

SANTA FE COUNTY

BOARD OF COUNTY COMMISSIONERS

REGULAR MEETING

February 28, 2017

Henry Roybal, Chair - District 1
Anna Hansen, Vice Chair - District 2
Robert A. Anaya - District 3
Anna Hamilton - District 4
Ed Moreno - District 5

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I. A. This regular meeting of the Santa Fe Board of County Commissioners was called to order at approximately 2:30 p.m. by Chair Henry Roybal in the Santa Fe County Commission Chambers, Santa Fe, New Mexico.

B. Roll Call

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

Members Present:

- Commissioner Henry Roybal, Chair
- Commissioner Anna Hansen, Vice Chair
- Commissioner Robert A. Anaya
- Commissioner Anna Hamilton
- Commissioner Ed Moreno

Members Excused:

None

C. Pledge of Allegiance

D. State Pledge

E. Moment of Reflection

The Pledge of Allegiance was led by Jody Holmes, the State Pledge by Kenneth Quintana and the Moment of Reflection by Clarissa Medina of the Clerk's Office.

I. F. Approval of Agenda

- 1. Amendments**
- 2. Tabled or Withdrawn Items**

CHAIR ROYBAL: Do we have any amendments or tabled or withdrawn items?

KATHERINE MILLER (County Manager): Yes, Mr. Chair. This is the seconded amended agenda. It was posted on February 24th at 3:51 p.m. Just a couple of items that were amended. We did withdraw the detention facility site visit from the original agenda and moved it to a special meeting agenda that we did this morning at 8:30 am. Also, on your Consent on page 2, we have the final order. We did need to correct that

case number, so you will see a change in the actual title of that item on the agenda.

Then on page 3, under Resolutions, Action Items, item IV. D. 5, a resolution supporting legislation adopting a Patient Safe Staffing Act. That item was added and that material was sent to you last week. Also, we added Matters from the County Attorney, those items to be discussed in executive session, items 1 through 6 as well as any possible action that may come from those items, and those are all the amendments that I have to the agenda.

CHAIR ROYBAL: Okay. Thank you, Manager Miller. Commissioner Hansen.

COMMISSIONER HANSEN: I move to approve the agenda with amended items.

COMMISSIONER HAMILTON: I second.

CHAIR ROYBAL: I have a motion and a second.

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

I. G. Approval of Minutes
1. Approval of January 31, 2017, Board of County Commissioner Meeting Minutes

CHAIR ROYBAL: Commissioner Hansen.

COMMISSIONER HANSEN: I have one change on page 5, where Commissioner Roybal called on me and it says, thank you, Commissioner Hansen, and then it says Commissioner Hamilton, which it was me, and it says, Chair Roybal: Thank you, Commissioner Hansen. So it's at the end of that section. So instead of Commissioner Hamilton I believe it should say Commissioner Hansen. I didn't see any other corrections.

CHAIR ROYBAL: Thank you for that. Any other corrections? Okay, what's the pleasure of the Board?

COMMISSIONER HANSEN: I move to approve the minutes with the one correction.

COMMISSIONER HAMILTON: I'll second.

CHAIR ROYBAL: So we have a motion to approve and a second.

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

I. H. Employee Recognition
1. Recognition of New Santa Fe County Employees

MS. MILLER: Mr. Chair, Commissioners, in your packet under item H. 1 is the recognition of new Santa Fe County employees. At the end of every month at our meetings we do put a list of all the new hires for the previous month. You will note that we had about seven new people join us and the first three are the Commissioners. So welcome. But besides that, we have in Corrections, Roger Rivera. He's a case manager, and in Fire, Joseph Porter, Forestry Technician, in Public Works/Projects, Stephen Reese,

a Project Manager III, and in Public Works/Roads, Lawrence Imprescia, a heavy equipment operator. So I just want to welcome them to Santa Fe County.

CHAIR ROYBAL: Thank you and welcome.

I. H. 2. Recognition of Years of Service for Santa Fe County Employees

MS. MILLER: Mr. Chair, Commissioners, this is the second employee recognition item that we have on every month and it marks an anniversary for those employees in the month of February that hit either a five, ten, fifteen, 20, 25 years of service with Santa Fe County. As you know we very much appreciate those employees who dedicate a good portion of their career and professional lives to Santa Fe County and I just want to make sure that they are recognized for that dedication to the County.

In Finance, we have Accountant Senior with five years of service, Melissa Blaylock. In Public Works/Projects and Facilities, a Production Controller, Celeste Sanchez. In our Emergency Communications Center we have Christopher Flores, and Emergency Communications Specialist III. In Corrections, we have Daniel Solis, Sr. with ten years of service. In the Clerk's Office, Recording Clerk Senior, Ken Vaughn, and then Fire Lieutenant Robert Herrera in the Fire Department with 15 years of service.

So I just want to thank those employees publicly for their dedication to Santa Fe County and to committing a good part of their career with us.

CHAIR ROYBAL: Okay. Great. Do we have any comments from the Board? Was that it, Manager Miller?

MS. MILLER: Yes, Mr. Chair, Commissioners. That's all I have under Employee Recognitions for today. I took up a good hour and a half at the last meeting so I'm taking it easy this one.

CHAIR ROYBAL: Thank you.

II. Adult Detention Facility Inspection – WITHDRAWN

III. CONSENT AGENDA

A. Final Order

1. **CASE #S 16-5270 Tessera 2 Final Plat Approval. Homewise Inc., Applicant, Design Enginuity (Oralynn Guerrerortiz), Agent, Request Final Plat Approval for the Tessera Phase 2 Residential Subdivision Consisting of 78 Lots on 69.56 Acres. The Property is Located Off of NM 599 North Frontage Road, Within the Tessera Planned Development District, Within Section 20, Township 17 North, Range 9 East (Commission District 2) Vicente Archuleta, Case Manager (APPROVED 4-0)**

B. Miscellaneous

1. **Approval of County Health Care Assistance Claims in the Amount of \$67,405.31 (Community Services Department/Kyra Ochoa)**

2. **Approval of Amendment No. 1 to Lease No. 7085000149116 with the U.S. Department of the Interior, Bureau of Indian Affairs, and the Pueblo of Nambe for Land Located at 302 NM 503 (Public Works/Terry Lease)**
3. **Approval of Business Lease from the New Mexico State Land Office for 320 Acres of State Trust Land Adjacent to the Thornton Ranch Open Space (Public Works/Colleen Baker)**

CHAIR ROYBAL: Do we have any comments from the Board or what's the pleasure of the Board? Commissioner Hansen.

COMMISSIONER HANSEN: I move that we approve the Consent Agenda as presented.

CHAIR ROYBAL: Okay, we have a motion. Do I hear a second?

COMMISSIONER MORENO: Second.

CHAIR ROYBAL: We have a motion and a second.

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

IV. ACTION ITEMS

B. Appointments/Reappointments/Resignations

1. **Request Reappointment of Two Members to the Santa Fe County Water Policy Advisory Committee**

TONY FLORES (Deputy County Manager): Thank you, Mr. Chair. Good afternoon, Commissioners. For a brief background, many of you are aware that the Board established the water quality advisory committee back in 2013 which basically set for an advisory committee that was to provide information and recommendations on various matters of water policy, water utility growth areas, wastewater areas, assist the County in addressing proposed aquifer storage, concept of a regional water authority, etc.

The Board established a 12-member committee in 2013 and we currently have a large number of vacancies based upon term limits of previous committee members. Today we're asking for the reappointment of two of those members, Ms. Martha Trujillo for the acequia position and Dr. Steven Rudnick for the District 5 position. Mr. Chair, just for the record I would like to – since the public is listening to this broadcast, if there are any interested members of the community that would like to serve on this committee then please contact the Public Works Department to put in their name for consideration. And with that, Mr. Chair, again, we're recommending Ms. Martha Trujillo and Dr. Steven Rudnick for those appointments today, and I stand for questions.

CHAIR ROYBAL: Are there any questions from the Board?
Commissioner Hamilton.

COMMISSIONER HAMILTON: A comment and a question and I strongly support these two recommendations. I worked with them myself before I was a Commissioner when I was on the Water Policy Advisory Committee. So that said, have there been other applications?

MR. FLORES: Mr. Chair, Commissioner Hamilton, this is one of those

committees, along with the Road Advisory Committee where we're lacking interested individuals coming forth and putting in an application. So I would urge us to have any of those individuals that we may know please contact my office or Public Works.

COMMISSIONER HAMILTON: I actually know of two people who I thought had applied who are highly qualified.

MR. FLORES: For this round, Mr. Chair, Commissioner Hamilton, we had three people apply. That was J. J. Gonzales, Ms. Trujillo and then Dr. Rudnick.

COMMISSIONER HAMILTON: That's odd and I'll recontact those people.

MR. FLORES: Thank you.

CHAIR ROYBAL: Commissioner Hansen, did you have a comment also?

COMMISSIONER HANSEN: No. I would like to move to approve.

CHAIR ROYBAL: We have a motion to approve.

COMMISSIONER HAMILTON: I'd second.

CHAIR ROYBAL: We have a motion and a second.

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

IV. B. 2. Appointment of Three Members to the Santa Fe County Ethics Board

MR. FLORES: Thank you, Mr. Chair. I humbly hope that this is my last time requesting members to the Ethics Board. We do have three current positions vacant, two for term positions and that Mr. Weinstein and Ms. Lara Katz decided not to seek appointment and then there was the resignation of Mr. Heimbach. We've gone through the list again and I've provided the names of those individuals that requested consideration with the exception of Mr. Chance who last week withdrew his name from consideration.

Based upon the review of the requirements and the interviews, staff is recommending the appointment of Mr. Mike "Rosey" Rosenbalm, Mr. Peter Dodds, and Ms. Linda Ramos be appointed to the Ethics Board for the two-year term. If the Board agrees with staff recommendations then we would have already noticed, actually, the first Ethics Board meeting of 2017 for next Tuesday [sic] I believe it's Tuesday, March 6th, to begin the process of reviewing the ordinance and the previously proposed revisions with the goal of bringing back recommendations to the Board for consideration late summer. With that, Mr. Chair, I stand for questions.

CHAIR ROYBAL: Commissioner Hamilton.

COMMISSIONER HAMILTON: Mr. Flores, could you give like a really brief rundown on the kinds of criteria you were trying to fulfill in filling these positions? Their spread of expertise, etc.

MR. FLORES: Mr. Chair, Commissioner Hamilton, the ordinances that were adopted do not give specific qualifications as the Water Policy Advisory. They meet certain criteria. What staff looks at for bringing forward recommendations is some expertise either in the legal capacity or business or public capacities, whether it be private or public. And also in the case of Ms. Ramos, she's actually a trainer with the

Department of Transportation in certain fields that would be I think conducive for this committee to have. So it's a range. Nothing specific. But we do look for legal representation as well as those that are in the business fields. For instance last month, at the last meeting you appointed an individual that had been a retired law enforcement officer for over 20+ years, versed in ethics, ethics complaints and ethics matters. So that's what we look for when we're bringing forward recommendations.

COMMISSIONER HAMILTON: Thank you.

CHAIR ROYBAL: Any other questions from the Board?

COMMISSIONER MORENO: Yes, from me.

CHAIR ROYBAL: Commissioner Moreno.

COMMISSIONER MORENO: Reading the accounts of the demise of the Ethics Committee, has there been any – have you looked into the structural problems of the organization itself?

MR. FLORES: Mr. Chair, Commissioner Moreno, could you expand on the structural – I'm at a loss what your reference is.

COMMISSIONER MORENO: Well, it seems to me that the process of the Ethics Committee lacked some specificity. Is there an issue like that in your opinion, and is it worth revising, reviving the committee with new definitions?

MR. FLORES: Mr. Chair, Commissioner Moreno, I do think, as I've stated on the record a couple of times now, the Ethics Committee now will be fully functional with respect to the board membership or committee membership. It provides us an opportunity – us being the Santa Fe County and ultimately the Board of County Commissioners, to take a look at the Ethics Ordinance, both the original and the rewrite, and to provide recommendations as a body to the Board. I would be remiss if I was trying to infer my own personal opinions on things but I think this does provide us an opportunity with a new committee seated today, or if the Board accepts my recommendations or others, that we would have that first organizational meeting next week. I hope that answers your question.

COMMISSIONER MORENO: Yes. Thank you.

COMMISSIONER ANAYA: Mr. Chair.

CHAIR ROYBAL: Commissioner Anaya.

COMMISSIONER ANAYA: Mr. Chair, I went back and read the newspaper articles again and there was another article yesterday and from what I read in the article it sounds like maybe Commissioner Moreno or Commissioner Hansen have some specific recommendations they want to make, so Commissioners, if you have something you want to recommend let's bring it up and recommend it and let's talk about it, because I seem to be reading in between the lines in the newspaper and I'd much rather, if you guys have some changes you want to make, put this thing in front of us, tell us what you're recommending, let's talk about it. If they make sense, let's vote on it and move on. Thank you, Mr. Chair.

CHAIR ROYBAL: Thank you, Commissioner Anaya. Commissioner Hansen.

COMMISSIONER HANSEN: Commissioner Anaya, Mr. Chair, I appreciate your comments and I have in the past mentioned at these meetings what I felt needed to be addressed in the Ethics Ordinance and some of it had to do with campaign

reporting at the very end of your campaign, because it's not very clear how you're supposed to close out your account, how you're supposed to – it has a whole section about a thank you party and that you move money from one account to another account and it's just confusing. I had mentioned that to Mr. Flores in the past and I just would like to see the Ethics Committee take a serious look at the Ethics Ordinance and make it clearer and clarify issues that are not clear. And I've had other people and lawyers who have read this ordinance and felt that it could use some clarity. So that is what I would like to see is clarity on the Ethics Ordinance and particularly around the closing of your account for your campaign and the dates and the time and making it match state law so that it's not confusing for people and people don't feel like, oh, my God, if I don't do this this second I'm going to be in violation.

I closed my account early so that I wasn't in any kind of violation because it was unclear in this Ethics Ordinance but it does not match state law. So that was one of the things I was interested in seeing done in the Ethics Ordinance, not because anybody has violated anything or because there have been any ethics ordinances or ethics issues filed but just to have some clarity.

COMMISSIONER ANAYA: On this point, Mr. Chair.

CHAIR ROYBAL: Commissioner Anaya.

COMMISSIONER ANAYA: So Mr. Chair, Commissioner Hansen, there's a process, requesting to public title and general summary for an ordinance. Any Commissioner can make that request to public title and general summary, put the ordinance before us, make whatever recommended changes that anyone has, go to a public hearing, take public hearing or input on those proposed changes, close the public hearing and go to a vote. I'm not meaning any disrespect, in no way. I went back, read all the articles. I got clarity now. I understand if you guys want to look at it, let's look at it. Let's request title and general summary. Let's have whatever hearings we want to have based on whatever changes are proposed, and then make whatever changes the majority of the Commission wants to make and move forward, I guess.

In respect to the staff, I think they do what we ask them to do, so if we want them to do publishing title and general summary, let's tell them, let's publish title and general summary and let's move to those recommended changes. So I'm fine with looking at it, so let's just give them clear direction so they can do their job as well.

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

COMMISSIONER HAMILTON: I just wonder if it's worth having – or at least just asking staff, because between the last meeting and this meeting I was approached and asked questions about the issue that the Ethics Board is only supposed to be focused on elected officials. And the question was did that make sense and why was it that the Ethics Board couldn't deal with County employees as well. So I think it clarified it, but it seemed pretty clear with me and this seems to have been an ongoing question. I have no idea if this is part of why the change-over in the board. So I guess my question to you is do you feel that that's been clarified to the new members, potential members of the Ethics Board and does that seem acceptable or does this seem to be an ongoing issue?

MR. FLORES: Mr. Chair, Commissioner Hamilton, just for a point of clarification, the Ethics Ordinance applies to three classes of individuals: appointed,

elected and volunteers.

COMMISSIONER HAMILTON: Yes.

MR. FLORES: So not just the elected officials are under the guise of the Ethics Ordinance or the Code of Conduct. Staff has a separate code or requirements that go through a different process as a protected class. These are my words, not a legal term. We've interviewed each of the individuals, even on this list, which was a rather exhaustive list of people. As I mentioned in January this was the largest pool of applicants we've ever received in my tenure back in the County. There is some misperception in the community that this was more than just an elected, appointed or volunteer board, that they had the ability to look at staff. So those points are clarified during their interview process before we are brought here.

Relative to the new board, once the board – if the Board approves the recommendations that we're bringing forth I will have a full complement of committee members with the first meeting March 2nd [sic] whatever day that is and we will run down these issues and the ordinance with each of them since they will all be – with the exception of one they'll all be new members.

CHAIR ROYBAL: Okay, do we have any other questions from the Board? Madam Clerk, you had some comments or questions?

GERALDINE SALAZAR (County Clerk): Absolutely, Chair Roybal, Commissioners. As an elected official, and beyond that running an office with personnel, I think we have to keep it the way it is now where County HR is responsible for the processes of what occurs with staff. They know what they're doing. They are trained. It's a whole different area of law and the protection of staff and managers and everyone else. I believe they need to be separate. Staff should not be part of this Ethics Ordinance.

This ordinance needs to be – I've been able to use it in the past. When people try to offer me something or ask me what will you do for me if I vote for you, I'm able to use this ordinance and state we have an ethics code. We have an Ethics Ordinance. I do not make deals and I do not make promises. You vote for me because you study the issues and you believe that I'm going a good job. So this is an important tool. So we have to keep that separate. So I share this with you because I run an office as an elected official and we have personnel there. And I understand a little bit more. We have to keep those separate.

As far as for elected officials, appointees and for volunteers, I think this is a great mechanism to ensure that we are conducting our business in an ethical manner. Thank you.

COMMISSIONER HAMILTON: Mr. Chair.

CHAIR ROYBAL: Thank you, Madam Clerk. Commissioner Hamilton.

COMMISSIONER HAMILTON: I just wanted to say for the record that I asked the question for a reason but I completely agree it should be separate. I just was confused as to why it seemed like over time people on the board had this ongoing confusion, but I agree completely.

CHAIR ROYBAL: Thank you. Do we have any other questions?
Commissioner Hansen.

COMMISSIONER HANSEN: I'd like to make a motion.

CHAIR ROYBAL: Go ahead and make the motion.

COMMISSIONER HANSEN: I would like to make a recommendation to appoint Mike "Rosey" Rosenbalm, Mr. Peter Dodds and Ms. Linda Ramos to be appointed to the Santa Fe County Ethics Board.

CHAIR ROYBAL: Okay, we have a motion. Do I hear a second?

COMMISSIONER HAMILTON: I'll second.

CHAIR ROYBAL: Okay, we have a motion and a second.

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

IV. C. Miscellaneous

- 1. Policy Direction to Staff Regarding the Following Items Relative to the Implementation of the Aamodt Water Rights Litigation Settlement Agreement: (1) the Office of State Engineer Water Master Rules and (2) the Motion and Proposed Order to Show Cause Related to the So-Called Well Election in the Pojoaque Basin [Exhibit 1: Revised Packet Material]**

SANDRA ELY (Aamodt Project Manager): Good afternoon, Chairman, members of the Commission. It's a pleasure to be here today. We now have a power point presentation ready. With me today is Mr. John Utton, a water lawyer on contract with Santa Fe County representing the County.

So this afternoon we're seeking guidance from the Board of County Commissioners on a few items. Staff has been working with the parties per Resolution 2014-101 to implement certain elements of the Aamodt settlement agreement but we've come to a point in the road where we feel like we need to bring a few things before you all and ask for a decision on which direction you'd like us to go. First, it involves the water master rules. We'd like your direction on how to address some issues related to transferring water rights from well owners to the County. Also related to the water master rules are some issues around the Pojoaque Basin connection fee fund.

The second area of policy decisions we need from you is related to the well election and the order to show cause around the well election. The two items there are the opt out provision and the default for non-responders for water rights owners that don't respond to either objections or an election. And I'll go into each of those in a little bit more detail.

So just as a reminder to you all, you've all had at least some briefing on the Aamodt settlement but the basin is just north of here and runs from the Sangre de Cristo Mountains all the way down to the Rio Grande. It includes four pueblos of San Ildefonso, Pojoaque Pueblo, Nambe Pueblo and Tesuque Pueblo, and of course a fair amount of non-pueblo jurisdiction that belongs to the County.

In 2013 the Board adopted and signed the Aamodt settlement agreement and the cost sharing agreement. Since that time County staff has been working with the parties to implement several portions of those agreements, including working with reclamation regarding the design and plans for construction and operation of the regional water system, the transfer of water rights from the Top of the World Farm up near the Colorado

border down to the point of diversion at San Ildefonso for the regional water system, the joint powers agreement, which came before the Board in December and was approved by the Board at that time. The joint powers agreement, just to remind you forms the regional water authority under the settlement agreement.

The water master rules, which will govern the administration of the settlement by the Office of the State Engineer, and we're looking at issues right now related to the well election in which water rights owners will make a decision on whether to keep their well connected to the County utility. So we've been pretty busy working on each of these items. And in doing so we've come across a few decisions that we want to bring before you to help us with.

Related to the water master rules – let me back up a second. So the settlement agreement, the Aamodt settlement agreement requires that the Office of the State Engineer, the Pueblo and the US government agree on a set of rules. It also says that they will consult with counsel from other parties including the County. So the County's been at the table talking about these rules. The rules will include, among other things, how to meter wells for pueblo and non-pueblo residents, how to determine historic beneficial use for those wells in the basin, replacement procedures for the wells should your well go dry, and also it will include provisions for the transfer of water rights to the County water utility for those people that connect to the regional water system.

So under the water master rules the first thing I want to bring to your attention are the water rights transfers to the County utility. We need some guidance on that. The settlement requires domestic well owners who elect to connect to the County utility to cease the use of their well and transfer their water rights to the County utility. The settlement requires domestic well owners who elect to connect to cease the use of their well and transfer their water right to the County utility. The County utility will then use this water right to provide water to its customers.

Now, some residents in the basin have requested the ability to both connect to the County water utility and remain using their well at the same time and this could be accomplished through a partial transfer of their water rights in which not the full water right is transferred to the County water utility but only part of the – the County would only receive a portion of the water right. And if the Board of County Commissioners is supportive of that we would recommend the transfer of .3 acre-feet to the County water utility instead of the full amount. There are many residents in the basin that will receive the minimum of .5 – it's not a max, it's a presumptive minimum of .5 acre-feet per dwelling, and if those residents were to transfer to the County .3 acre-feet of that they would have a remainder of .2 for outdoor use.

We know that the average use in the basin, according to the State Engineer's Office is about .29 acre-feet for both indoor and outdoor use, so .2 would be a good amount still for outdoor use. So that's one of the proposals.

This map demonstrates where the wells in the basin are located.

CHAIR ROYBAL: We have a question.

MS. ELY: Yes, sir.

CHAIR ROYBAL: Commissioner Anaya.

COMMISSIONER ANAYA: Just for clarify. So on the transfer now, it's .5 acre-feet that's in there now and you're suggesting we modify it to .3 and .2 to the

County? And just a thought, but our ordinance for our land use is usually .25, wouldn't it be possibly better to do .25 and .25, just to be consistent? Or what's the logic behind the extra –

MS. ELY: .05 acre-feet?

COMMISSIONER ANAYA: .05, yes. If you could. If you don't mind. I appreciate what you're trying to get at. You're trying to offset some of the frustrations that have occurred as a result of them having to transfer the full amount, so this provides a mechanism to retain partial for outdoor use, so I like that. I just want a little clarification on why not .25 and .25.

MS. ELY: Certainly, Chairman and Commissioner Anaya. As you pointed out, the SLDC requires for planning purposes .25 acre-feet per dwelling be set aside. There's also Resolution 2006-57 that requires an additional 20 percent in some circumstance to deal with leakage or an additional amount. So if you take .25, multiply it by that .2 – 20 percent, you end up with .3 and that's kind of where we ended up with the .3 acre-feet for a transfer.

COMMISSIONER ANAYA: Okay. I appreciate the – what the intent is, so thank you for that clarification. Thank you, Mr. Chair.

MS. ELY: So the map that you have before you and is up on the screen shows the path of the proposed regional water system and each of those dots is a well. We took the geographic locations from the Office of the State Engineer and plotted it out in relation to the proposed line. So the point here that I'm trying to make is that not all wells could take advantage of the partial transfer, only those that are close enough to the County utility could do that. Not all wells in the basin will be able to connect. An easy example is Chupadero or Tano Road. They are too far from the regional water system to make connecting economical. So I just wanted to point out that we're only talking about a subset of the wells in the basin that could take advantage of the partial transfer.

So possible outcomes of the partial transfer include more customers and more support in the basin for the Aamodt settlement and the regional water system and that's one of the reasons to do this. Another thing though that we looked at is whether the partial transfer would have an impact on the aquifer. Would we be drawing more water? Would we have a negative impact on the aquifer and adversely affect one of the goals of the settlement, which is to restore river health and allow the aquifer to recharge.

So we looked at those wells that were close to the regional water system, made an assumption on what their water right would be and how much they would transfer to the County, and determined that there wouldn't be a negative impact on the aquifer, that the amount of acre-feet that we're looking at is small. It's not a significant amount and that the difference between a full transfer of your water right and a partial is negligible, but of course it all depends on the subscription rate – how many people elect to connect. And we are assuming more people would connect under the partial transfer scenario.

The other thing we would have to do, if you all are supportive of a partial transfer is go back and amend the SLDC. Currently language in the SLDC does not allow county residents who use their well for domestic purposes to also be connected to the County water utility. So we'd have to make some amendments there.

So the staff recommendation to you all is to support language in the water master rules that would allow for the partial transfer or water rights to the County water utility,

and for the remainder to be used for outdoor use or other legal uses under the law. If the rules as promulgated by the Office of the State Engineer do allow for partial transfer of water rights we would then come back to the County Commission with consideration for changes to the SLDC that would make them consistent with the water master rules.

Chairman, would you like me to pause at this point or would you like me to go through the full presentation with each of the recommendations?

CHAIR ROYBAL: I think we could probably pause and maybe get some – I did want to make some comments myself and say that I would definitely support this. I think that promoting the partial transfer would be in the County's best interest, particularly in finding customers to make the water system viable with the settling parties, with not all of them in agreement. It could be – my fear is that the County will be left with a system where the operation costs will be high and we will not have enough customers so I think this will promote more customers so I definitely support it. Do we have any other comments from the Board? Commissioner Hansen.

COMMISSIONER HANSEN: Mr. Chair, I support what you wish to do. I think this is a good solution for many people. I think that many people will feel much more comfortable hooking up, as you said, to the water system with being able to keep their water rights at the same time. So I think that this is a very acceptable solution.

CHAIR ROYBAL: Do we have any other additional comments from the Board?

COMMISSIONER HAMILTON: Mr. Chair.

CHAIR ROYBAL: Commissioner Hamilton.

COMMISSIONER HAMILTON: Not to spend too much time but I'm sure you've heard a lot more directly from constituents but last year, as part of the Water Policy Advisory Committee, we definitely got a lot of input that supported this, and so I also feel this is a very good compromise and will be very beneficial. Just one really minor question and I think I know the answer to this, but you did the analysis where you looked at impacts on water and found that that wouldn't happen. There's the flip side, the other side of the coin which is would the County still be accumulating sufficient water rights to operate it. I assume that that's the case.

MS. ELY: Yes. We believe so.

COMMISSIONER HAMILTON: Thank you.

CHAIR ROYBAL: Thank you. We do have an answer from County Attorney Greg Shaffer.

GREG SHAFFER (County Attorney): Thank you, Mr. Chair, Commissioners. I believe that the hope was from the staff level that we would actually get this level of direction in the form of a motion because staff will be going forward and implementing the policy direction given by the Board, and so we were looking for a bit more formality.

CHAIR ROYBAL: Okay. Commissioner Hamilton.

COMMISSIONER HAMILTON: I appreciate that. I'd like to make a motion that we accept this staff recommendation that we would encourage the staff to move forward looking at introducing partial transfer of water rights at the levels that you've recommended in our packets.

COMMISSIONER ANAYA: I'll second, Mr. Chair.

CHAIR ROYBAL: So we have a motion and a second.

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

MS. ELY: Thank you. The second item related to the water master rules is the connection fee fund, and let me give you a little bit of background on the connection fee fund. So well owners electing to connect to the County water utility may utilize this fund to cover the cost of connection. The County would cover actually 100 percent of the cost. The state will establish the \$4 million fund but it will be administered by the County. Funds not needed for connecting to the utility could be used to go towards construction if there's remaining funds left.

Let me give you a little bit of background on the – all well owners in the basin must install a meter on their well, and it is likely that OSE will require this meter installation in the near term. We know they have a metering order that will come out soon. If a partial transfer is allowed, and we will push for that now with your guidance, some well owners would connect of course and have a well that would need to be metered. There's been a suggestion that we might want to put on advanced metering infrastructure on those meters. AMI meters would enable us and OSE to read those well reports either remotely or through a hand-held device. The well owner would not have to go down in the well vault to read that, get that information and report it to the Office of the State Engineer.

These meters would not be mandatory and would be installed once we know what type of AMI infrastructure would go on the whole regional water system because we'd want them to be the same. And I just want to point out though that if AMI meters do go on these wells it would replace the new meter that has to be put on this year so that there could ultimately be two meters on that well.

Because of the added cost for the AMI meters some parties have proposed using the connection fund to cover those costs. If 600 wells elected to connect and were within reach of the regional water system it could cost \$300,000 that would come from the connection fee fund. It is for this reason that County staff proposes not to use the connection fee fund to cover the cost of these meters. Because these funds could be used to go towards construction we think that money should be saved for construction. In addition, these are voluntary; it's not mandatory. They're already going to have other meters placed on their wells this year. It would be wasteful to replace them. And so these well owners would simply have to follow the metering instructions by the OSE as they come out this year and not have an additional meter placed.

So the proposal is not to use the connection fee fund for AMI meters but to allow staff to consider alternative mechanisms for paying for these meters if we decide it's a good idea and to maybe seek grant funds to get that done.

COMMISSIONER HAMILTON: I have a question, Mr. Chair.

CHAIR ROYBAL: Commissioner Hamilton.

COMMISSIONER HAMILTON: Ms. Ely, what meters do other county consumers have? Are AMI meters typically installed?

MS. ELY: No. They're not. So when the Office of the State Engineer sends out a metering report which they will do soon, they'll direct people or include a list

of all the meters that would be acceptable. They don't have to put in AMI meters. And because meters are installed at the expense of the well owner, they'll go towards the cheaper, standard meter, which is about a \$60 meter, as opposed to the AMI meter which is about a \$220 meter. So it's not generally a requirement. It would just enable easier tracking of water from those wells that have them installed.

COMMISSIONER HAMILTON: Other county water consumers, what meters do they have that meter their houses when they're on the County system?

MS. ELY: So the County is moving towards 100 percent AMI meters where we read them with a hand-held –

COMMISSIONER HAMILTON: That's what I thought. Is that where the suggestion for the AMI meter is coming from?

MS. ELY: It's not coming from the County. It's coming from other parties that would like to ease the ability for those homeowners and well owners to read their meters and for the Office of the State Engineer to track that data.

COMMISSIONER HAMILTON: Okay. Thank you.

CHAIR ROYBAL: Any other questions from the Board. So do I have a motion?

COMMISSIONER ANAYA: Mr. Chair.

CHAIR ROYBAL: Commissioner Anaya.

COMMISSIONER ANAYA: Mr. Chair, on this one I can see the intent. They're going to have to have two meters, is what you're talking about. Correct?

MS. ELY: Mr. Chair, Commissioner Anaya, no. Only –

COMMISSIONER ANAYA: If they have a partial, if they keep partial and they end up with using water for agricultural use, let's say, and then they have their home. Then they're going to have to have a meter for their home and for the ag use. That's what you're talking about, correct?

MS. ELY: That's correct. They would have to have a meter on their home and to pay for the water that they use from the County water utility, as well as a meter on their well. That's correct.

COMMISSIONER ANAYA: So – and the intent of what you're requesting is we want to give them the partial option but we're not ready to give them the resources for the two meters because that could get costly. In a nutshell.

MS. ELY: Mr. Chair and Commissioner Anaya, that is correct.

COMMISSIONER ANAYA: So could there be an alternative that just has the one meter on the home, keeping in mind that the overall use is still going to be radiated, if you will, or metered, based on the overall use of the .5 acre-feet, and that additional costs associated with use beyond that is going to escalate based on whatever the rate base is for the ratepayers. Why, I guess, simply ask the question, why two meters? If you have one meter you know you have .5 or .3 allotment on residential use and the balance, .20 on exterior use, you're going to be able to capture overall consumption. That's a relatively easy proposition to know what's utilized. Help me understand why you want to segregate the two when you could segregate the data from the two and end up with the same end. I'm stuck on why do we want to impose the two meters?

MS. ELY: So why a meter on the residence, why a meter on the well?

