fe and you'll see that 66.5 goes to general operation and then the various other areas of the City that receive gross receipts tax, you'll see going back to my earlier comment about the City and the County being able to customize their gross receipts taxes. The City of Santa Fe uses a portion for quality of life and for transit and also for the rail yard within the general operations you see a breakout of the economic development, the children and youth programs, and human services.

The last piece of information that I thought would be useful for the group for their discussion is a memo that I wrote back in October 2016, it's also on your desk. It's essentially a discussion about 15 years of historical gross receipts tax. Because the City of Santa Fe is essentially the gorilla in the room when it comes to economic activity, the analysis would hold true for the fluctuations that you see in the gross receipts tax. As you probably note the major swings in the gross receipts tax have been difficult challenge for the City in the past and we are working to diversify our revenue and also to better understand our revenue to make sure that we are budgeting those appropriately when we consider them recurring versus non-recurring. And with that I stand for questions.

CHAIR ROYBAL: We'll do questions at the end.

COUNCILOR DOMINGUEZ: I just want a real quick clarification. Tell me again what you meant about how emergency – I didn't quite catch everything you said about how it is defined.

MR. JOHNSON: Mr. Chairman, Councilor Dominguez, if you look at that front page in your packet that I handed out and/or the fourth page in your packet, it's this sheet here. Essentially, what I'm showing is that the discussion earlier was about the use of the emergency communications and medical services increment that the County

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has dedicated to the RECC and is also being shared with their fire operations. The only point that I'm making is making sure that we're speaking the same language about what those increments are called and so on there you'll see that's it's not – well, in summation it's a quarter percent the tax is actually allowed to be enacted in sixteenths that make up the quarter percent and you'll see that in the center of the page which each of those generating – and I'm pleased to see that our numbers are almost exactly the same – they generate just over 8.5 million and they are made up of those four different sixteenths.

C. Regional Water Authority

MIKE KELLEY (County Public Works Director): My presentation is intended to provide a brief background on regionalization and to emphasize that the County has been asking for a dialogue on this topic for some time.

Starting back in 2000 the City and the County entered into a JPA to created the Regional Planning Authority. The RPA was created as a mechanism for the City and County to pursue joint interests such as growth management, zoning, planning, land use planning, water and other infrastructure needs. The RPA met once a month and the board consisted of four City Council members and four County Commissioners. This JPA was amended xix times during 2000 and 2008. In 2006 the JPA was amended and the focus of the RPA was geared more toward annexation issues. Around 2011 interest in the RPA waned and the meetings stopped. Since 2013, the City and County have held three joint meetings: one in June 2013, a second in October 2014 and a third in February 2015.

During the meeting in 2015 part of the discussion revolved around the transfer of utility customers related to the annexation. No discussion related to regionalization occurred during this meeting. The topic of discussion during the 2014 meeting was economic development and no discussion occurred related to regionalization. A regional water authority was discussed during the 2015 meeting and it was stated that committees should be set up by the City and the County to continue this dialogue. To my knowledge, no committee has met subsequent to this meeting.

Santa Fe County has passed two resolutions related to regionalization. In September 2014 County Commission passed Resolution 2014-103. This resolution endorsed the concept of regionalization of water and wastewater services. This resolution invited the City of Santa Fe and other legal entities that provide water and sewer service to hold joint meetings to further the discussion to pursue a regional water authority. This resolution also encouraged the state legislature and governor to enact legislation that would provide a simple statutory process to create a regional water and wastewater authority.

In December 2016, the County Commission passed Resolution 2016-144. This resolution gave direction to County staff to convene a series of workshops to discuss the possibility of a regional water authority with the City of Santa Fe. Workshop topics were to include governance, organizational structure, financial implications, benefits, legal constraints, management and implementation. To date, no meetings or workshops have been held to further this discussion.

That concludes my brief presentation on regionalization.

[The City did not have a presentation on this item.]

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D. Annexation

RACHEL BROWN (Deputy County Attorney): Good morning. I'll give you a brief overview of what we have accomplished to date in our annexation process and identify several items that seem to be outstanding that deserve some additional attention.

As we all know, in May 2008 our bodies successfully entered into a settlement agreement resolving extensive litigation and agreed to a clear boundary for the City over the next 20 years. The proposal required annexation and the annexation was to be phased. Ultimately, the parties entered into phasing agreement that had three phases of annexation, two of which have been accomplished and one which remains outstanding.

The phases were modified over time and one area was agreed to be eliminated from the annexation, that was Area 18. In your packets you'll see a map that identifies the various areas. It's the map that I go to and I know that there are various maps out there but this seems to be the clearest depiction of what the areas were originally agreed to be.

Area 1 was divided through the amendment to the phasing so that a portion of it took place in Phase 2 and a portion of Area 1 remains to be annexed in Phase 3. Phase 3 of the annexation is scheduled to be completed in June of 2018 and it will include the remainder of that Area 1 which is in the north Alameda area.

Within the annexation process we needed to enter into agreements regarding how fire and public safety would be addressed. How we would address road improvements to get the annexations accomplished. How we would exchange water customers and provide water and wastewater services once the annexations were completed. And I understanding Mr. Martinez will address in detail some of those agreements so I won't go into that in my presentation. Suffice to say that the discussions took place over years and the agreements seem to be moving forward well.

The County committed to maintain fire and EMS services in Phase 2 of the annexation for a period of five years after completion and that will expire in November of 2018. The City agreed to maintain fire and EMS services in Area 18 for five years following annexation of Phase 2 and that will expire in November of 2018. The MOU did – there was an MOU regarding road improvements and that agreement called for shared expenses related to drainage improvements on Alameda and that leads to identifying the areas that remain for discussion.

Within Phase 3 of the annexation, Commissioner Hansen has expressed an interest in modifying the agreement so that the remainder of Area 1 remains within the County and it's worthy of note that due to the location of the Agua Fria Fire Station, the County may be better situated to provide fire service in that area. There's also been some murmurings about whether Area 18 should be revisited. Alameda Street is suppose to be subject to improvements and we are suppose to share costs on those drainage improvements. I understand that there are no concrete plans to move forward with that but perhaps Mr. Martinez has more current information about that. There was also a park within the South Meadows areas that was annexed into the City. It is a County park which the County is prepared to turn over to the City and there are funds available for

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park improvements and there could be discussion regarding whether those funds should move over to the City for that purpose.

I would ask that we now allow Mr. Martinez to present more detailed information about the details that have been reached since the annexation agreement was entered.

MARCOS MARTINEZ (Assistant City Attorney):Thank you...My presentation is very general and I can respond to questions at the end if you have any.

As Rachel indicated in May 2008, City Council and the Board of County Commissioners entered into a Settlement Agreement and Mutual Release of Claims. The settlement attempted to address five issues: permitting annexation of the Las Solaras development, permitting annexation of specific areas around the 2008 boundaries of the City of Santa Fe, prohibiting additional annexation for a period of no less than 20 years, and establishing sensible water and wastewater utility service areas for the City and the County and finally focusing City and County interactions on positive intergovernmental projects, at least that was in one of the whereases.

The actual process of annexation required that the City and County develop and memorialize a way to transition services from one governmental entity to the other regarding roads, water, wastewater and solid waste service, police and fire and land use, With respect to roads under the settlement, County roads laying within parcels to be annexed shall be annexed with the adjoining parcels and in addition, the County agreed to maintain existing County roads within under the areas to be annexed to customary County maintenance standards until annexation by the City. The agreement does not require the County to provide significant capital improvements to an existing road or to construct new roads in areas to be annexed. in the absence of separate written agreement between the City and the County.

With respect to water and wastewater under the Settlement Agreement the City agreed to provide water and wastewater service within the presumptive City limits but would not provide water and wastewater service outside the presumptive City limits unless otherwise required or agreed upon between the City and County in writing. The parties agreed that City water and wastewater utility service would be within the presumptive City limits and the County utility service area would be outside the presumptive City limits. And, additionally, the City agreed to transfer City water and wastewater customers outside the presumptive City limits when the County is able to provide service.

With respect to police and fire, the County agreed to provide law enforcement and fire protection services to all areas outside the presumptive City limits and to all areas to be annexed until annexation. Rachel has described some of the specifics with respect to fire. In the area to be annexed that was most densely populated between Airport Road and Agua Fria Road and most in need of augmented law enforcement services, the County agreed to maintain the current level of law enforcement services until annexation and thereafter for a period of up to three years following annexation. At least that is how it was stated in the 2008 agreement. These provisions were no exhausted and permitted interagency coordination of fire protection and law enforcement services as set forth in other agreements.

And, finally, with respect to land use and zoning, the City and County agreed to abolish the EZA and the EZC in their then present form and to establish by ordinance an

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extraterritorial land use authority and extraterritorial land use commission exclusively for the following three purposes: to delegate all authority possessed by the City over areas outside the presumptive City limits to the County including specifically the City's concurrent planning and plating subdivision approval authority. These areas would be zoned and plated by the County pursuant to its land development code. The second purpose was to delegate planning, plating and subdivision approval and zoning jurisdiction over areas inside the presumptive City limits to the City. Those areas would be zoned and plated based on the RPA land use plan or other appropriate planning tools and upon annexation property within the areas to be annexed would receive preliminary zoning and the zoning in place prior to annexation. And, finally, there was a process by which the City and County would accomplish the annexation itself.

A few consequences of annexation other than the ones that Rachel has mentioned are that the City of Santa Fe's population increased by about 13,200 people to approximately 82,000 residents and gained 4,100 acres of territory on January 1, 2014. Businesses in the annexed areas must charge the City of Santa Fe gross receipts tax which is currently at 8.3125 percent for goods and services and of course residents who are registered voters in the annexed areas are able to vote in all City elections.

E. City and County Growth Management Planning

PENNY ELLIS-GREEN (County Growth Management Director): In your packet is a memo and three maps that I'm going to cover. The 1999 Growth Management Plan was adapted after a six-year public process to address growth and value expressed by County residents. The plan directed the County to work with communities to develop community, district and area plans and to designate growth areas. The first adopted growth area and associated district plan in the County was the Community College District Plan. The Community College District is approximately 17,000 acres in size and is located south of the City of Santa Fe. The CCD plan was adopted by the Board in October 2000 and also by the EZA in November of 2000. The CCD Ordinance amended the Land Development Code and was adopted in December 2000. It requires compact development, mixed uses, open space and affordable housing. The CCD currently has a population of approximately 5,500 and is projected to increase to approximately 12,300 by 2040. The first map attached is the CCD zoning map it includes village zones, mixed uses, employment zones, institutional zones, and existing neighborhood zones. Allowable density in the CCD is much higher than had previously been allowed in the County, and therefore, the CCD included requirement for connection to community water and community sewer systems, open space between and within village zones and a requirement for affordable housing. Within the CCD village zones will allow more intense uses to cluster and can include community centers and neighborhood centers which both allow mixed use development. The employment centers accommodate a mix of uses and allow large scale employers, light industrial, and anchor businesses. And on your map the employment centers are the purple color and the village zones are the yellow areas.

The Sustainable Growth Management Plan, the SGMP, replaced the 1999 Growth Management Plan and was adopted in 2010 and revised in 2015. The plan directs growth

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to areas with adequate public facilities and services and provides the basis for zoning in the County. It establishes sustainable development areas or SDAs which are established to guide the timing and sequence of infrastructure, services and development. SDA 1 is the County's primary growth area and is adjacent to the City of Santa Fe and that is shown in orange on the second map that is within your packet.

The plan outlines a community planning process and community participation process. The plan now includes 13 community plans including the following around the City of Santa Fe: Agua Fria, Tres Arroyos, La Cienega/La Cieneguilla, and Tesuque. The Sustainable Land Development Code and associated zoning map and that is the third map that is attached in your packet, were adopted by ordinance by the Board of County Commissioners in December 2015 and they implement the plan. The SLDC includes community district overlay zones for each of the 13 community planning areas. These overlays allow individual communities to designate where the zoning districts are located, what uses are allowed and contain additional development regulations in the community district areas. The SLDC also establishes zoning districts throughout the County. They have been established for residential, mixed use, commercial and industrial zones with an associated use list for each zoning district. Higher density development is targeted again in SDA 1 which includes the CCD, and mixed use zones. On the third map that you have, the CCD is shown in a pinky-purple kind of color south of Santa Fe and the mixed use zones are in the bright pink colors. A transfer of development rights program is also being developed by the County to allow the protection of agricultural land, cultural properties and open space in more rural areas and would then allow higher density development within these mixed use zoning districts.

And that's the end of the County presentation and I'll hand over to Lisa.

LISA MARTINEZ (City Land Use Director): Thank you, Penny and good morning…thank you for this opportunity to provide an overview of growth management within the City of Santa Fe. I'm happy to report that we actually have an opportunity in front of us to provide for growth management over the last year and a half to two years we've seen some unprecedented growth within the City limits and of course that includes some of the areas that were annexed into the City including Las Solaras. We are seeing growth at the levels that we haven't seen since 2008/2007 right before the recession. So it's great that we have an opportunity to do some new growth management and to look at new and exciting projects across the City.

I provided a handout to each of you that provides some information related to land use and growth management within the City. On the first page of your handout is a map or a pie chart that shows the City of Santa Fe land use and it gives you an overview of both vacant and developed lands. It gives you some exact areas and acres related to various areas but just as a quick overview the vacant land within the City is about 7,500 acres and developed land is approximately 26,000 acres at this point in time.

Included in this first page is information related to growth projections across the City. It gives a pretty full review of annexation which has already been discussed and it gives you an overview of growth and water issues across the City.

One of the things that the City of Santa Fe is doing right now to manage growth and look at various techniques across the city. We have been looking very closely at our general plan and realizing that it is a little bit aged. It was put together in 1999 and can

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definitely use some updates. Our general policies and themes that are included in the general plan are still applicable to the City but one of the things that we're doing through our long-range planning division and subcommittee is that we're in the process of putting together a land use and urban design stuff and we're looking at this from the angle of it being a possible update to the City's General Plan. So our long-range planning subcommittee is currently working on that as we meet right at the moment. But some of the past growth management techniques that we've used going back to 2000 include things like the annexation that we talked about, making sure that we have clear and defined boundaries. As was mentioned, the City has nearly completed an ambiguous three-phase annexation program that set the City's corporate limits at the highways at the south and west which includes I-25 and NM 599 respectively. One of the other growth management techniques that we've used is that we have a water offset program in place so the City's continuing efforts in water conservation have become nationally recognized at this point in time. So we're very proud of the water conservation efforts that we use for home, work and school. One of the other elements that we're using related to water is a transfer of water rights. So there's new residential and commercial development that must offset the anticipated water to be used through conservation or transfer enough water rights to serve the entire development at the build out.

Some of the new growth management strategies that we want to add to our current programs include looking very carefully at urban design. We realize that well designed development uses less land, and we would look at some smaller residential lots and using a little bit more multifamily housing. We realize that the multifamily housing is desperately needed across the city. I think our current apartments sit somewhere between 97 and 98 percent capacity at this point in time so one of the important things that we're seeing is the establishment of some new apartment complexes that are coming in off Rodeo Road. There are couple planned off 599 in South Meadows and of course the new ones that will be going into Las Solaras along with the single family housing and the age-targeted housing. We have, of course, a new Presbyterian hospital that's under construction at Las Solaras, a number of retail projects as well and we have the expansion of Christus St. Vincent. The expansion of the small Presbyterian urgent care which is directly across the street so we are, like I said, looking at numbers that are so far above and beyond what we've seen in the last several years that it is very exciting.

We want to make sure that our urban design concepts are well established and in place. We want to make sure that we continue to look at our street issues, our public parks and make sure that we have linkages to plazas not just downtown but in various parts of the city as well. Las Solaras in the process of starting to build a 28-acre regional park which will be accessible to all the residents of Las Solaras, the people working at Presbyterian Hospital and the other regional facilities that are in that area. We have also spent a lot of time in land use looking at some possible redevelopment on major streets. There was an ordinance that was passed a few months ago related to the St. Michael's corridor, this is the Link Overlay Plan, which provides incentives for developers to come and build specific types of projects that we feel the City needs and in turn they get incentives from the City not having to pay development permit fees and there are a few other incentives attached to that as well.

Two other overlay plans that we're looking at that are currently in process relate

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to the West Santa Fe River Corridor. That project is coming along and we have a couple of sponsors including Councilor Viallrreal who has been working very closely with us on a few amendments and we hope to present that to the City Council pretty quickly. Another overlay plan relates to the Old Pecos Trail Corridor. We have taken a lot of time to listen to residents, to listen to their concerns and to make sure that anything that we impose falls along with their needs in terms of maintaining their neighborhoods and their lifestyles. It is very important to us in the City of Santa Fe our historic preservation and making sure that we take care of our city and our residents.

The City of Santa Fe recently won a National Geographic award for sense of place and so maintaining our character and all of the amazing values that our city holds is critical to our continued existence and we want to make sure that we take care of those resources.

And so with that, Mr. Chair, I would stand for questions.

IV. Open Dialogue

COMMISSIONER ANAYA: Thank you, Mr. Chairman. Thanks to the Mayor and the Council and the Commissioners present as well as staff and their staff presentation. Mr. Chairman, put me on the clock I have several comments but I am going to try and be as succinct and quick as I can.

I think the first thing that I wanted to say to my colleagues from the Council is that I appreciate very much that you're here and Mayor, I appreciate very much that you're here and that I fully respect the decisions that you, Mayor, you make and the Council makes on a regular basis within the auspices and responsibilities of what you have to do as a local government in the City of Santa Fe. I fully understand and respect that we always will not 100 percent agree on positions, possibly, but, that in fact, you have an obligation and responsibility to act in the interest and on behalf of the constituents that you serve. I fully respect that within every local government and entity in the State of New Mexico and across the country so – I thank you for that and I want to say that I have good relationships with all of you. I respect each of you individually as people. So I would say that.

The other thing that I think is important to note on the record and publicly is that when we look at the State of New Mexico and we say what are other areas doing in relation to regionalization, I don't put Santa Fe County and the City of Santa Fe and the relationship with Española and the Town of Edgewood at the bottom of the list. I put us at the top of the list because we have some things that we have done as a County collectively with you because you're here today that are very important to the community that we serve and I'm going to note some: our solid waste agency, the recent film office work, the annexation that we got through in recent years, the Buckman Direct Diversion project, the Metropolitan Planning Organization, the Regional Transit District, projects specifically associated with trails inside and out of the City limits, fire, police, sheriff, public safety, and regional dispatch. The whole point of what's happened with regional dispatch, and I've noted this and I think all of us know this and have noted this, was that we had a terrible accident that occurred on this hill going to the ski basin associated with communications and the Commission and the Council and the Mayor at the time had the

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wisdom and understanding to know that we had to do better with regional communications. And, Chief, Councilor, nobody knows that more than you do as a councilor here at the table today because you lived it and went through those challenges. So I fully respect and acknowledge that. But our neighbors so the north, Española, we've had collaboration and mutual aid with our fire department, our regional dispatch, the regional dispatch and our Sheriff's Department, library services, we've also had a good relationship as it relates to library services across every jurisdiction and especially with the City of Santa Fe. The constituents in District 3 in Tierra Contenta have sustained support across many spectrums but the City of Santa Fe – we worked with the City of Santa Fe on that southside library and we fully intend to continue that particular relationship. It doesn't change when you go down south to Edgewood and you look at the fire coordination and the regional fire work, regional senior services, library services, regional equestrian facilities and others.

My point is, that we're not at the bottom as it relates to coordination. Sometimes we have struggles and sometimes we have disagreements but the bottom line reality is all of these things that I noted are ongoing daily functional things that we do hand-in-hand with the City of Santa Fe. So I want to reiterate that as I move into the next points that I might make associated with some of the deliberations that we went through as a County in our budget process to determine how might we best serve the constituents that we serve and help them. And how can we provide all of the necessary tools to those departments and offices that we have in the County that serve many, many city residents in conjunction with their functional responsibilities to county residents.

But before I do, I want to look at the Clerk here and think about the Treasurer who I saw earlier and talk about those functional partnerships that happen daily within our elective offices of the clerk, the treasurer, the assessor, the probate judge and the sheriff again, they collectively as a team and as a unit don't distinguish between where somebody lives within the City or County residences -- they serve all those residents that rest within those 1,900 plus square miles that encompass Santa Fe County. And, so, just for clearness and complete clarity we're a team and we have to be a team in order to serve the interest of the public. So, I'll just say that.

As we relate to this particular discussion I'm just going to say it explicitly as I wrote it: My support for the following will not cease or be detoured and wane for the following associated with the funds necessary to perform their jobs. The additional positions that we've been speaking of in our budget process for the Fire Department, the Sheriff's Department, the Corrections Department, the Regional Dispatch and the behavioral health/mental health center positions that we've been discussing about in that process. We have opportunities associated with all of those but I will say that we also have in addition to those items that I just noted on positions, I've also been in staunch support, we put in two percent as an increment for a cost of living for our collective bargaining units and our non-collective bargaining units to have – that's already in the interim budget. I've been fighting for three and I'm going to continue to fight for three; so it's an additional percent that I'm going to fight for and that's not just including the public safety but that's across the board. Our union and non-union employees to utilize in their collective bargaining and to provide and to help sustain their lives given the fact that we had to make tough decisions, as you have, associated with the challenges that

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were faced in the recession.

So I want to put them on the table because and I appreciate you Mr. Moya and Ms. Miller for your clarity in trying to be clear on the taxes and the uses – we've tried to be very explicit and I know we have spreadsheets that we have provided that are available to the public that show person by person, department by department, exactly where those funds would go if we would approve the increments, the two increments that we proposed. What I'm going to put forth to my colleagues on the Commission and we've had discussions, but to the Council and the Mayor is do we have options that we could potentially consider on one of those increments; I think there is. And going back to that initial communication and I'm going to look at Councilor Dominguez and say this respectfully, I wasn't picking on you or anybody else associated with the discussion on regional dispatch. We went with good intention to your committee. We went with good intention to both committees and the Council to see if there was a potential opportunity, as Ms. Miller said, to create some offsetting additional operational cost for regional dispatch. Based on your valuations through your committee process and the Council, I took it that based on that evaluation because we didn't hear additional feedback, that at that time you guys weren't in a position to do any additional augmentation of our operational budget. I didn't take it personal. But once we got back to the County, I came back to my colleagues on the Commission at that time and the manager and said, What else do we have to do internally for our own purposes to sustain what we need to do to improve the operations of the regional dispatch? Part of this budget that we have in front of us that we've gotten to this point on, accommodates that request. So no malice, no frustration over what was determined at that time. We just took that particular need and said, What do we have to do to fill that void? That's an opportunity, Mayor and Council, to take a look at any see operationally is there an opportunity to figure out some additional funds.

The other thing that I'm going to put forward today and put on the table is that mental health and behavioral issues don't stop at any boundary. We know without a question or a doubt that in the State of New Mexico there is an immense need for additional behavioral health services. This Commission, former Commissioner Chavez I would say was one of the ones that was staunch proponent to figure out how do we get and work toward better access to behavioral and mental health issues in our County and our state. We also understand, as you know Mayor and Council, that many people gravitate to the metropolitan areas of our state to seek those supportive services that they need and that you guys are faced with that daily as we are. I think that's a huge opportunity for us. We have a facility that the tax payers helped to fund and we need to find the operational cost to make it work. So if the City of Santa Fe could consider, Mayor and Council, an opportunity for regionalization of that particular facility that might be a good opportunity for us to work collectively together to resolve and take on those challenges associated with behavioral health now. And I think that's an interesting component that we should look at. It's a necessary component, not an interesting one but a necessary one.

So, as we sit here, I stand ready to do what we need to do on that topside list to fund those positions that we need to do to operationally fulfill our responsibility to our constituents. But I also see we have an opportunity today and in the future to figure out

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that regional piece associated with mental health and substance abuse and maybe that regional piece that we've had some prior discussions on.

I heard Mr. Martinez earlier say, unless I misheard what you said, I thought I heard you say that there was a willingness for further discussions and a possibility of expanded operational funds; did I hear you right?

MR. KEN MARTINEZ: Yes, Commissioner. [speaks away from microphone]

COMMISSIONER ANAYA: Awesome, awesome. The last two points I would make Commissioners, Mayor and Councilors, water absolutely, always has to be on our list and hopefully we can get to the point where we do have a regional water system. I think that just makes too much sense given our history and given the Buckman Direct Diversion, even though we all understand that there are challenges associated with that particular project right now but that the College of Santa Fe I didn't want to stop and not bring up the College of Santa Fe and I know Councilor Harris and Councilor Lindell are working to help figure out options but I think that particular site and I have a personal perspective because my father graduated from St. Michaels College along with many, many others from this community from St. Michaels College and the College of Santa Fe and now the Institute of Art & Design, but I think that's an interesting opportunity that we all have collectively to help figure out how do we keep this in education and as a facility that serves the entire community.

So, Mr. Chairman, those are my points and perspectives. I say them respectfully. I respect the City of Santa Fe, the City of Española, Town of Edgewood immensely and each and every elected official therein and so I just want to say, we have coordinated, communicated and got things done and there will be disagreement and ups and downs but I think at the end of the day there's no other community in the State of New Mexico, that comes to my mind, that hasn't been as progressive as we have and I think aside from those differences at times that's never going to cease. Public safety when the calls come out for people in need and distress, the City of Santa Fe, the County Sheriff, the State Police, our fire departments nobody makes any distinctions about where they live. They answer that call day in and day out and we know that and we understand that. So thank you, Mr. Chairman and Mayor and Councilors. I appreciate the time and I appreciate the participation at the meeting.

CHAIR ROYBAL: Thank you, Commissioner Anaya. I'm going to go back to and forth from City to County. Councilor Villarreal.

COUNCILOR VILLARREAL: Thank you, Mr. Chair. I have a lot of questions, but I guess the point I want to make that has been a little bit frustrating to me is that we have staff spend so much time preparing this packet for us both on the City and County side and we just get it today right in front of us. And I don't think that's fair to staff for the amount of time they've put in. I can look at this and relate to the City information because we've seen it before and that's helpful, but you haven't seen it before so all this information, especially for the new Commissioners and Councilors, some of this historical information we don't have. So it would be helpful to have the information so that we can read this ahead of time, understand the Regional Emergency Communications Center -- I mean, I'm kind of feeling that I'm at a loss because there's questions I have but it's mostly because I would like to review this.

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So I'm going to approach this without getting too frustrated as a study session for us where we can take this information but I also feel like we need follow-up meetings with the County because this doesn't help for all of us to be looking through the information and not knowing what's actually in there. There is a lot of information that I think would be useful for the conversation about future possibilities, one that you brought up Commissioner Anaya about the behavioral health center and mental health center. I would love for that conversation to be connected to homelessness issue that is both City and County related and I don't even know if that behavioral health center will actually address the issues that we both face around people experiencing homelessness. Just with land use, I think we could have one session related to land use as what's happening in the City and what the County is doing and I was fortunate to be able to be part of that conversation and the work that was with the Growth Management Plan but there's so much to learn that we could benefit from in understanding how water relates to it, how it is going to affect housing and what kind of development is going to occur into the future. All of these questions are just kind of brewing in my head and I guess I'm just a little bit frustrated because I see all of you out there and this was a lot of work to put together but I don't know why we didn't get this ahead of time so we could at least review some of these aspects and have questions prepared. So to me, that is somewhat of a waste of time but I'm going to approach it as a study session.

CHAIR ROYBAL: Thank you, Councilor Viallrreal. Commissioner Hansen.

COMMISSIONER HANSEN: Thank you everybody. First of all, I want to really express my deep gratitude for the City for being here. I initiated this meeting in January and I am so grateful that we are here all at the table and I really want this to continue. I don't want this to be one meeting once a year. I think like Councilor Viallrreal said this is a study session, this is a beginning. I have a long history with the City. I have served on many City committees; I've worked with all of you. I've now worked with Councilor Harris who is one person I had not worked with in the past and we serve on a number of boards together and I am grateful to be working with you, with Mayor Gonzales and I think it is such an opportunity for all of us to move forward together.

As all of you know, I have brought up the issue of annexation and I have spoken with all of you. And it is not that I am bringing it up. I am bringing it up because my constituents asked me to in Area 1 that Ms. Brown spoke about. And we are willing to work with you. There are in Area 1 that I am talking about, there are a couple of residents here, I believe, would you stand if you are from Area 1. There are residents that are really concerned about the zoning for the City because one, the zoning there from the City requires them for any change to connect to City water and there is no City water anywhere near Area 1 north of West Alameda. We provide all of the fire and police service to that area. And so that area is really a very rural area and they would like to remain in the County so that they could some of their divisions of lots because at the moment they cannot because they cannot connect to City water.

The other issue is that there is Area 18 that was taken off of the table and that is all served by City police, water and sewer so it is odd for me as a new Commissioner to see that we have areas that you're serving that are in the County and we have areas that

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could possibly go into the City and we're serving them and even though I respect what Commissioner Anaya said that we don't make any boundaries and we one another, at the same time, what I am representing my constituents on is that we look at Area 18 and we look at Area 1 and see if that is a possibility to keep part of Area 1 in the County, move some of Area 18 which you provide services to into the City and make it a win-win. Because what I want it to be is a win-win not something that is, Oh, the County is trying to take back some of their land, because that is not where I am coming from. I am coming from the place that my constituents who have constantly and constantly asked me to represent them on this issue. I know that we're not going to make any decision today but I just want you to think about it and figure out how we can make this a win-win for our constituents because that's who it is really about. And how can we make West Alameda a better road for our constituents because that is a real issue in that area. It needs work and you all know that; you drive on it. And then in the South Meadows area where we have this park that we own, that's another thing that we're working on with you. We want that area to be developed in a respectful way to the residents of the County and to the City and that there is areas out there that are open space that residents have access to because we already have a school, Camino Real, that is at capacity with the children so we need more areas out there for children. So that is some of the issues on annexation.

I really want to also commend you on passing the St. Michael's corridor upgrade because since I am a Commissioner that lives in the City and has opportunity to access those services and I live in that area, I want to make sure that we don't move anymore car dealers onto St. Mike's and that we have apartments and that we have multi-housing on that street because it is a perfect place to have multiple apartment units. And just recently the Bank of America closed their entire drive-thru area and that is a perfect location for a multi-family complex on St. Mike's. There's two roads and there's access – and so I want your land use to be sure and thinking about that when people come in for development permits for that area since we are in such need of apartments. The more that we move to downtown or to the mid-town which is what I like to call that area and move apartments into that area I think the better that it is going to be for our constituents.

The other thing that was not on our list that we haven't addressed is broadband. I feel like this is something that both of us as Councilors and Commissioners that we really need to work on. It needs to be a priority. It is a priority for our economic development to work on broadband for the County but it is a coordinated effort and I am sure that Española and Edgewood would also like to be included in that idea of broadband throughout the County and I feel that is an important issue that was not brought up and I am extremely sympathetic with Councilor Viallrreal on receiving the packets because we didn't receive the packets until today either. We would all have liked to have read that before.

I also want to speak a little to the West Santa Fe River Corridor Plan which I feel like is also an area and part of Area 1 that has just recently been annexed into the City and there's a tremendous amount of pushback from the residents there with concerns and I know that you have all heard that and I am happy to hear that this plan for the West Santa Fe River Corridor is moving forward since I am in that neighborhood and it affects me and affects Councilor Viallrreal also.

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And, then, finally, for this moment behavioral health which is extremely important to all of us. I wanted to let you know that we have just signed an agreement with the Recovery Center to extend our Sobering Center which will be right off of Galisteo so that is right in the City and so therefore we are in the City doing the behavioral health services in the City and many of the residents who come to the behavioral health are City residents. The Sobering Center is going to continue in that area. Part of our gross receipts tax that we have developed and will vote on in the next meeting is to support our behavioral health and to make sure that we have operations and funding to develop a more sustainable behavioral health for both the City and the County but the facility is in the City and it is in the middle of the City so that's an important thing to remember.

I also want to agree with Commissioner Anaya about the fact that we have some incredible joint ventures that we do do together and that we are doing well. I would consider the Buckman Direct Diversion, SWMA and the film initiatives that we are working on together extremely important. I am a huge supporter of the Santa Fe Studios and our whole film initiative and I think it is something we can only as a City and a County build on and make stronger because it is economic development, it is jobs for our youth, it is a diverse area where we can create more employment. The more employment we have the healthier our city is. And with that I'll take a break. Thank you.

CHAIR ROYBAL: Councilor Dominguez.

COUNCILOR DOMINGUEZ: Thank you, Mr. Chair. I'll do my best to be brief. I'll be a little bit more brief than I normally am but let me go ahead and get in there. I want to first of just thank everyone for being here. I want to thank my colleagues from both the City and the County for being here as well. You know, we're taking time out of our day to make sure that we're here to listen to each other and to listen to what staff has to say and everything else.

I also just want to apologize to you, Katherine, real quickly, I did not see the resolutions that the County had in the packet with regard to regionalized water and that's because we just got it today and so I missed that. But it's important information for us to have. I'd like to be able to get this electronically if that's at all possible. I'm not sure if County or City wants to do that but whatever we can do to get that electronically that would be helpful for me.

I, like Commissioner Anaya, have a ton of mutual respect for my colleagues both the City and the County. I served as the chair of the BDD and we've gone through some pretty interesting processes there and so I certainly understand the fact that we as a City have our issues and the County has their issues and sometimes those issues collide and sometimes they dovetail nicely together. But that is the nature of the business and that is the way it is and so I certainly have the respect that you all deserve and need in serving the public – it's not an easy job sometimes.

I also want to just say that that respect that goes to me to your County staff and hopefully this doesn't get anyone in trouble but Adam used to work for the County and there have been many times that I have called Katherine to just ask her questions just in general about budgets and economies and that sort of thing and so I certainly would hope that our staff would be available to the County as well, Mayor, and I'm sure they are.

I also think that that respect needs to go beyond what we say here today but to

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recognize the history that both organizations have in the agreements that we have and the RECC is one that is just one of those agreements. That was a hot thought, very tough negotiation. I was a part of that. When you've got County Commissioners and the Mayor and a couple of City Councilors getting called to your legislative delegation's office saying basically, that you need to resolve this because we're not going to have to get into the whole other messy politics, you take it seriously. So the agreements that are in place especially with regards to the RECC are not agreements that – they are agreements that should be considered in the context of the history; they were tough. I mean there were concessions made and given by both the City and the County on there.

I appreciate you also Commissioner Anaya that you all did come to the Finance Committee but I'm not sure you went to Public Works, but I know as the Finance chair we did entertain discussion at the Finance Committee. I think I made it very clear at that time that we would listen and we would do what we could but we were basically in the very beginning stages of the budget development and so – but we would listen to what everyone had to say. And as a result of that, I think, as you said both the County manager and the City manager have gotten together and they are starting to look at some of that stuff. That's one of the unfortunate things about government is that, especially, when you look at the politics between the County there's only five votes to consider there, at the City of Santa Fe there is eight votes to consider. Government in itself is slow. But when you have to combine those two political entities together it sometimes gets even slower but nonetheless we're moving forward. I think that those discussions are beginning. Those discussions are had and so we've listened to what the County has had to say, at least in respects to the RECC and their discussion at the Finance Committee.

I think as my colleagues know I am always open for discussion and ready to jump in and have a discussion about stuff. The RECC is just one of those. Regionalization when we talk about water, I have mixed feelings about that one. On one hand I want to have that discussion. I think it's an important discussion to have. I think it's a concept that is interesting and I learn something new about it every time I talk to somebody about it. But on the other hand, as a representative of the City of Santa and its constituents you have rate payers who have been paying into that water system for many, many, many, many years and have built that water system to what it is today. And that's not something that you take lightly. You have to take that into consideration. You have to take into consideration that there are families who have lived here for generations who have been contributing to that water system and you don't just make those decisions and I know that we're not doing that. I know that we're just asking to have that discussion but the City of Santa Fe has to continue to have that discussion even amongst itself before we can kind of look beyond that and god forbid I get into annexation. That one brings up interesting dreams, I guess, or nightmares whatever you want to call it. It was one of those issues were people came away not happy and some people came away happy. As they say if it's a good negotiation that's kind of what happens. But nonetheless, I'm open to discussions about what that means and what we might want to do. But there again let's not forget the history that we have and the promises that we made in the first place. We've made some promises in the first place so we need to make sure that we do what we can to keep those before we go ahead and even start making new promises – or as much as we can anyways.

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And then just the last thing that I just wanted to say with regards to the respective budgets of both the City and the County. I've been on the Finance Committee now for 12 years and I've been the chair for however many number of years on the City. I've learned a lot from the my time there and I've learned a lot listening to some of the County budget discussions as well. And I'm not here to say you should or shouldn't do something and I'm not here to say that, you know, that you should do it this way because we did it that way and anything else. I just am glad that you are here and talking about it and you all are having a discussion with the constituency. We have our challenges just like you do. How we approach them are two different ways. And the last thing that I just want to say to that is if there's anything that we can work on it would be reform, taxation reform at the State level. I think that's something that both the City and the County can support each other on. And getting our legislature to change some of the laws that are there that limit our abilities to either collaborate, comingle – that not really a good word, but to blend those taxes together and to make it so we can support each other a little bit more. So I'll leave it at that, Mr. Chair, thank you very much.

CHAIR ROYBAL: Thank you, Councilor Maestas.

COUNCILOR MAESTAS: Thank you, Mr. Chair. Maybe just a point of order, Mr. Chair, are we going to make some opening remarks and then we're going to have more targeted remarks as we go down the agenda by subject; is that kind of your plan?

CHAIR ROYBAL: Yes.

COUNCILOR MAESTAS: I want to the thank the County for the initiation to come here. I think it is very important. Many who have already spoken really have talked about how we're really a small community. Most of you know I was mayor of Española which part of it is in Santa Fe County and I've had a lot of interactions and dealings with Santa Fe County. And if I go even farther back, my maternal great grandfather was County Commissioner, Jose Mario Lucero and his son, Alfredo Lucero, was also a County Commissioner and he was also County Clerk and back in the day when he married my grandmother, he signed his own marriage license and application. I think that things in context in terms of how many of our families have been here for generation. So it is beyond just having a shared constituency, it's sharing a history. You know, having families that have made this area home. So I think we all know that we are deeply tied to all of Santa Fe County and that our concern for our shared constituency I think needs to be reflected in our relationship. And I think having these joint meetings is a clear demonstration to that shared constituency, that, yes, we want to demonstrate that we're getting along and we're really coordinating on a lot of mutual concern and I think this event today represents that.

But as I look at the agenda and I go through all of the agenda items I'm trying to see where the City has a real distinct mutual concern and issue and it seems that these are more issues of concern to the County where the County wants to engage the City. So I implore my colleagues that maybe going forward we do have some specific protocols about these meetings that if we're going to have an agenda item that the positions of both bodies be mature to not just discuss but maybe even come to some kind of an agreement instead of having one entity make a pitch to the other.

And then I guess since we're still on general remarks, I want to thank the County

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Commission for holding off on their vote regarding the tax increase. As my colleague Councilor Dominguez mentioned we're kind of victims of very poor taxation and taxation policy here in the State of New Mexico and it's trying to pit us against one another. But the fact remains that gross receipts taxes are getting higher and higher and the state legislature has abdicated its responsibility by creating these local options and saying, Go tax yourselves. And in the process that combined rate keeps going higher and higher to the point where we have to be concerned about it thwarting any kind of business development and job creation.

And I think Councilor Dominguez said it well that this is not about challenging anyone's authority. I think we all know what our authority is but I think things are getting to a point where resources are very limited. I think our shared constituency are getting more and more frustrated whenever they hear about any kind of proposed tax and they demand more of us. And part of that demand is having us really roll up our sleeves and talk about, okay, whatever entity is proposing any kind of action that is going to affect our shared constituency how are we coordinating and streamlining those efforts and making sure it is the most efficient and effective expenditure of those proposed revenues and I think that shared constituency, I think they deserve that. So we're taking initial steps but I think that maybe this forum needs to be developed further but I think it's a great first step.

So again I want to thank the County Commission and in the letter of invitation they want to make this gathering a regular facet of our relationship and I couldn't agree more. And so I want to do my part to really enhance our relationship to the point where we can't just trade positions but we can actually come to some common ground and enact joint policy. Thanks for bringing us together. And, Mr. Chair, I'm going to reserve my questions on the specific topics as we go through them. Thank you.

CHAIR ROYBAL: Mayor Gonzales.

MAYOR GONZALES: Mr. Chairman, hopefully this will be brief in offering some opening remarks. I want to thank Commissioner Anaya for really setting the tone through your opening discussion about the fact that there are incredible success stories to talk about and many times we find ourselves exerting a lot of energy on things that we don't agree on as opposed to areas that we do agree on so we can build upon those. So I really appreciate you setting the tone and I also want to reiterate my thanks to the County Commission for delaying the vote on the GRT to allow this conversation to take place. And I think all of us respect the hard decision that each of you had to make for your constituencies and for this organization. I have the incredible privilege of being able to have sat in this chamber for eight years and to be able to see where the County has come from 1995 to today is a sense of enormous pride. Had I ever dreamt that we would be in a position as a county to be talking substantively about behavioral health, I would have been very excited about the future back then. But it was tough. And back then as it is today, it's very hard to visualize a way where the City and the County could actually work together on critical matters. But we have seen that there has been progress that has made and we do have to celebrate that. And I also think that we have to be careful not to feel like there always has to be a binding contract that forces us to work together because one of the conversations, the most critical conversation that I think all of us have continuously with our own governing bodies and with people in our community is what

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this state of the City and the County are for the individuals that live here. And we have to be careful that we don't get so focused on the organizations and where they're working together and where they're not and lose focus on the sight of the individuals that call Santa Fe home and that need to count on us being able to have policy that creates a very vibrant future for them. So I think there are things that we can work on that don't necessarily require us to have these binding contractors where we have a collective focus and some collective energy that allows for us to be able to make progress and to better the daily lives our constituency.

Obviously, the issue of poverty plagues the City and the County. It is the biggest inhibitor that exist today for many people in our region to be able to count on a vibrant future. How they move to the middle class and how they're able to find more optimism in their future there's no agreement that we could ever execute together that will actually ever make that happen but there can be a collective will that focuses on how we grow our economies collectively. And we have that example with the film economy. We have that example with our tourism economy.

And let me just say that the sense of place that stated earlier the international award that the City received because of our cultural relevance wasn't just because of our historic district it was because of what this County has done to nurture and assure that traditional communities like La Cienega, Tesuque, La Puebla and Galisteo – all the communities that are represented by your logo and others that they have remained very vibrant and culturally relevant to this City and we benefit from that. We benefit from the policies that you have in place to ensure that culture relevance.

The issue of behavioral health is another shackle that holds people back and until we're able to find and follow as you have led ways that we can increase dollars and funds to collectively address and create safety nets for our community then people are going to continue to be held back.

The issue of climate change is real. Every year all of us worry about what a catastrophic fire in our watershed will do for all of us. The impacts of a catastrophic fire is not going to stop at the City boundaries. No matter how much we try and protect our water system it's going to have an impact on everybody. And so what we do and work collectively on to address the issues and programming of climate change and water security are critical and, again, I don't believe necessarily require binding contracts to get there. I think we're all working towards that. And if the opportunity exists to find ways to regionalize from a formal standpoint, that's fine, but because in the absence of a formal agreement does not mean that we can't sit at the table and talk about how we manage and distribute our water. I think Commissioner Hansen you bring up a very good point about rules that make no sense for many people in the boundaries of the County where there is actually City water that goes or in the boundaries of the City where there is no City water that may go to. And we have to look at those and make sure that the rules don't hurt us.

And the final component that I would say is the issue of cultural vibrancy. Our greatest strength as a community, as a region, is the multicultural vibrancy that is present today. Whether you are from the range lands of Stanley, New Mexico or the traditional communities of Chimayo, Agua Fria, to Canyon Road, the culture that has been present in this city for 400 years has got to be looked at as one that is worthy of protection and

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worthy of leaning on when we think about how we address some of our most critical issues. And so what I want to be careful of in conclusion, Mr. Chairman, yes, there are some agreements that there could be hurt feelings over or feelings of lack of fairness but let's not let those issues hold us up from the much bigger issue in front of us which are the people of our districts. The people who are just looking for a better opportunity for a better future who really don't know where the boundary stops to the City and begin for the County but are just looking to see how they can actually succeed. And you have my commitment to work on those issues. And I know our Council is very committed to where the governing bodies can collaborate on organizational structure to work with you but I think that those are some of the big issues that I hope that we're able to work on and then the final, we've said this before, I don't know if Mr. Moya or Adam have a point of view on what these costs are but there is so much duplicative costs that occur between the City and the County that can be stopped. It doesn't make sense that we have two HR systems, two AP systems, two accounts receivables systems, two procurement systems when there are opportunities to develop a shared-service model that allows for a single entity to be able to support both organizations. And it seems like that would be a worthy study to be able to pursue because I am sure that we could free up even between what was it $100 million that the GRT that is collected between the City and the County, I believe it is, even if we shot for a target of 10 percent which I think when you look at some of these shared service models those types of efficiencies come in place, we'll begin to find, Commissioner Anaya, those operational revenues that we need to address behavioral health. We'll begin to find some of those revenues that we're trying to all focus on to keep our kids in school and on track towards careers. We'll begin to find revenues that will establish true climate mitigation funds that allow us to continue to create healthier forests around us or secure our water long term. But I don't think – I know we always have to look to the tax base to generate revenues to support programs, but I also feel it's a worthy cause and an effort to challenge ourselves to think smarter about how we're delivering service where we have a duplication of efforts taking place and that's a hard thing to do but I assure you that if we go down that effort we will see that the amount of saving will be substantial in nature and free of revenues that are critical to our communities needs. Thank you, Mr. Chairman.

CHAIR ROYBAL: Thank you, Mayor. I'd like to ask Manager Miller to comment on the late issue of the packets.

MS. MILLER: Mr. Chair, Mayor, Commissioners, City Councilors, I'd like to apologize for the fact that you got the packets today. Part of the problem and Councilor Maestas you hit on it, we don't do these often. It's been over two years since we had a meeting so it was really difficult to actually formulate an agenda and what we had initially started with was just two hours of open dialogue but then there were requests from both sides of specific issues to be put together and that happened rather recently. So we were trying to just make sure that you had some information in your hands of what's gone on in the past. And it was really difficult to coordinate getting two sides together all at once and just getting a packet together for I think a City Council meeting or a County Commission meeting is always challenging but trying to get a joint one together without really knowing the format of this meeting and an agenda. So one of the things at the end of this meeting what we are hoping to do is actually come to an agreement about what

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type of format we'd like to meet in and that way that won't happen again. So I just wanted to let you know it was not intentional it was actually that we weren't going to have a packet and instead have open dialogue and then when specific issues were requested we thought it was important to at least have something for you. So I just wanted to let you know that, thank you.

CHAIR ROYBAL: Thank you, Manager Miller. Let's go to Commissioner Hamilton and then break for 10 minutes and go and get food and come back and continue discussion. Commissioner Hamilton.

COMMISSIONER HAMILTON: Thank you. I know everybody said it but it is really true I really appreciate that we're all together talking about this. Just talking about in part what we need to talk about. We do have separate responsibilities but some really, really powerful points have been made about things that we can look at now and in the future about things that can be done together and you can't do it unless you develop some process for talking about the specifics and actually taking action on them. Councilor Villarreal made a comment about how much information there is and how difficult it is not to maybe have time to maybe review all of the information before hand, but I think that's part of why this needs to be an ongoing process and that was what I saw as one of the big goals of having this initial meeting. The initial meeting is always a more difficult thing but I feel like discussing the process that we could agree on for a few of the topics that we maybe at this point see as important to have ongoing discussions of. It's just very interesting to me, there were several topics that were put on the agenda that we had presentations on but several other really useful topics were just mentioned in addition to the several that the Mayor just mentioned, Councilor Dominguez mentioned State tax reform and working together on that. So there have been several really worthwhile topics but for some of them, and I use the possibility of a regional water authority as one example, I don't see that as something we can develop separately as much as the City and the County each have to work on their perspectives and we're doing white papers and we're doing development of information and that's clearly critical because we each have commitments to water and there is a history which was a very good point but I guess I feel that the idea of coming together when we each have a position and we have gotten all of that information and we have talked about it on each of us separately to try and come to an agreement a year from now or two years from now is maybe not as productive as having some sort of process, maybe a subcommittee of people where we can talk about what kind of information, what concerns and issues and thoughts that each of us would have a lot of problems with doing a regional water authority but also perspectives on what the benefits would be and how it could be structured. To me, that's just an example of something we could do on a periodic basis before we make final decisions so that – and that might really help focus the kind of research that we're doing independently.

In any case, one of my thoughts about today is that it would be really useful to talk about some of the additional topics that we may want to include and I think the ongoing process might not be the same for all of the topics. Some of them we could just come together at the next meeting like this and talk about or it might be something where individuals in one place or another might have a lot of information to bring but others might require subcommittees or I'm not sure what other options are opened but that's for

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later in our agenda. I think that would be very useful to talk about.

The other thing I was going to say is that I think the other really key goal for today, from my point of view, was to hear what the City's thoughts and concerns and ideas about the GRT tax proposal and how we can work together on that in the future but also things that might impact our thinking because the County is in a timeframe constraint on budget. So I want to make sure that we don't miss that. I know the Chairman has indicated we are going to talk topic by topic and I want to agree with the Mayor that there are some long term things that we can think about in terms of efficiencies that would be incredibly beneficial and that is always a pressure we have to do as much as we possibly can with the resources we have in hand. I do think that there are, just to lay that out, that there are times when you can gain a certain amount from efficiencies but then you have limited opportunities to change your overall revenues and that at some point that can be a really important thing to do. I have a feeling that the County is at that point now. I think Commissioner Anaya made an effective statement about why and what things we feel we need to do in that regard but even taking some action now does not preclude efficiencies in the future or impacts of GRT revenues that would come from, state tax reform that we could then respond to in the future when that option is available. So thank you.

Upon motion and second, the governing bodies recessed for a lunch break at 12:20 p.m. The meeting reconvened at approximately 1:10 p.m.

CHAIR ROYBAL: We were in the open dialogue and there were a lot of comments and appreciation for this meeting and I'm going to go to Commissioner Moreno and then we'll go to Councilman Trujillo.

COMMISSIONER MORENO: Thank you, Mr. Chair. I think it was a good thing that nobody got the materials ahead of time because this makes it kind of a reboot for everything that we are going to endeavor in the future. In my career as a facilitator I had the opportunity to facilitate one meeting of the old RPA and it was kind of a disaster. But things have changed and we all mature, institutions mature and I think this is an opening that we really don't want to mess up.

We do have a lot of relationships. On the MPO, Joseph Maestas is chair and I'm the vice chair of the MPO. The RTD is another one where we serve together and Mike is on the SWMA Board which we're going to have tonight. So we have maybe some possible ways that we can build on those relationships and those being mostly in the utilities department that water makes good sense to work on first. It's our most valuable resource and we don't have the luxury of not doing it right. I think that's what I wanted to say. Let's not get in the position of where we're not talking to each other and I really have high hopes that we can be partners in these endeavors. Thank you very much.

CHAIR ROYBAL: Councilor Trujillo.

COUNCILOR TRUJILLO: Thank you, Mr. Chair. I too want to thank the County, all your staff, City Councilors and staff for having this, in my opinion, long, long, long, long overdue. We talk about collaboration and I think that is definitely what has to happen. Even though we do sit on many boards – during the conversations that we've had today there's a lot of new ideas that have been brought out and I think that's

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good because we do share the same constituency a lot of us and we face the same challenges both the County and the City. The only thing I would say to you is, let's start the conversation and this is the new way that we start the conversation.

Commissioner Anaya made some comments, you know, how do we collaborate? He mentioned the college, the College of Santa Fe, never would I have thought that the County would have wanted to come in and have discussion on that and that's a good thing. That's something that is very important to this City and very important to the shared constituency. So I'd like to see some of that. We have other issues too, you know, everybody knows it just came in the paper: a $38 million possible airport renovation. Same thing, we share the same constituents. How do we collaborate? And when Councilor Dominguez made the comment, blend taxes together, I think that is something that we definitely need to have that conversation with the state. Right now we talk collaboration and I'd like to see us take it a little further, being that we're having this joint meeting, we have a lot of issues that we say are very important to this community, very important between the City and the County, it's probably also really important to the schools as well. It's probably important to the State as well. I'd like to see somewhere down the line maybe we have a conversation between the City, the State, the County and the schools, you know, within this region because like I said, we all share the same constituency and we may all have different ideas but as long as we can have those conversations maybe we can come to an agreement on something.

The other thing I want to say, I'm open to, you know me, let's have that conversation. Let's talk about the RECC. Let's talk about water. A lot of you at the County, I mean, Tony me and you go back forever playing baseball, your brother, Ken, Rudy, you know, we've all grown up in the City. We've grown up playing ball, going to school so it's our City and our County are very important to us. You know, we all want to see our City and County grow right at the same time too let's take care of us, those of us that are here, those that make the City and make the County work. That's what we have to do. But like I said, you had the City of Española here – why can't we have discussion too – if we're talking RECC, is it just going to be between the County and the City? Here's Santa Fe County, you have all the dispatch for the entire county, you need to bring all of those entities to the table. I, myself, am willing to sit at that table to have those discussions. But when will those discussions take place, I don't know. You know, Katherine – you know, we got the packet today. It's been rough, I understand that. I definitely want to read more into this and I think if we continue to have these discussions, we'll be able to work out a lot more of these issues but that's my concern: are we going to continue to have these or is this going to be a one-time shot. Because, you know, I've been here 12 years. I've seen it. We want to have this discussion but then somebody gets mad on the County, somebody gets mad on the City and we don't have these conversations. And that's not the way our two entities should work, you know, so I do hope that this is a new beginning. I think it is. I see three new Commissioners that I know want to work in collaboration with the City and get things done.

I'll keep my comments as brief as I can. I look forward to working with you. I look forward to the conversation and making the lives of those citizens that we all represent better.

CHAIR ROYBAL: Thank you, Councilor. Councilor Harris.

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COUNCILOR HARRIS: Thank you. Add kudos to the Commission for calling the meeting and particularly Commissioner Hansen, I know she kind of led the charge on this. So I do appreciate it. I'm going to be very brief with just a few observations.

I'm one of the new Councilors and one of the things I learned when I was campaigning and talking to people is that there really is an expectation on all of our constituents that we certainly respect one another but I appreciate the Mayor's comments about binding contracts, but, in fact, we do have some binding contracts and I think we have some potential for some additional ones, and that we as best we can and to the greatest extent possible we work together to solve common problems. I really believe that is what is expected of all of us as elected officials.

I also want to, well, based on my last 16 months sitting the two joint City/County boards, the Buckman Direct Diversion as well as SWMA Solid Waste Agency, it is my observation that there is some baggage that carried over: there just was. And it led to some tensions within both groups. But I think what can be said now is that we pretty well worked through. The new Commissioners who are on those respective bodies I think have been given to a certain extent a new slate and so I think we need to take that mindset of new eyes, new perspective, perhaps, and take care of some of the problems that have lingered perhaps for a little bit too long. And I'm thinking about the regional emergency center is one that I think should get some real focused attention.

The last thing I wanted to say is something I've been talking to a lot of people about is just an observation that District 4 that Councilor Trujillo and I represent, really is the group of people in the middle. We're the only district that has a common boundary with the other three. We have a long common boundary with the Traditional Village of Agua Fria and I always put in our neighbors to the south in Rancho Viejo and increasingly Oshara Village. So as such, I think for myself, I am always particularly focused on growth management and I know that the County has had and I see that in the MPO the whole north connector – I'm going to misspeak how they are designated but you know what I'm talking about. I think those are important discussions that need to keep going because that does affect the City's traffic pattern extensively. I'm also very focused in terms of District 4 if you were to look, I think you would find that District 4 is really kind of the hot bed of construction activities both residential and commercial and I think it's probably perhaps safe to say throughout not just the City but the County as well. So there's a lot going on there and for myself what I think we need to continue to talk about, and quite frankly, this gross receipts tax discussion is part of that, is economic development as well as growth management.

So with that, I look forward to hearing what everybody has to say on the specific topics. Thank you very much.

CHAIR ROYBAL: Thank you. And we've got some brief remarks from Commissioner Hansen.

COMMISSIONER HANSEN: I know our time is running short, it seems like we just got here and I am so glad that we are all here. Referring to Councilor Trujillo, I want to make a comment a motion to say, Let's meet in three months. Let's meet quarterly. Let's keep this dialogue going so that it is fresh and we don't get delayed – or every four months. Some kind of regular communication so that we can continue to

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bring up these important issue that we have to deal with. For me in District 2 in the County, I have constituents in District 1, District 3, and District 4. So I share borders with many different constituents and different districts that have a lot of issues and they call on me to represent them in the City and I do that: Lisa can testify to that. For me, there's no conflict because I am not a City Councilor so then therefore they can come and they can talk to me about their issues and I hope that you are all comfortable that I do come and speak at the Planning Commission and City Council meetings because I know my constituents rely on me when they can't actually talk to you sometimes when it is quasi-judicial matter. And so I just want to share that piece of information.

We do have a lot of common problems to solve and I, Commissioner Moreno, Councilor Maestas we serve on the MPO and as many of you know the northeast and southeast connector is a huge concern for me and we had that brought up at our last meeting and we tabled a development because we do not know -- New Mexico DOT could not answer, well, they were not here to answer us, in what is going to be done with the northeast connector and that is a big concern for me. So hopefully they will show up and give us some answers because we have been trying to work with them for a long time and Councilor Maestas knows how important that road is to me. He actually was at the ribbon cutting when we got the Federal Highway right-of-way to open that. He was at the ribbon cutting with Commissioner Vigil. So it has a long history for all of us.

I plan to work on an amendment to the annex agreement with staff about Area 1 that can be brought forward from this body and then your staff. I don't know if it's a motion but I want to start working on an amendment to the annexation agreement to the Area 1 and Area 18 and see where we can go. And I would like our two bodies and staff to work together on that so that we can talk about annexation and then we can also work on this park down in the southeast connector and work on Alameda which I know needs work. So that is part of what I would like to work on with the annexation because time is short. That agreement has a deadline of June '18 and November and December of '18 when services stop. So the sooner we start to work on some ideas to solve that problem the better.

And I would love to hear from the Councilors your feelings about the GRT. I think that in many of our meetings I have been clear that I only want to do one increment of the GRT. My preference is the twelfth and I have said that many times so it's not anything new that I am saying here. I have said that in other public forums. So that is what I am going to get to the thorny issues of why we're here and how we got here and so that is where I am coming from and I want to share that with you that I support raising our GRT, the one-twelfth and that is what I am willing to support.

CHAIR ROYBAL: Thank you, Commissioner Hansen. I'd like to echo a lot of the comments that were made and I'm going to keep my comments brief and thank all my fellow Councilors and Commissioners that have talked here today. I feel this is a great step in the right direction and I'm hopeful that this will be the first of many joint meetings.

In my district I have two cities, and I want to work collaboratively with both cities. I have had some very positive meetings with Española, City of Española and I am hopeful for continued collaboration with them.

In closing, I feel that when municipality and county governments work

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collaboratively to identify services and projects it's our constituents that win. I appreciate everybody for being here today and I want to be mindful of the time. We do have public comment also that we have an idea for and we do, in fact, that we have an item on here that talks about public community survey and also options for future meeting which Commissioner Hansen mentioned earlier. I'd like to move into questions being mindful that it is already 1:30 and there are individuals that have other meetings. Councilor Maestas.

COUNCILOR MAESTAS: Thank you, Mr. Chair. Regarding the gross receipts tax and the County's authority I felt that there was some ambiguity of which increments could be enacted by the Commission and which required voter referendum; has that been addressed? Does the County Commission have the authority to impose any of the increments being considered?

DEPUTY COUNTY MANAGER FLORES: Mr. Chairman, Councilor Maestas, we're still working in dialogue with Tax and Rev Department to see exactly what their position is on our authority. We have one opinion that they rendered which was a different interpretation and we're still working through that.

COUNCILOR MAESTAS: I just think that's a very important issue, Mr. Chair, members of the joint body that we know what the parameters are around this issue and if there's some uncertainty we ought to acknowledge it and maybe set aside a certain issue where there legal uncertainty in terms of what authority the Commission has to impose a certain increment.

And I'm going to be brief, Mr. Chair, and I guess the genesis of the whole initial hold harmless enactment was to try and compensate for the loss due to the repeal of the hold harmless subsidy payments to the Santa Fe County. Does the County have an estimate of what that loss is?

MS. MILLER: Mr. Chair, Councilor Maestas, it's around – from the beginning around $4.5 million because it's gone down 7 percent per year on top of growth that number changes every year but probably now at about 3.5 million.

COUNCILOR MAESTAS: So you would say, the initial one-eighth that you enacted would fully offset the total estimated loss from the repeal of the hold harmless?

MS. MILLER: Mr. Chair, Councilor Maestas, one-eighth increment is about equal to what our hold harmless distribution was when it started.

COUNCILOR MAESTAS: That's all I had on the taxation issue, thank you.

CHAIR ROYBAL: Thank you. Mayor Gonzales.

MAYOR GONZALES: Just a couple of quick points. One, to Commissioner Hansen's point on the issue of the annexation agreement it seems that in a relatively short order there is opportunity to introduce resolutions at both governing bodies' levels to determine a willingness to direct staff to begin that process and so I think that in terms of a win, if you will, one way or the other, I would encourage you to pursue that route.

In terms of the RECC I wasn't here when the initial agreements were set into place but I do understand that times change and circumstances change and certainly there is a commitment on my part to work with the staff and with the Council to at least begin

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the dialogue of understanding how we can bring a solution forward to address some of the concerns of the County that is representative of more of a fairness type environment that exists around that.

Having said all of that, I do want to respond to Commissioner Hamilton's request on the point of the GRT and where I personally stand and certainly what I would hope this Commission does. No one here more than I understands where the community when it comes to the issue of taxation. I say more than I because I personally and publicly have gone through the last 90 days of a proposal to increase a tax on sugary beverages that would fund early childhood education. And certainly there were lots of perspective and points of view that came forward during that conversation. And since the election, the loss of that proposal, I have had an opportunity to sit down with many people in our community to listen to their concerns and they were a wide range of concerns regarding the proposal but one that was very clear was this sense that people in our community just feel like they're being taxed too much. That there's a natural propensity for government to look to increasing taxes to try and solve the problem of the day or the need that is viewed to be the priority of the day. And there's a general sense from the public that there isn't a return that comes back in ways that improves their own personal daily lives. I think we've got a ways to go until we're able to have a sense in this community that the taxation that occurs is truly one that provides a direct benefit back. Now, we can have conversations about responsiveness of our public law enforcement which all of them do very well. The issue of which all of us hear quite a bit of at the City, potholes and parks and weeds in the medians and other areas that require attention and resources of the public. But I think we, today, for good or bad live in a day where our citizens just feel like they're being burdened too much by the issues of taxation in all forms.

We're kind of suffering the consequences of a lack at the State level when it comes to tax fairness an issue that encourages or discourages us from working together because they statutorily have set up our governments to not necessary find collaboration that drives efficiency and increases service. We are for sure suffering from what is happening in Washington where a lack of collaboration has meant deferred maintenance, and deferrals of infrastructure investments. We have a proposed budget by a president that would eliminate housing funds, work force development funds, almost any domestic program that exists, the president has proposed to eliminate. And what the public sees is that when we come back to them asking them to increase their taxes they feel like they're having to bear a disproportionate share of a burden that should have already been solved by all levels of government.

So I respectfully come forward with a point of view, having walked through the last 90 days of trying to convince the public of a tax proposal that I felt would have a direct benefit and having to reflect and to listen and learn and have a broader understanding of the concerns of the public is that for now the issue of seeking to raise taxes regardless of whether we view them to be most impactful on low-wage earners or others, that regardless of who is going to be burdened by it, and we know the GRT is the most regressive form of taxation, that the issue of turning to the public, yet again, to raise their taxes is one that I feel is one that the public wants us to try and resist and not further increase taxes until we can get some issues solved.

My hopes is, and Commissioner Hamilton, again, I come from the standpoint

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where I actually went out and asked the public to raise their taxes to put a lot of effort to show what the public benefit would be, for all of that and regardless of how people felt about a tax on sugary beverages there is a resentment of government looking to increase taxes at this point. And so, seeing where the money is going to go makes a lot of sense to me. It's going to go to paying more Sheriff's deputies, it's going to go towards paying for fire personnel – it makes sense from our standpoint as an organization. But from the public standpoint, shouldering that burden I think is one certainly people are not ready to do.

The second component that I would just say, for us collectively as two organizations growing our economy is our best opportunity to increase our tax revenues. If this tax is passed and if it's true that will become the highest GRT tax rate in the state. Whether it is here in Santa Fe or in Española the opportunities for small businesses to overcome that becomes a challenge. And, again, that is reflecting from what I have learned over the last election that I've gone through and not only listening with individuals but listening to small businesses and trying to understand what a new tax would mean to them and how it would affect their ability to be competitive in an environment where taxes are higher here in our region than they are in other places.

So for those reasons to answer what you've asked us to answer and why we're coming here is why I would ask that there be a deferral on any raising of GRT taxes and allow for us to try and find that collaboration, grow the economy, address the issues of RECC which Commissioner Anaya before you walked in I pledged my support to work with the administration to find a more fair way to address the issue that you have continuously brought up over the past several ways, find ways where we can address those issues so you don't have to look at a GRT tax this year to address some of those needs you have in place.

I'll end with that, Mr. Chairman, but also just end with the fact that you have my utmost respect regardless of the decisions you make on this. I understand why you would do what you need to do. But having to be an individual that has just literally walked through the fire, I feel that I lend a perspective of what generally the taxpayers are feeling now given the state of government from the local, state and federal level and a responsiveness to the tax that I don't think is ready to be supported yet. Thank you.

COMMISSIONER HAMILTON: Mr. Chair.

CHAIR ROYBAL: Thank you, Mayor Gonzales. Commissioner Hamilton. Let's try and get public comment done. Let's try and get it done before 2:000. I think I'll go to public comment next, Commissioner Hamilton.

COMMISSIONER HAMILTON: I'll make it really brief. Mr. Mayor, what you say in all respects makes a huge amount of sense and sometimes I feel that we're put in a position of having to try and balance and make choices that are very difficult because – first of all, what you started with was the kinds of support and services that are being lost to our constituents because of state actions and the federal actions or the lack thereof. And the truth of the matter that does put local governments in a position – all of us here are the ones that see our constituents day in and day out and are supplying much of what is needed for the quality of life and safety. And I can't imagine what we're going to do for some of the things if they continue on and zero out CDBG and community development grants and the variety of other things that you reference.

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Clearly, we can't make everything up but we do have to try and make some of that up. You were put in a position of trying to do something on education because that is something that has just never been a priority except in lip service, you know, at a higher level money is spent in many other places but not for that kind of education and things that really individuals need.

So I feel that we are in a very difficult position because I have to say that I think a lot of the things that we could work on effectively including the RECC, but also things that will make a difference in revenues, growing taxes, working with the state on tax reform, changing some of the ways that those things are implemented and being more creative are slightly longer term. Not very long term but I think if we actually decided to do it, we could achieve some of those things in a year or two and really make a difference. But I think some of what we were discussing in terms of needs in our budget this year are things that have been wanted with tremendous effort trying to be efficient and cutout for example high level administrative positions so we could fund FTEs in the fire department and do things that were otherwise creative and efficient and forego raises and things you guys have had to deal with also.

But the reason I feel it is important to consider this tax now is because, as an example, you guys know it's in the packet what we're planning to spend it on, but the Fire Department and funding operations for the health center are probably the key focus areas. So years ago the Fire Department evaluated how short they were running and it was like 21 paid staff short. So we've eked out a few FTEs on that just by gaining efficiencies but they're running 21 people short. They have 80 permanent staff. That means every shift they run is understaffed. The districts are covered by maybe two firefighters per shift. We have a great mixed service. I'm a volunteer firefighter. There are three to one volunteer/paid firefighters. And people go, Oh my god, are you on call all the time? And yeah, I am on call all the time and I never have to respond if I'm working so the guys go out on a fire they don't necessarily know who is going to respond and you can't show up – and you guys know this and I should not take too long. Even if passing a twelfth sounds like a great compromise that will fund nine additional firefighters. The full increment, an eighth and a sixteenth, will fund 18. That's getting pretty close. It's a singular opportunity to get close enough to a serious, serious, serious public safety and health need. And it's not just fighting fires. These guys are all EMTs and a lot of my community and my district for instance is rural and we ran out on a med call last night that a lot of people they depend on – they have no place else to go, there aren't sufficient other wrap-around services which is one of the things we're also trying to address – and they call the fire department to get the EMTs there when they have health problems. So it's a multi-layered integrated problem. So I have to be honest I feel like the opportunity to address this issue – first of all, the issue is too big to address in the short term just by efficiencies. We've been working on that. So we have an opportunity now that is going to go away to do something that we have needed to do for years and that I don't think we can really afford to proceed without. So as we look at efficiencies, as we work together to maybe do some creative things, you mentioned some things that people don't usually talk about, having shared services and whatnot, if we were successful at working with the state supporting some of the efforts at some tax reform, as those things increase our efficiency or actually increase the revenues coming from that

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we always have the opportunity to revise what we do. And I think it is critical for us to commit to doing that but I just have to, in full disclosure, say that I feel like it's – our obligations are so serious in this case and I don't say that lightly, that I feel it would be irresponsible to walk away from it. And that does not mean that the other issues aren't critical; economic development and whatnot, those are incredibly critical. So I guess I say that I have to commit to continue working with you and working with my Commissioner colleagues as well to think about what can be done in that regard. Everything is a tradeoff but in all honesty it's why I feel that this is the time that we're just pushed up against having to do something that is really responsible at those levels.

CHAIR ROYBAL: Thank you, Commissioner Hamilton. And I want to ask all the individuals that are here for public comment to make their way to second pew and I do want to go into item 5 which is our next steps. I think we have Renee Martinez, the Deputy City Manager that had some comments to that.

V. Next Steps

A. Public Community Survey

MS. MARTINEZ: Mr. Chair, regarding the topic of citizen surveys and opportunities for the City and County to either share surveys, analyze survey results, develop action plans, we've learned from County that your survey results are fairly dated that the survey that was conducted the same one, National Citizen Survey, was done a few years back and so there wasn't judged to be a lot of value to looking at our current results versus your older results. The City conducted a survey in December and January. We were very pleased to get 1,400 responses. We did both a mail out survey as well as a web or online-based survey. So we have some fresh results and our departments have been looking at those results and developing action plans. So at this time, the management teams, County and City, are really recommending that we have an opportunity to time our next survey together and that would, if we do that, then I think that there's an opportunity for us then to both ask similar questions as well as look at the results together. So that's a suggestion or a possible recommendation that can move forward from here.

CHAIR ROYBAL: Thank you, Ms. Martinez. Manager Miller.

MS. MILLER: Mr. Chair, we did have an older survey – it's the same. It's through the International City-County Managers Association and we actually are posed to, we have it budgeted and had developed a questionnaire but in light of the City just having theirs done, one of the things we thought of is maybe trying to change our questionnaire to be the same or as close as we can to theirs. Some of the questions are difficult to do the same because of the type of services within the City versus the County but that was one thing that we were hoping we can do as a result of the fact that we just in these discussions found on the City had just finished theirs. We think that's a good area to work on making those as similar as possible.

CHAIR ROYBAL: Thank you, Manager Miller. I think that's a great idea.

B. Options for Future Meetings

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CHAIR ROYBAL: I know that pretty much everyone here today has stated that they want to see future meetings and I think it would be a good idea to come up with an idea of when. I don't know if you guys would agree to something in September/October.

MS. MILLER: Mr. Chair, can I just refer you to a packet item.

CHAIR ROYBAL: Sure.

MS. MILLER: You don't really need to read the memo. It's the last actual packet item and because we talked about that we used to have an RFP that's kind of what the memo says and it also says that we at one point talked about having committees but we didn't quite get there on some of these things. So what we did was just kind of lined out some of the ways that we've done it in the past and some of the ideas that have come up and I'd like to say that probably the most recent success we had was after the – and it didn't include so much of members of the elected bodies meeting together but it was what we ended up doing when we had issues with water and wastewater remaining from the annexation process, we did go through some mediated meetings between the County staff and City staff. One of the things that might be a good opportunity is to have some subcommittees that included elected officials as well as staff and we kind of work through individual issues that way and then took the recommendations agreements or changes or whatever back to the respective governing bodies because it is incredibly difficult to get 13 elected officials in the room at the same time for a lengthy discussion. And so that might be a way to do it on top of having some joint meetings on occasion, where we would get to bring up what we'd like to have done in those subcommittees.

So those are just some thoughts that we have discussed with the City about possible ways forward.

CHAIR ROYBAL: Okay, Councilor Maestas.

COUNCILOR MAESTAS: Just a quick comment. Thank you for maybe giving us some ideas for coming up with a reoccurring process and I would even urge you even work with our City management to memorialize it through some kind of MOU. It doesn't have to be all that detailed but just a framework establishing the frequency of meetings, just a basic policy about how we go about setting the policy agenda, what leads up to the joint body agenda. I really think, you know, we need to memorialize this in the form of MOU and I think you've got a good framework behind that so that would be my recommendation, Mr. Chair, going forward.

COMMISSIONER ANAYA: Mr. Chairman.

CHAIR ROYBAL: Commissioner Anaya.

COMMISSIONER ANAYA: Mr. Chair, I'm absolutely open to continued dialogue. I actually had Mr. Barela reach out to all the Councilors because I don't have all of their contact information for each individual Councilor. I'd like to get that. That's what he was requesting and have more conversations individually as well. And I'm going to apologize, Mr. Chair. I have a commitment at Las Vegas main campus I have to be at at 3:00 with some of our administration. So I will be open to discussions with any of the public comments that are coming forth right now today. Mr. Barela is in the back corner. You can give him your contact information and we will discuss your comments

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individually. But Mr. Chair, I appreciated the meeting and the feedback from everyone and I just am hopeful as we move forward that we continue to collaborate but that in those times when we may not be in complete agreement that we just have that continued mutual respect. So thank you, Mr. Chair.

CHAIR ROYBAL: Thank you, Commissioner Anaya. Okay. Commissioner Hamilton.

COMMISSIONER HAMILTON: Well, Councilor Maestas just suggested we memorialize this in an MOU what we were talking about and that's a great idea. But everybody is so set on quarterly meetings because quarterly is so easy to say and a nice round number. But you know me, I'm this weird scientist and I like odd numbers. We're all actually pretty busy and when you think about time going by and how quickly meetings some up and what not, and especially if we want to have a certain number of meetings jointly but a certain number of maybe subcommittees and stuff that are working subcommittees, I would think three meetings a year which is once every four months would probably be frequently enough to really have meaningful interactions for the – anyway, I'm just throwing it out as an idea that the perspective on that might change depending on how the subcommittees' timing goes, if we actually do that.

CHAIR ROYBAL: Okay. Thank you, Commissioner Hamilton. I think staff will work on that and consider that as well. So I want to go into our public comments so we're going to start our public comment with former Commissioner in District 2, Miguel Chavez.

MIGUEL CHAVEZ (Former County Commissioner): Thank you, Mr. Chair. Mayor, thank you for being here. I want to thank also the City Councilors and the Commissioners that are here and staff. And I guess I'll lead in – I've taken some notes but I'm going to maybe ramble a little bit. But I'll try to keep that to a minimum.

On the thought of reducing duplication of services to be more cost effective, I think that goes without saying. The more we can do that the better off we are. And I'm wondering if maybe – food for thought – you're talking about quarterly meetings which would be good. You're talking about more collaboration to reduce the duplication of services, and I'm wondering if the City of Santa Fe and Santa Fe County would be better served in the fashion that, let's say, Los Alamos and Los Alamos County conduct their business. It's not quarterly meetings; they sit down every month and discuss – or twice a month, and discuss what challenges they're facing. Albuquerque and Bernalillo have merged their two governments. So I'm wondering if it's a time for Santa Fe and Santa Fe County to consider that. Just food for thought.

Moving away from that I want to speak to some of the challenges that you've discussed earlier and I'm going to rank them in the importance that I feel that they should be addressed. Some of it's personal and some of it, most of it, is from a policy perspective. Commissioner Anaya left the room but he did give me some credit for trying to address the behavioral health piece but I will also give credit where credit is due, and former Commissioner Stefanics, now Senator Stefanics, did a lot of work in that area. And our intent was not to ignore the homeless population but to reduce the population in our adult and youth detention facility who have been diagnosed with a mental condition. That was my reason for engaging in that discussion.

Sixty-seven percent of the population in our adult detention facility has been

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diagnosed with a mental condition. So we have, Councilor Villarreal, we have our homeless shelters, our jails, and our emergency rooms acting as de fact mental health facilities, and you know what? Often it's the same people that are cycled through those facilities. We keep doing the same things and expecting different results and different outcomes. You know what the definition of that is? I'm not going to say it, but we keep doing it year after year after year after year and wonder why when people are released they act out the way they do.

We can talk about behavioral health and we can get educated about behavioral health. Behavioral health and mental health is the same thing. Okay? It's just terminology. I will tell you as a parent I have lived that now for about four or five years, so my experience comes first hand and I would not wish that on anyone. When someone in the prime of their life is diagnosed with a mental condition it's not like any other condition to deal with because the diagnosis and the treatment is generally not accepted.

So the County has done a lot of groundwork, if you will, to put behavioral health front and center through Community Services. We had last year or a year and a half ago, some of you attended, we had a four-county behavioral health summit. It's not only about Santa Fe County. We do have a shared responsibility in the population that's in that jail and they don't only come from Santa Fe. So we want to reduce the population in our jail who have been diagnosed with a mental condition because a jail setting is not the best setting for therapeutic treatment for those that have been diagnosed with a mental condition.

So Commissioner Stefanics, Commissioner Holian, Commissioner Roybal and Commissioner Anaya all agreed to put a fifth question on the GO bond. Usually it was four questions with the standard issues – roads, water sewer, fire – all those things that we need. But the fifth question took a while, a couple of months, to get agreement that that would be placed on the ballot. That was for the community health facilities to deal with general health but also address the behavioral health piece. If we can address that I think, Councilor Villarreal, we might be able to reduce our homeless population because that's one reason why some of them are in that situation. But at least they're free to roam around and get fresh air and sun. When you're incarcerated that's not always the case.

So I think, having the voters approve all of the GO bond questions and the advisory question, Mayor Gonzales, to fund – and if you look at the ballot and you look at the advisory question, it asked the voters if they would support an increase in GRT only for behavior health. That's it. That's all. Nothing more, nothing less, and it was approved by 52 percent of the voters, I believe. Good enough for me. That's all you need to get elected.

So you know taxes are not popular and we could wait for tax reform until the cows come home. Santa Fe County is in a position to do something real, and I hope that we don't lose that opportunity to deal with that shared responsibility because the people that are in that facility, if you want to call them constituents, they're still that. But before that, they're individuals that need help that aren't getting the help that they need.

CHAIR ROYBAL: Thank you, Commissioner Chavez. I know that you have a little bit more but we have a lot of –

MR. CHAVEZ: I've been waiting since 10:00 this morning. I'm going to take a few more minutes, with all due respect. You've had your time; I'm going to take

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my time and then I'll yield the rest of the time for others.

On annexation. Annexation was not easy and I lived that also. Before we did comprehensive annexation we were doing guess what? Piecemeal, developer-driven annexation and that wasn't working. Sangre de Cristo extended the waterlines beyond the city limits without any consideration for planning or density, or whether you had a private well or not. They wanted customers. So something needed to change. And so now we have an annexation agreement. Yes, you can change it; you can amend it. But at least we're better off than we were before, because it's not all developer-driven.

And I guess I'll stop on those two topics, Commissioner Roybal, Mr. Chair.

CHAIR ROYBAL: Thank you.

MR. CHAVEZ: I think the most important thing that the County could do right now, at a minimum would be to pass an increment in gross receipts that the voters approved so that we have a dedicated funding source for our community health facilities to deal with behavior health that doesn't compete with the general fund. Thank you for your time.

CHAIR ROYBAL: Thank you, sir. If we could have our next speaker, and we're going to go ahead and do a time limit of three minutes, and I'll let you close but I'll just sort of raise my hand that you're at the three minute mark.

DAVID RISSER: Commissioners, Councilors, Mayor, my name is David Risser. I live at 757 Coyote Ridge Road. I am part of Area 1 of the annexation. Let me first state that I represent Coyote Ridge Association and many of the members in Tierra Lumbre and for the record, we have been against this annexation since the beginning. Years ago we fought very, very hard to avoid annexation and avoid this piecemeal progression of housing and development.

We would like to stay in the county. We think it would be a really appropriate resolution for a situation that we've been dealing with for nearly ten years. We've had very little representation and it wasn't until electing Commissioner Hansen that we feel now that we have some really meaningful representation of dealing with this issue of not being in the city, not being in the county. We're kind of orphaned and we'd like to find a home and we'd like to stay in the county. So, for your consideration. Thank you.

CHAIR ROYBAL: Thank you, sir. Could we have our next speaker?

MICHELLE HERMAN: Commissioners, Councilors, Your Honor the Mayor. My name is Michelle Herman. I'm the managing director of the Eco Seco Homeowners Association. We're right next to Coyote Ridge, but a very small, very rural group of 12 to 14 people who came together for environmental reasons. We so want to stay in the county. We are rural. We are based in the county. Right now we're sort of torn between county and city and we so appreciate that Commissioner Hansen is coming forward to represent those of us who really want to continue our county lives. Thank you.

CHAIR ROYBAL: Thank you, Ms. Herman. Can we have our next speaker?

WILLIAM MEE: Commissioners, Councilors, Mayor. I'm William Mee from Agua Fria Village Association, 2073 Camino Samuel Montoya. I'm excited to have a resumption of the City-County meetings. The last one I attended was February 20, 2013, and it's so important that there be regular channels of communication between City and County. Although County and municipal interactions are outlined in state statute,

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such as the Extraterritorial Zoning Authority and Commission and the Regional Planning Authority, the structure of such entities is not mandated. Without regular intervals of communication City Councilors, County Commissioners change and other actors are replaced or retired, and all the progress made with plans, codes, resolutions and ordinances, and even law suits are shelved, forgotten and at worst ignored.

The only thing that remains of all this good work and compromise is what citizens like myself remember about these formal agreements. I have been involved since 1979 but before this, the 1974 Southwest Sector Plan, chaired by Agua Fria resident Bob Padilla, directly affected our family and community with real issues. The City wanted to run a road across the top of the City trunk line, which had been donated by the families of Agua Fria for the minimum of $1 consideration in 1960. This later would become the Rufina Street sewer line.

The City proposed zoning the lands of Agua Fria Village south of the future Rufina Street as commercial, like Cerrillos Road was. Our family, like most families, subdivided their land north of Rufina as residential and used the process of family transfer for each adult in the family, and then held the property south of Rufina in equal shares for development as that commercial property. Rufina Street was welcomed by the Village in the 1990s as a way to develop these areas as commercial that had literally been on hold since 1974.

In the 2008/2012 annexation, the City reneged on its plans to make this area commercial, so that's an example of real issues affecting real families. Each subsequent plan has required Agua Fria residents' effort, like the 1992 relief route study, which became State Road 599, the 1999 City general plan, the 2000/2002 Southwest Sector Plan, which was finally adopted by the City in 2007, the Rural Residential Resolution by Commissioner Virginia Vigil and Councilor Rebecca Wurtzburger, which created a transition and buffer zone around the Agua Fria traditional historic community.

So what we've seen over the years is all of these plans are continually ignored. As far as annexation, in 1960, 1970, 1980 and 1990 there were proposed City annexations of the Agua Fria area and we fought those off and through the Mayor's help we went to the state legislature in 1995 and had it designated a traditional historic community. But we in Agua Fria feel that all this planning goes on and it has to be a three-legged stool. And the City and the County do all this planning, a lot of the earlier City-County meetings weren't even noticed or they were advertised as here and they actually wound up at City Hall. I came to them to an empty room and I was like, Where's the meeting?

But when you cut the third leg of the stool the stool falls over. So Agua Fria really wants to be a part of this planning and I really feel for these residents of Area 1. I know the Area 1 that actually went into the city, they're having all kinds of problems with trash collection and any of the services. And so I think there needed to be a lot more planning that went into this to be able to deliver adequate services to the citizens. So thank you.

CHAIR ROYBAL: Thank you, Mr. Mee. Can we have our next speaker please?

JUSTIN GREEN: So thank you very much, Mr. Chair, Commissioners, Mr. Mayor and Councilors. Thank you very much. My name is Justin Green. I live in District 1 of both the city and the county. And I've worked on a number of issues. I currently serve on the Planning Commission and I think that this is a great summit

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happening between the two governing bodies at the City and County level. I would recommend that we ask both of our Planning Commissions to do the same thing so we can start to have these two bodies talk about some of the areas that they have overlap. And I would also bring that up to the Land Use in the City to try to make that happen and maybe the folks at the County to try to make that happen for us as well.

The second issue that I see some potential overlap that we could work on and not duplicate is in broadband. I've worked pretty extensively on that and I know that's a priority at the City level and at the County level and both offices and project management and the vision for the projects are pretty much – there isn't anybody at the City right now and I think that the County is a little light staffed as well in focusing on this and I think that some sort of task force that brought City, County, the school district, maybe the State and a few private industry folks together, tasked by both of these groups could make some headway in this pretty quickly with a little bit of funding for some staff to deal with the administrative works, shuttling between the two areas. Thank you very much. I look forward to working with the Planning Commission at the County level if we can work on some regional issues together. Thank you.

CHAIR ROYBAL: Thank you, sir. Okay, can we get our next speaker?

RAMON VILORIO: Hello. My name is Ramon Vilorio. I'm here as a representative of Santa Fe County Firefighters Association, IFF, Local 4366. Thank you for having this meeting. I think any collaboration between governments is wonderful and one of the key things I think I've seen from this meeting is the dedication to efficiency and we in the Fire Department believe in efficiency pretty greatly. It's one of the cornerstones to how we're able to function. One of the things about efficiency though, it's not just on the intake. Efficiency has to be on your output as well. Currently, the IFF feels that we are severely understaffed and the burden of being understaffed greatly reduces our efficiency. When you have one person doing the job of three or four people and unable to keep up it burns us out. It makes our efforts less effective than they can be.

In addition, it also, we feel, affects the volunteer districts as well, having them to do such – put in such a great effort, more effort than would normally be considered for a volunteer in any organization and that they're doing everything they can to keep up. So we have both sides of our department working with Herculean efforts to keep up, to keep the County afloat, to provide the services that we feel everybody in the community needs. And without the additional manpower that our efficiency is down we will never be able to keep up.

In addition, not only would GRTs affect the efficiency with more manpower, that will catch us up to where we need to be currently to provide the best services to the county. With what's going on in Washington in the Congressional Budget Office talking about the possibility of 23 million Americans losing their healthcare we become, as paramedics in the community, we become the first line providers for the citizens who don't have any other options, a further burden onto an already taxed system that we feel will cause us to fail.

So we are hoping that the GRTs will be considered for efficiency on behalf of the Fire Department. In addition to that, there's the behavioral health side of this and speaking on behalf of the IFF 4366, with respect, we want to mention our brothers and sisters in public safety – the RECC, Corrections and obviously the Sheriff's Department.

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Behavioral health is a major component of efficiency. We currently are trying to use a system not designed to deal with behavioral health to fix all our problems. We're only using a hammer to fix everything that needs to be fixed. We need additional tools that are designed to meet the needs of the community and the problems that the community has.

Far too often law enforcement and fire are hand in hand in situations where we're not really the best equipped to deal with the situation and we feel like it's really a progressive movement for the County to have a behavioral crisis center and sobering center and everything that the GRTs will bring to deal with the behavioral and substance abuse crises that our communities are facing. We would like to mention that, the efficiency that that would bring by also allowing the right tool for the right job and letting law enforcement, corrections, RECC and the Fire Department function effectively with an additional tool to help people, because that's what we do in our public safety is to help the community and we feel like this service, public safety, helps community and helps the family that is afflicted with these crises and the family is the ultimate building block for the community. Thank you for your time. We appreciate it.

CHAIR ROYBAL: Thank you, sir. Can we have our next speaker?

YVONNE CHICOINE: Good afternoon. My name is Yvonne Chicoine. I am here wearing two hats and I will speak quickly with respect to both, but I am here with two hats on. The first hat I will wear is as chairman of the Santa Fe County Republican Party and I would like in that formal capacity to say how much we applaud the efforts of the Commission and the City Council to work together and Commissioner Hansen, who is my Commissioner, who helped bring this together, thank you. What I'm hearing from a lot of the comments that have been made as an undercurrent or an overlay on everything is an appreciation that we are one community, and the recognition that is coming through, the government has no money unless it has been taken from someone else who has earned that money, and keeping that in mind because there are levels of taxation – State, federal, local and I believe it was Councilor Trujillo who mentioned the school taxes as well.

And taxes are going up at all levels and appreciating that is very helpful. Every tax rate increase, and I'm sorry the Mayor isn't here anymore because he focused on the issue between tax rate increases and tax revenue increases. Tax rate increases to fund budgets of the government result in budget decreases for the people who are paying them, and that includes – and I talk with firefighters and police officers, that affects their budgets too. So it's not just – it's two sides of the same coin.

But every tax rate increase does decrease a taxpayer's budget. We need to work together to grow the revenues and that's by growing the pie and not decreasing it. The Republican Party does oppose any further tax increases throughout the county. We've seen too many of them already in recent years. All of these tax increases are funding worthy causes. There's no question about that. But we have to start distinguishing between critical and worthy. And everything cannot be critical. Last weekend's newspaper had a $4.1 million – talked about a $4.1 million horse ranch in Stanley. I can't see how anyone can call that critical. There's no economic – it may be an economic development effort, but it was $4.1 million and no one could even say how many people live in the area. There was $59,000 that the County Commission spent on a new logo.

When it compares to health and safety a new logo is critical? I'm not saying not

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worthy. I'm not saying important. But everything cannot be critical. The County Republican Party's view is that we will object to all tax increases, tax rate increases, short of objective, measurable, performance and success measures for all personnel and programs. This goes to return on investment, and that's bottom line what it is. Money going out must yield benefits. We need to put an end to across the board pay increases. Within the community, the private sector, there are not across the board pay increases. Pay increases and keeping a job is based on merit. We have to turn to that model for our government as well.

As the Mayor indicated, we need to eliminate duplication in services. We are one community and it's one pocket for the taxpayers. The Mayor suggested ten percent savings; I believe there's easily a 20 percent. I've run organizations. I've signed the front of page checks. There's usually 20 percent, when you really work hard, you can find a way to fun it. As taxpayers we must live within our means and we just simply ask that the government also lives within its means. Government cannot be all things to all people. None of us can, and like this meeting, its agenda was planned but it changed halfway through and it started as a general discussion and ended up being detailed presentations.

I'm remembering my father's comment – he was a high school drop out. He got his diploma in the navy and he went on to be a high school teacher and he started the first co-op education system in the entire Chicago area in 1965. Commitment to community and to betterment, and he always had a great saying. He said there's always enough time to do things over but there never seems to be enough time to do things right. And I would encourage us moving forward. These groups continue to work for doing what's right and doing it right, not just doing it over.

Putting on my other hat as just a member and a taxpayer of the community, I am personally and I ran for public office. I'm personally and professionally committed to this community and have a strong personal interest in it and to law enforcement, first responders, safety, behavioral health and drug use and addiction. And I would like to put on a table a proposal that runs counter to some of what has been said with respect to the College of Santa Fe and what was the Santa Fe University of Art and Design I believe. Still is. I would like to put an idea on the table though. After it leaves, to how this might be used to solve some problems, issues that are talked about today.

We need affordable housing. The campus has dormitories and parking. Affordable housing opportunity. It needs to be near – affordable housing needs to be near transportation and shopping. Corner of Cerrillos and St. Michael's has everything there. Those are main arteries; they have transportation.

CHAIR ROYBAL: Ma'am you need to start wrapping up.

MS. CHICOINE: I'm wrapping up completely. Thank you, Commissioner. Like former Commissioner, Miguel Chavez, I was here since 10:00 and it's now 2:30. Affordable housing, we need a homeless shelter. There was a meeting earlier this week about St. Pete's. I say St. Pete's – I used to be on the board of directors of St. Elizabeth's and there was issues with the neighborhood there and Pete's Place, a non-residential setting for a homeless shelter that provides – that area provides behavioral health. As Commissioner Chavez said, behavioral health, law enforcement, all of these needs can come together with a one-stop homeless facility.

All of these present themselves at that campus. There's open space. There is a

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buffer zone. And I would like to suggest that this is a creative approach and I'm not suggesting it's an answer, but it is a different approach where the community, County and the City could work together on something that is owned to serve needs and the infrastructure is largely there already. Thank you.

CHAIR ROYBAL: Thank you. Could we get our next speaker please? Is there any other speakers. I know we have the City Manager here from Espanola. Would you like to say anything Mark?

MARK TRUJILLO: Good afternoon, Commissioner Roybal, City Councilors. I actually just wanted to be a fly on the wall today and find out what was going to transpire between the Santa Fe County and actually the City of Santa Fe, to see what we could do for the City of Espanola. But since I asked I want to comment a little bit on the tax. I think Mayor Javier Gonzales made a good point earlier about maybe there's a better solution and he did learn a lesson about raising taxes. So maybe we ought to take a little of that into consideration and when we do go to vote on June 27th think seriously about if there will be repercussions and if that's the best alternative to employing the PD and Fire Department. Is that the only and final means to get additional staffing or are there others that we haven't looked at.

I know that the City of Espanola is not in the best financial state, but I know that when we put our hand out and we're asking for money from our big brother, Santa Fe County, we want to make certain that that's our only resource, that we're applying for grants. We are applying for different bonds. We are applying for other financial resources with the hope that that will materialize as well. So Commissioner Roybal, thank you, and I'm very impressed and very happy that you guys all came together and it is my hope that the City of Espanola, my governing body, and Santa Fe County can have a joint session like this as well. I don't know if it's too late to have one in reference to the tax but hopefully we'll be able to have one in reference to other collaborations. Thank you for your time and good job to all of you. I think that you guys have made some progress here, two years. My goodness. What took you so long? Thank you.

CHAIR ROYBAL: Thank you, Manager Trujillo. Okay, so if there's any closing remarks. Councilor Trujillo.

COUNCILOR TRUJILLO: Thank you, Mr. Chair. I guess we're all discussing what our feelings were about the tax. My remarks I wanted to make towards the Mayor when he spoke and I'm actually glad, even though he's not here, that he has gone out and listened to the people of Santa Fe. And that's what I've been trying to tell everybody all this time. Have the dialogue, have the conversation. Don't just throw out a tax when a tax wasn't ready to go out to the people. And as you know, the citizens of Santa Fe spoke; they don't want taxes. It's unfortunate. No one is against pre-K. No one is against children, but in my opinion this wasn't the way to do it. This wasn't the way to fund it.

Aside from that, I mentioned many times, sometimes it's not the duty of the City to start taking over a State's initiative, just as I would think that it's not the duty of the City to be telling the County what to do. And I'm not here to tell you what to do. That comes from you as your governing body. You have your constituents; I have my constituents. The unfortunate thing that a lot of my constituents reside in the county. So that's where I hear it from is many of my constituents have spoken many times and said,

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Ron, we didn't like the sugar tax. We don't like this tax as well. And you know what I tell them? I said this is a County initiative that's going on. You need to tell it to your County Commissioners, just like they spoke to me as a City Councilor. So I'm just here to tell you, you're going to hear it from the constituents. You're going to hear it many times some will be for this tax, some won't be for it. But it falls on your lap to make that decision of what you guys are going to do.

I understand exactly why you guys are doing these taxes. I see what this will fund. And they're good programs. I'm not saying they're not. They are good programs and I do see funding, just like we at the City have our issues as well. We don't have the funding as well. We have so many projects that have just been stacking up year after year after year without funding and that's the unfortunate thing. But in closing, Mr. Chair, Commissioners and Councilors, I'm glad we had this conversation because I think it's opened up a lot of new avenues, a lot of new ideas. The thing that we now have to do is follow through and have those meetings. And as I mentioned, not just between us. These are things that affect us all, just like was mentioned. The schools pass taxes all the time. You need to bring them into this conversation as well as to how we all can collaborate. Like I said, are there duplicated issues? Maybe you as a County can help the schools, we as a City can help the schools. But those conversations have to take place.

So I look forward to the conversation we're going to have hopefully, maybe three months, four months from now. I don't know. I think that will be discussed between you, Katherine, and Brian as to where we go from here but it's a start. I'm very pleased with the start and I look forward to the next meeting.

CHAIR ROYBAL: Thank you, Councilor Trujillo. Councilor Harris.

COUNCILOR HARRIS: Thank you, Chair. Real briefly, really just on the money matter, and that's what we're talking about here. I think that a lot of the citizens of Santa Fe, when they see the 8.3125, they think it all goes to City coffers when in fact 33 percent goes to the City, about 19.5 percent goes to the County and the balance goes to the state. And so – and in terms of property taxes, if you look at your residential bill, ten percent of the property tax bill goes to the City, non-residential about 12 percent. And I say that because I just want to kind of correct the record. During this special election we heard and saw literature that said that the City raised gross receipts tax. The last time the City raised gross receipts tax was 2005.

The County has raised gross receipts tax or acted on their increments – again, I'm not passing judgment – six times. And five of those six times really affected the incorporated areas as well as the unincorporated areas. And so again, I'm just trying to make sure that I understand how the money flows and that our constituents do as well.

I think that in terms of where we stand right now and particularly where the County stands I definitely sympathize. And what I'd like to say is more than sympathy, is that I believe that the City can and should work together with the County on the Regional Emergency Center as well as the behavioral health initiative. And if we can work together on those, which I think is necessary and appropriate, I think perhaps that might give the County – you know your numbers better than I do, but it might give the County a little bit of room to maneuver in terms of this proposed gross receipts tax increment.

It's been a great session. I have more to say. I'll probably save it for our quarterly or semi-annual meeting, whatever we end up with. Thank you very much.

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CHAIR ROYBAL: Thank you, Councilor Harris. Councilor Maestas.

COUNCILOR MAESTAS: Mr. Chair, I just want to thank you again for bringing us all together and I'm really especially proud of your new Commissioners, the power of the Annas, I'm a true believer in the power of the Annas.

COMMISSIONER HANSEN: We have our own caucus.

COUNCILOR MAESTAS: But I guess, look, let me get right to the point about taxation and taxation policy. It's my effort to try and shatter this perception that governments are just parochial and territorial. When it comes to taxation, cities like the City of Santa Fe are 75 percent reliant on gross receipts revenues and when the economy is not running right, gross receipts tax revenues go way down. Since the recession, we're still recovering. It has taken us eight long excruciating years to recover and if you look at our revenue stream since the recession and you deflate it, we haven't regained our tax base that existing prior to the recession.

So that is the crux of the issue is that the gross receipts tax revenue, that is a well that is going dry. We have big buckets but the well only has certain limitations. And so with gross receipts tax being the City's primary revenue source, and with gross receipts tax being a secondary revenue source for counties – at least I believe, to property taxes, it's difficult when you're competing for the same limited tax base, and I think that's what this comes down to. It's not the fault of either government. That is the way our tax policy is, so those are the facts and who knows when we're going to have another recession and there is no way cities like Santa Fe can provide reliable, sustainable resources because we have no source of stabilization in our revenue base.

So it's mission impossible for cities. So that's why when these issues come up we know that, wow, we only have one well to go to and that's gross receipts taxes. But as that rate starts approaching nine percent and even ten percent, we know that the pain that people are going to feel, our everyday citizens that live paycheck to paycheck, that's when it starts making a big difference, in addition to again, perhaps undermining or eroding business development.

So to me, that's the crux of this issue. So it's not about being parochial or territorial. It's just the reality of it and the frustration, at least that I have as a City official in trying to ensure that we're going to do our best to provide these sustainable resources in light of the revenues that we depend on. So you guys have my commitment. I have a good relationship with the Commissioners that I serve with on all the established joint bodies and so I think as long as we're really open and receptive but we're willing to do the work and roll up our sleeves, I'm really there with you. So thank you.

CHAIR ROYBAL: Thank you, Councilor Maestas. Commissioner Hansen.

COMMISSIONER HANSEN: I just want to briefly thank everybody who came to the meeting. It was great to see all the public here and all of the City and County staff that has been here through this meeting. I am extremely grateful to that. Raising taxes no matter what is a challenge. The City raised property tax in their last round to make up for some of their deficiencies and I completely understand that. We have firefighters and behavioral health that is incredibly important and it serves the city and the county.

So with that, I look forward to meeting with you in the next three to four months,

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and no later. A joint meeting. And thank you, gentlemen, for remaining here to the end of the meeting. I am grateful.

CHAIR ROYBAL: Thank you, Commissioner Hansen. Commissioner Moreno, do you have any closing comments?

COMMISSIONER MORENO: I just have one parting shot, I guess. This is a real good start. I don't care what kind of algorithm my colleague here can figure out what is the optimum interval between meetings is, but we can't let this opportunity get away from us. And so I'm eager and active and will put all my effort into this.

CHAIR ROYBAL: Thank you, Commissioner Moreno. Commissioner Hamilton.

COMMISSIONER HAMILTON: Thank you. I want to thank you guys like we've been doing this mutually, but it's so important that we're talking and working together. Councilor Trujillo was saying it's not an issue of being here to tell you what to do. We have our obligations and you have your obligations, and that's true. But I've never felt like we were really interested in doing this and not for the purpose of telling each other what to do and I never felt that you guys were interested in doing that at all. Like there can only be benefit whether we end up being able to agree. Below that yes or no level there is all the detail and we only got to discuss some of it today, but there's some valuable input. And sometimes things like that can change immediate decisions. More often, input like that, like the comment on the RECC and that being able to look at that and negotiate that and maybe increase efficiencies and alter the way we participate would free up some revenues, that's true. And that could happen in the relatively short term. And if that sort of thing happens, that absolutely would be taken into account in terms of our budgets being able to change rates or make some additional changes.

And so frankly, I just wanted to make my commitment back to you guys to be able to do that and because I find the different point of view incredibly valuable. It's really what we need. It's why it's better to do things jointly. Not for everything. I mean to have more brains and more wisdom at the table than just one person. I really, really appreciate the input. And I do look forward to continuing working on these things. Thanks.

CHAIR ROYBAL: Thank you, Commissioner Hamilton.

COUNCILOR TRUJILLO: Commissioner, can I just make one –

CHAIR ROYBAL: Councilor Trujillo, go ahead.

COUNCILOR TRUJILLO: I want to hear your own closing remarks. I want you to be the last. Commissioner Hansen, just to clarify, the City did not raise property taxes. What we did was the tax that we have right now, it was going to sunset, so we just kept it as it is. So we did not make a raise. We just kept it. We renewed it.

COMMISSIONER HANSEN: I'll make sure from now on.

COUNCILOR TRUJILLO: Thank you. That's all I have.

CHAIR ROYBAL: Thank you, Councilor Trujillo. I just want to say thank you to all the Councilors, the Mayor, the Commissioners and all the public for their comments today and being here today. It's not the easiest place to be a Chair and I know sometimes we do have to put a time limit and I had a couple of comments as far as wanting a little bit more time and from Commissioner Chavez. He actually sat as the – just six months ago he was in the same position as the Chairman so I know he

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understands that sometimes we have to kind of limit the time, but it was never my intent to offend anybody, so I just wanted to say that. And thank you guys for all of your comments.

VII. Adjournment

Upon motion by Councilor Trujillo and second by Commissioner Hansen, Chair Roybal declared this meeting adjourned at 2:50 p.m.

Approved by:

Henry Roybal, Commission Chair

Approve by:

Javier Gonzales, City Mayor

Respectfully submitted:
Karen Farrell, Wordswork

FILED BY:

GERALDINE SALAZAR
SANTA FE COUNTY CLERK

ATTEST TO:

YOLANDA Y. [illegible]
SANTA FE [illegible]

COUNTY OF SANTA FE STATE OF NEW MEXICO
ATTEST:
GERALDINE SALAZAR
COUNTY CLERK

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

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I Hereby Certify That This Instrument Was Filed for Record On The 30TH Day Of August, 2017 at 10:40:15 AM And Was Duly Recorded as Instrument # 1834970 Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Geraldine Salazar
Deputy A. Laura Hernandez County Clerk, Santa Fe, NM