

MINUTES OF THE
JOINT SANTA FE CITY/COUNTY
GOVERNING BOARDS

February 20, 2015

This joint meeting of the Santa Fe County Commissioners and the City of Santa Fe Councilors was called to order on the above-cited date in the Santa Fe County Chambers, at the County Courthouse at approximately 11:10 a.m. by City Mayor Javier M. Gonzales.

MAYOR GONZALES: Good morning, everybody. Welcome to the second City/County meeting. Certainly the hope is that we continue to have a dialogue on a host of issues that impact our communities collectively, so we're going to attempt to do that today. I'd like to call this meeting to order with permission of Chairman Anaya and ask for a roll call.

Roll call was called by Deputy County Clerk Vicki Trujillo and indicated the presence of the following representatives:

Commissioners Present:

Robert Anaya, Chair
Kathy Holian
Miguel Chavez

Councilors Present:

Javier M. Gonzales, Mayor
Carmichael Dominguez
Peter Ives
Signe I. Lindell
Joseph M. Maestas
Christopher Rivera
Ron Trujillo

Commissioners Excused:

Liz Stefanics
Henry Roybal

Councilors Excused

Patti Bushee
Bill Dimas

I. Opening Business

E. Opening Comments

MAYOR GONZALES: So just to get things started, it's always good to be what I call home, back in the County Commission Chambers where I was able to spend eight years representing the third district where the Chairman currently represents in the county and I was able to learn a lot and certainly be able to be a part of really I think important policies and one of the things that I had always hoped for was that there would be a way that the County and the City could work more collaboratively and to find ways to break down barriers that often keep us from enhancing the delivery of service in the most efficient and effective way possible.

I think that today we've got as much alignment as we've ever had when it comes to meeting that vision. There is friendships that are developed, long-time friendships that are developed between the County and the City, there is a common interest around economic

development, around climate change and the environment, and certainly around preserving traditions that are important to our community. And so there really is no reason to have barriers when we have so much commonality but many times they still exist. And so the hope through these meetings is that we can have an honest, constructive dialogue, that we can find common interests and work collaboratively on it. We've had some discussions regarding economic development and tourism. We have been fortunate to have Commissioner Holian as part of our climate action task force and she's been an incredible leader in that area. And so there are places where we're already started to work together and we need to continue to build on that.

And then we need to find ways to have the tough dialogue around areas that maybe there isn't a common interest or there's concern over participation in certain services. We certainly went through that process during the annexation agreements and I think that those seem to be going well so far. But there's still some issues that arise as a result of service delivery throughout the city and the county where is that boundary that exists and hopefully we can find our way through some of those tough discussions. I know the Chairman has committed to me and I have to him that we would have a continuous dialogue amongst ourselves and to be able to speak honest and frank with one another on concerns that each of the bodies have with the other and work collaboratively to overcome them the best that we can.

But today is really about being able to, one, get some updates on the economic development and the tourism initiatives that we had spoke about last time and then two, just have the dialogue amongst all of us rather than the Chair and myself setting the agenda. I think the idea was to allow an open mic, if you will, to allow each of you to offer advice and direction on things that we can work on together and certainly on things that the two governing bodies can work on collaboratively that make sense for our constituency which we share. So looking forward to this morning and certainly, Mr. Chair, thank you for the continuous effort to be there and to engage in the dialogue as we seek ways to collaboratively work together.

CHAIR ANAYA: Thank you, Mayor. I very much appreciate the open door and the open dialogue and I would concur with your comments that our goal is to collectively work through issues where you and I can maintain some communications as well as the managers and Mr. Vice Chairman Chavez but at the end of the day it's going to be important for us to do as we did in annexation, all of us in a public forum having an open dialogue to address new opportunities, like new economic development opportunities, but also, in a public forum, face some of the difficult challenges we both have and have that candid and honest dialogue about what those challenges are and how we might take steps together to work through some hopefully compromise in some of those areas.

I'm just going to provide a precursor to a few of the items that I'll be talking about that I know my colleagues will also expand on but I think there are four primary areas in addition to the economic development which we're committed to working collectively to find those opportunities and implement those opportunities I think is important. But then when we get into those tougher discussions that we focus in on those sewer and water issues that we've been in dialogue about, as well as emergency service issues, primarily issues with public safety and primarily the Regional Communications Center. And on that particular point I think there's many, many ways that we can approach it but I would say just to throw something out in the middle as a discussion point that we even have that discussion relative to the authority concept in that being an authority.

The other thing I would say is those hold-harmless provisions that are challenging, I know very much so with the City even more so than the County but they're definitely affecting us, and I think how we might take the issues that are affecting local governments and more collaboratively continue to work and build relationships at the state legislature and the congressional delegation and those initiatives. Those are a few, but I'm excited that we're here

around the table. I'm hopeful that we can stay around the table on a continuous basis and I know the Mayor is committed to that and I know that we can get all the Commissioners – Commissioner Stefanics and Commissioner Roybal couldn't be here; they're excused today. But they too have said that they're committed to this continuous and ongoing dialogue. I'd like to off the Vice Chairman an opportunity to make a few brief remarks if I could, Mayor, if that's okay.

COMMISSIONER CHAVEZ: I don't really want to go ahead of anyone but I'll take just a few minutes. There isn't much more that I want to add to the comments that the Mayor and the Chair made other than to say that we are a region, whether you're talking about promotion of tourism or providing services to those that depend on us for those services. So the regional perspective and the regional approach makes sense. I think we, in our capacity to make decisions are going to have to make decisions in the best interest of all county residents and I think we find ourselves in that challenge where we do have to represent both city and county residents. I can say and sometimes proudly say that I'm a resident of the City of Santa Fe and Santa Fe County.

And sometimes people don't factor that into the equation. We have that line that says I'm in the city and I'm in the county and we end up working at cross-purposes and that's not good. So I'm glad that the forum is provided where we can all be in the same room at the same time and we can face those challenges and the successes together. So thank you, Mayor and Chair, and thank you everyone for being here.

MAYOR GONZALES: So I think we have kind of an agenda here but if in this opening there are other comments that anyone would like to add just from an open dialogue – thoughts, ideas I think the Chairman has laid out some initiatives and certainly are on the mind of some of the Commissioners. Do we want to go into that dialogue now since we kind of opened it up a little bit just to – this is kind of the open side of it, where the Councilors and Commissioners can really kind of offer a prospective and maybe some points of view on how we begin to gauge and identify priorities that we want to work on. There's a whole slew of opportunities that we can work on together. The truth is all of us are very busy. Each of the governing boards are heavily occupied on issues that are affecting our individual constituencies, so I would suggest that we try and knock out one or two – maybe pick and easy one and a tough one or find the tough ones that we can work on together collaboratively. I think the Chairman brought up the issue of the Regional Water Authority concept and the idea, talking that through, or on the easy side of it per se, economic development seems to be something where there's strong alignment.

But this is something that the Councilors, that we haven't had a dialogue in our meetings about in terms of how we actually engage the County so I'll open it up to any Councilors.

COUNCILOR IVES: Thank you, Mr. Mayor and Commissioner Anaya and Commissioner Chavez. I suppose I would only, as we begin these discussions about the opportunities for collaboration, identify that there are any number of areas obviously where we are significantly collaborative already. I look at SWMA as an example. I look at Buckman, and I will say that the planning that is being brought forth at the state level for them Jemez y Sangre Basin water plan is another area also, perhaps not be virtue of necessarily the City or the County coming out as a primary leader but the state is compelling us to participate at various levels as they restructure some of these programs across the state. So I look forward to working with everybody on each of those fronts, finding really what works best for us currently and on into the future as arguably a lot of these issues become more interdependent.

So – and I don't know who the County's designee is to the Jemez y Sangre process and would love to know who that's going to be. If you've designated anybody currently I'm going to be trying to fulfill that capacity on behalf of the City and looking for word on the next set of meetings through the state on when that will move forward. Additionally of course we have an airport master planning process that's beginning and likewise City and County staff are

significantly on that and so another area in which collaboration is going to be readily called for on other issues that significantly impact the Santa Fe County and the City. So that's all I have.

MAYOR GONZALES: Councilor Maestas.

COUNCILOR MAESTAS: Thank you. This is definitely not low-hanging fruit.

We passed a resolution and it was an expression of at least the governing body's desire to initiate a dialogue with the County regarding what was started years ago, two, three years ago, in exploring the concept of a joint City/County electric utility and we've heard all about the controversy, and it's not my intent to get into that discussion now but we did pass a resolution so my hope is that maybe, this being one of those broader, parking lot issues that maybe we can address in a subsequent meeting, and it's not to resolve the problem but simply to kind of assess where the County is with regard to that concept of continuing on that path with the City to explore a joint City/County electric utility.

Sometimes you need to make progress by ruling things out and I think that's really kind of the intent of what I'm trying to do is to determine whether or not we should continue together or not, decide whether or not we should maybe carry out the recommendations that were included in a real superficial feasibility assessment. And if the County Commission chooses to continue in this partnership with the City then we would commit to share costs and share risk only with the premise that we believe in the concept of creating a joint City/County utility. So again, this is definitely a low-hanging fruit issue but my hope is that we can specifically get it on the agenda, maybe at the next joint meeting.

MAYOR GONZALES: You know, that issue in itself is – it's a good subject for us to dialogue about a little bit now because there is a resolution that has been passed by the City that contemplates jointly pursuing this type of dialogue with the County and it would be interesting to hear from the Commissioners, not so much even to go into the issue of whether there should be a joint utility pursued or not but the issue of joint resolutions where there is an expressed desire by one governing board to collaborate with the other, if there should be some action that either concludes that decision and says yes or no. So at least it's not left out there hanging.

So it seems to me, as opposed to maybe putting it on the next agenda that with the Commission – does the Commission intend to consider the resolution for yes or no. If it's a no then there's no point in necessarily putting it on the agenda. If it's a yes then it's something to talk to, talk about a future – or is there a different way to go about expressing a desire to work collaboratively on some of these major issues, and I can think of water as being one of the next big ones that we're going to have to figure out how to find a collaborative arrangement that is going to deal with resources and deal with jurisdiction and policy that affects multiple constituencies. And I say that because the County's embarking on the relationship with the northern counties in the Aamodt delivery system, which is going to be a gigantic effort on all of your parts. I also know, being a Commissioner, that there are several independent water authorities or water groups around the county that have their own set of challenges and opportunities, and then of course there's just the business relationship or commercial relationship that exists between the City and the County in terms of the delivery of water.

So those are all things that are going to require us to find a way to work together as well. But on the point of Councilor Maestas, how would we get a response back?

CHAIR ANAYA: If I could, I would defer – actually, I think I'll defer to you now, if you'd like to make some comments, Commissioner Holian.

COMMISSIONER HOLIAN: Thank you for putting me on the spot. Let me just start off by saying that I think public power utilities have major advantages for a community because they provide a service. They're really not in it to make money. And so that gives them a certain freedom to not require that there be continuous growth. When you have an investor-

owned utility it has to pay dividends to its shareholders and what that implies is that you have to have continuous growth in your customer base. If you have a public power utility it's simply providing a service and so it doesn't require that and it means that in fact that public power utility could invest in programs to encourage people to use less energy. For example there could be programs for low-income people to help them do energy efficiency measures in their own homes so that they actually use less energy.

Also, it's kind of interesting to note that with public power utilities across the country – Los Angeles is a really great example of this – it has its own utility and actually that contributes money to the city government. They depend for a lot of their income on the income that they make from running their local public power utility and their water utility as well. But having said that, if we were to pursue this in our area the City and County would have to work together very closely; there would just be no way around that, just in a physical sense. The poles and wires go in and out of the unincorporated areas and so we would have to be able to work together very effectively.

Now, we have worked together on a number of different issues as has been mentioned, like the BDD. I think that's pretty much of a success story, and SWMA. But there are issues. And I really feel that right now we should go maybe to step one as far as investigating a public power utility and that is to direct staff to look into what kind of studies we would have to do to really understand what it would really mean for our community to do something like that. It's a major, major, major step and I really want to emphasize that. And I think in the meantime what we really need to be doing is learning how to work together more effectively. I think that we are fairly good – I don't know exactly how to put this – like for example on BDD. The BDD is a spectacular success story for our community. No question about that. And we work together because we have a board that directs the BDD. But there are issues. There are significant issues right now at the BDD.

So I think that right now we should be learning how to work together more effectively as far as the public power grid goes. I think that it's appropriate to make some initial studies. Actually, what we need to do is to study what we need to study, because it is – I just can't emphasize enough what an incredibly major step that that would be for a community to do something like this. So those are my thoughts on it.

CHAIR ANAYA: Thank you, Commissioner Holian. I just will make a few brief follow-up comments. I was – and I appreciate you allowing me to put you on the spot. I was thinking back to a Sierra Club forum when I was running for County Commissioner and all of the County Commission candidates, there was probably nine of us from a couple different districts were lined up at a table. And this question came up. And each candidate was asked, do you support a public utility? And in that forum, in that discussion my response was, no, I don't. But I have a follow-up to that response. And my follow-up was we have many issues in the county that are not done, unmet. And I talked about roads and I talked about additional senior services and I talked about youth services and then I stopped. But in this process of being a Commissioner and taking a look at where we might need to head I'm not closed to the idea, and Commissioner Holian and others have made me realize that we need to at least explore what would it take or what does it look like? But I still have in me that inherent desire to try and resolve things that are very pragmatic and for lack of a better word, very simple for people out in the public that expect services.

And so I think it's that work that I think we can do now. I think that there may be things that we haven't even pondered that we can accomplish collectively but we have some things that are underwater that we've suppressed and kept there. And I think if we could let those rise and we could address them one at a time here and put those things behind us or maybe let's put them in front of us, resolve them and then move forward. And I think the public utility and other things

can be evaluated even closer.

The last thing I would say relative to this discussion is that I think what we do, just from reading the minutes of our respective meetings is that we still have our own independent responsibilities that we have to deal with on a regular basis in our meetings and what we do in our meetings, when we get into the crux of those and budgetary decisions we focus on those and we voice some of the concerns. I'm hopeful that we can voice the concerns here face to face over time on RECC is one example. Because that's one that I get vocal and I get passionate about wanting to resolve. But I think one thing that holds us back or holds me back – maybe I'll speak for myself only – is that we always talk about what happened last year and ten years ago and seven years ago, 20 years ago. And some people in this room were part of those dialogues but many of us weren't and I think if we could all make some fundamental commitment to say we respect historically what's happened and we respect agreements that are in place, but frankly, some of them aren't working.

So if we could all sit down and look at all the agreements, both sides, and say, what are we doing now? To look at those and how might we think about those in the here and now framework as opposed to utilizing past determinations to guide our path. And so that's all that I ask, that we can try and do that.

MAYOR GONZALES: So what I hear the Commission saying is that there are clearly issues in front of us where we have a partnership. There are underlying issues that there are some burrs under the saddle that need to get resolved. If we could figure out how to work on some of these issues and learn how to get through the tough stuff then you're open to talking about what the next type of frontier might be for us. Councilor Dominguez.

COUNCILOR DOMINGUEZ: Thank you, Mayor. I'll try to be brief. Certainly I think there are some of us that are trying to get the elephants in the room recognized so I thank you very much for that. I think the sooner we do that the better. I'm not going to initially speak to the – the only thing I'm going to say about the collaboration between, or the public utility issue is that I'm often asking myself if it's our job to provide services or if it's our job to make sure services are provided and that's a whole different discussion in itself but nonetheless I think it's a discussion that needs to happen at some level.

To speak to Councilor Maestas' question or maybe it was the Mayor's question about what can the respective governing bodies do to kind of inform each other about what's on the table. One of the things that the Finance Committee is working on is I guess a finance impact statement or a legislative summary I think is Councilor Maestas referred to it as, and maybe there's something we can do in there that I guess formally recognizes that there might be a need to collaborate or that the expectation is that that piece of legislation get put in front of the County Commission or at least sent to the County Manager's Office. Something in that nature because I think it's about process. It's about process and making sure that we have things in places that we know are going to allow that certain dialogue to kind of move forward if it needs to.

I think that it's all about relationships. And you're right, Commissioner Holian. If we're going to have some of these tough discussions it's going to have to be in the context of having several meetings, not just one a year or one every quarter even, but it's going to have to be a pretty good and close relationship. And we have to put some of our differences aside for the best of the constituency which is who we represent and it kind of speaks to what Commissioner Chavez was speaking to.

One of the things that just kind of is interesting to me, Mayor, I brought this up before. It's not something that needs to necessarily happen as a result of this meeting but part of the vision I think is that there are things that the City and the County do have in common. We don't necessarily share but we have in common. Employees is one of them. We have fleets. We need gas for our fleets. And this is more of our City Manager/County Manager kind of issue. It's a

management issue, but what are those services that we have in common that could be – I do not know the mechanics of it. I don't know if the idea is practical or reasonable, but if we were to share some of those services like payroll. The same distributor for our fuel. Those sorts of things I think could be helpful. It's not necessarily a policy issue but I think that as each of our respective governing bodies and governments are realizing these fiscal constraints and stresses that we have, we need to be able to work together and work collaboratively.

Those are some of the low-hanging fruit things that I see. I think that the respective staffs get along really great. I think that they do a good job in keeping us out of trouble even a lot of times. And I think that that's one of those things that I think could happen on both sides, for lack of a better way to put it, to kind of maybe do some things together. Again, it's not something that I think needs to happen as a result of this meeting but it's part of my vision at least in terms of collaboration in the spirit of collaborating and trying to become more efficient for the constituency as well. So I'm happy to be here. Thank you everyone for hosting this meeting, and that's about it. Thank you, Mayor.

MAYOR GONZALES: I think the idea of a shared service model is something I visited with the County Manager and the City Manager on a number of occasions because of the fact that we're in need of upgrading software systems, accounting systems that the County is probably in a similar situation. We have two independent procurement processes. If we combined it think what we could do in terms of leveraging our buying power to lower the costs of goods and services. There are models all over the country where these shared service environments exist. We'd be the first in the state to actually have the City and the County develop a shared service, administrative model that takes away all the duplication that is going on and standardizes it into a single place and raises the efficiency. I would love for that to come out of this and I think that the County Manager is in a unique position because of her experience as a DFA Secretary overseeing a big accounting implementation to really help guide us. Not to put you on the spot.

But the point is we have the experience here, right? So it's not that – one of the biggest risks whenever you go into these environments is that you haven't done it before or you don't know how to do it. That's not necessarily the case I think for us here. So it is that low-hanging easy fruit. It doesn't require politics. It doesn't require philosophy to come into play or any grand scheme of things but I've got to believe that we could drive lots of efficiencies and save some money that can go into services.

COUNCILOR DOMINGUEZ: And if I can, Mayor, just real quickly on that. When I was on the Board of Education it was something that was tossed around and so it's kind of been hanging on ever since then and so without making things much more complicated because of relationships amongst two governing bodies is one thing. Amongst three would really be interesting. But they share a lot of the same things. They have a payroll. They have a fleet. So there's opportunity. So I think that whatever we can get out of it I think would be beneficial.

MAYOR GONZALES: Commissioner Chavez.

COMMISSIONER CHAVEZ: Thank you, Mayor. I wonder, back to the conversation about the idea or the concept of a publicly owned electric utility and the reasons or some of the discussion that's driving that. One, from what I'm understanding is to reduce our dependence on coal. The other is that we could provide local jobs and keep more of that money in our local economy. The County and I think the City jointly are doing a lot on a smaller scale to retrofit fire stations and other buildings with solar panels to supplement their electricity. And so some of the reasons are good, I think. Of course it comes at a cost. And then you have the Public Service Company of New Mexico themselves that are willing to take two of the coal generated plants of line if they can recover their stranded assets for doing that. That's going to affect all of the ratepayers so that's a separate discussion that's ongoing that's still pending.

They're proposing smaller projects, 10 megawatt projects and 5 megawatt projects that are being proposed in the area. Two projects that came before the Commission at our last Commission meeting. One was tabled because of concerns I think mostly from maybe one or two of the pueblos. And then the other proposal was tabled because of the applicants, things weren't quite ready. So there are different ways that if we want to become less dependent on coal there are different ways that we can do that incrementally and still get there. I think that it doesn't mean that I'm not supportive of the concept but I'm concerned about the timing of it, the cost. And I don't think that it's real clear in the public about what it is that we're buying and the service that we're going to be providing, because I don't think that we're going to be, unless I'm wrong, I don't know that we're going to get in the business of actually generating electricity, or just buying the poles and wires that you talked about earlier that distribute that electricity. If that's the case then we would still be buying from another source that could be using all solar or nuclear generated electricity. We would just be buying it at a bulk rate and passing that through our system.

And so at that point we could be maybe doing a better job at maintaining those poles and wires and that piece of the infrastructure, keeping more of that money local. But I'm not sure, Commissioner, where that's going. So I think the study probably could clarify all of that before we go forward. But my position right now is that really, unless we do the harder things like finish annexation and deal with RECC and the other things that have been pressing, not since last year or the year before but if we talk about just annexation that talk and that discussion has been going on for quite a while. Decades.

So I don't want to discredit the concept in moving forward on that and having staff study that but I also want to know that we're going to be serious and aggressive about all the other things that are on the list. And so right now I'm saying I'm ready to pull out of that discussion until I know that we're going to be committed to all of these harder things that have been on the list, and make it harder for us to do some of the other things.

MAYOR GONZALES: Commissioner Holian.

COMMISSIONER HOLIAN: Thank you, Mr. Mayor. I just also want to add that there are some – if we really do want encourage renewable energy in our community, there are some easier, more achievable things, quicker things that we could do right now this very minute. For example, we could really put some pressure on PNM to create a true community solar project or to create a process for us doing a number of community solar projects and that's where local people can buy into solar projects and actually own solar panels. And that's primarily for people who can't put them on their own roofs. And the other thing that we could do that would not cost very much money but we're ready to do right this very minute is to have a public education campaign. Because the truth of the matter is for people who can put solar panels on their own roofs it pays off from day one. In other words, if you borrow money to put those solar panels on your roof at the current low interest rates for a significant period of time you will right from day one be saving more money on your electricity bill than you are in making payments on that loan.

And so I think we really need to get that word out and I know that we have staff in the City and the County who have a really great public advertising campaign worked out; we just need to fund it.

MAYOR GONZALES: Councilor Trujillo.

COUNCILOR TRUJILLO: Thank you. I can tell you right now I'm not for going into this purchasing PNM or purchasing our own private – we have a lot of issues within the city, ongoing issues that haven't been resolved. I too would like to get all these issues fixed before we start looking at spending millions. And right now I don't even have a cost of how much this is going to cost and when it comes down to it, who ends up – who's going to pay for it? All of our constituents. And I don't want to enter something that's telling me maybe \$200, \$300 million and

then to find out it's going to be \$500 million. I don't know how long it's going to take our taxpayers to pay off that debt.

I'm all for renewable energy. Don't get me wrong. I think it's what we definitely need to do, but a lot of studies will have to be done. What's the cost? That's the thing. Everybody wants to say we're going to cut everything off with PNM and I have that same thing. Are we going to start generating our power? Are we going to build a generating station or are we going to go out there and technically buy it? So technically we haven't done anything. We're still, like Commissioner Chavez said, we're still purchasing this energy when we don't know where it's coming from. So that has been my biggest concern. The costs – I hear talk that we can just go in there and we can condemn stuff. My whole thing is, if you're going to condemn something under the pretense that I you condemn something when something's not happening.

Well, we're getting power. All these people that complain about PNM, complain about all these bad things that PNM does. Don't get me wrong. I'm not saying that PNM's the ideal company but what I hate about what a lot of people do is they go out there and they say, well, PNM this, and they don't realize, you know what? Those people working for PNM are your constituents in the county or our constituents in the city. They're technically putting these people down. And guess what. These are taxpayers.

You may have your quarrels about PNM but remember, when it comes down to it if we're to get all these things – no, no, no. I'm not looking at you; I'm looking at everybody. I'm just saying – I'm speaking to everybody. It's not you Kathy. I'm just saying there are a lot more pressing issues in my opinion facing the City of Santa Fe right now and I'm sure there are a lot more pressing issues facing the County of Santa Fe right now. Just to – one of the things we have, we have a homeless shelter. That's been in the news all the time, and guess what. City residents use it; county residents use it. We talk about collaborating. These are the type of things that I think I would like to see the County and the City start collaborating on. How can we make this shelter better? Are we going to move it? All these different things. Because this is something affecting everybody in this community and this county. So I'm just putting that on the table right now but I just wanted the County Commissioners to know where I stand on this issue.

MAYOR GONZALES: I'm going to need to excuse myself to speak at a luncheon but things that I am in favor of proceeding forward if the governing bodies agree. The Climate Action Task Force is going to be delivering a series of recommendations to the City. I've asked Commissioner Holian to consider bringing some of those recommendations to the County. None of it involves acquisition of utilities but it does involve what the Commissioner as talked about – education, figuring out ways to build more renewable, true community solar. All the things that we feel like we can work on today.

The second part is, Commissioner Holian, I think you said it very well in that we should get through the issues that bother us about existing agreements, whether it's the Buckman Diversion, whether it's the commercial relationship between the City and the County in the delivery of water, or whether it's the 911 system, those are issues that are present today that if we can't figure out how to collectively work together on these issues where we have – where we are bound together it's impossible to figure out how we can work on future ones.

So I'm in favor as I leave real quick to see how we can – whether we do it in the form of teams. I know that the Chairman and I have started to talk about water issues a little bit but we need to make sure we incorporate more of the governing bodies in this or we figure out a way how to do it collectively as a unit. I'm all good for all of that. But if you can excuse me, the Chairman is going to take over.

COMMISSIONER CHAVEZ: Before you leave, if you could, I want to nail one thing down, as has been for me the umbrella of all these other subset of issues whether the RECC, roads, public safety, whatever it is, and that's annexation. So I want to be clear that that's

the one thing that – there's one area that's left out. I think it's Area 18. I should know. Area 18. It's the area along West Alameda. It's left out. What we did is we moved the jagged edge, the Airport Road area over here and we need to clean that up. I'm pretty convinced that as we do that all of the other, a lot of the other issues will fall under that umbrella and we'll be able to move forward.

If we can collectively agree to do that then I think the other things like the public electric utility as it's defined for our area, because I think it's going to be a combination of things that we do, not only purchasing a utility company from somebody else but things that we can do on a local level, right? That were mentioned. Right? I'd be willing to work on those in concept and in concert, right? Knowing again that we can finalize the annexation and all the sub-issues under that and then be able to focus on the other things that we're faced with. So do I have your commitment on that, Mayor?

MAYOR GONZALES: Absolutely. Annexation, I'll follow the direction of the governing board as we go forward. I'm ready to get to work on [inaudible]

COMMISSIONER CHAVEZ: Because I think that's going to take a lot of effort on all of our parts.

CHAIR ANAYA: If I could, Commissioner Chavez, just a brief comment. When we got to the final approvals on annexation we had collectively to make some decisions as to whether or not we would continue to keep that particular piece on the table or whether or not we were ever going to get through overall annexation at all. And so I think it was the discussions collectively and the perspective of the governing board. I think the Mayor just said that, that put us in position not to have that in there. So candidly, it's something that needs to be discussed but I think that's a little more isolated to the governing body as to whether or not they have a desire collectively. So I'm not saying we take it off the table I'm just saying that that's something that the City governing body is going to have to make a decision on, not necessarily this County Commission. So I guess – because I don't want us to get into a back and forth too long on this because I think what's important for us today is that there seems to be some consensus on dealing with some difficult issues and if I could, Commissioner Chavez, Mr. Vice Chair, I'd like to ask Councilor Lindell and Councilor Rivera if they would like to chime in and provide some thoughts since they haven't had an opportunity to do so and then we can come back and expand on some other stuff.

COUNCILOR LINDELL: Councilor Dominguez, did you have something that you wanted to say germane to that conversation?

COUNCILOR DOMINGUEZ: I don't.

COUNCILOR LINDELL: You don't?

COUNCILOR DOMINGUEZ: We can make anything germane to anything in this.

COUNCILOR LINDELL: I just say you kind of –

COUNCILOR DOMINGUEZ: Well, just two things on the annexation. I think it would be beneficial because every time we get a new administration, a new governing body, whether it's the City or the County, I think it's good to have an update. So maybe one of the things that we can do to kind of start that conversation off, if you will, is to have staff prepare memos to the governing body members. It speaks to a history of what it is that we went through. I don't want to get into details about how many meetings we had but just some level of detail that kind of lays out the picture. And then also just kind of where it is that we left off, where it is that respective staffs see us as being left – where it is that we left things off at. If we can get that in a memo I think that would be helpful, at least to me anyways.

And then in terms of I think the elephants in the room and the agreements that we have, I think that it would be beneficial for us to at least have hard copies of those agreements. I know I

have some. I don't have them all, but also a history of how those agreements were made. Because you're right. As new Commissioners or Councilors or administrations have come and gone there's a lot of institutional history that's been lost. So if we want to get it to a level where we can start having some significant conversation I think just a general understanding of what everything even says I think would be beneficial. Otherwise we can sit here and talk about some of these details and it may not be a very productive meeting without really knowing what it is that's on the table. And that's what it was, Councilor Lindell.

COUNCILOR LINDELL: Councilor Maestas has a burning desire.

COUNCILOR MAESTAS: I wanted to really echo what Councilor Dominguez said and in fact let's take it a bit further. Maybe what we ought to do is right these position papers that would be complete with a history but it would also have the County and the City position and that way we kind of have these and we do a read-ahead and maybe we have specific action items with respect to that issue and we can decide how we want to tee all these issues up. But I think it's a great idea. I think that's the path for us to proceed with, employing that kind of process, using these issue papers with respective positions and then a key decision that needs to be made and then I think things – some kind of a rhythm in our decision making.

And Mr. Chair, members of the joint meeting I have to excuse myself. I've got to get back to work. So thank you, Councilor Lindell for yielding the floor.

[Mayor Gonzales and Councilor Maestas left the meeting.]

COUNCILOR LINDELL: Sure. Thank you, Chair. Just a couple of things I want to talk about as a Councilor that doesn't have a long tenure. I hear us continuously talking about these hard issues and things that we have great differences on. To be perfectly honest I don't know what those are and I think that the suggestion that we bring those forward in a forthright, open manner and look at the agreements that we have is the way to proceed. It's like the elephant in the room. We have all these differences, but I don't happen to know what they are.

As for a public utility, I really appreciate Commissioner Holian's thoughts that there are other things that we can do prior to engaging in that kind of major, major, major project. That's a project of hundreds of millions of dollars. The studies that would need to be done for that, I think in the preliminary study that was done, a final study on that is past the capabilities of I think the expertise of just staff. I think the price tag on that study was in the \$800,000 range. That is no small commitment for the City and the County to go into. So I appreciate that we may have some incremental things that we could do prior to that that I think we'd both like to accomplish.

So I thank you for giving me the floor, Chair, and I do look forward to continued meetings. But I think that it would be wise for us to, prior to the meetings have copies of the agreements that we have that we could specifically discuss some of those. So I'll yield the floor.

CHAIR ANAYA: Thank you, Councilor. Councilor Rivera.

COUNCILOR RIVERA: Thank you, Mr. Chair. I agree with the history of the current agreements and really not so much a copy of the current agreements but really understanding why we need change or why maybe the County feels that we need to make changes to these agreements because again, we agreed to something maybe ten years ago, but why the change? What's going on? What's happened? So that would be good to understand.

Along – I agree also with Commissioner Chavez regarding annexation issues and I think there are still projects out there that the County started that it appears that they're trying to finish that would then be part of the city and how we work on those issues and making sure that we're ready to take on the cost of those once they're complete and again continue to work on those annexation issues I think is extremely important.

The other area besides the area off Hyde Park that we didn't consider with annexation is the Hyde Park area as well, the Ski Basin area, which is in the county which the City primarily services. So can we bridge some gaps there? Councilor Trujillo brought up the homeless shelter

and can we work together on that? Again, homelessness affects everybody and I think maybe partnering together to find a long-term solution for that would also be worth discussions.

And I know Commissioner Holian has sort of taken the brunt on the municipal utility discussion and I think so much of the focus has been on PNM and really taking over and thinking of ways so that maybe PNM – so I think that really focusing on PNM is really the wrong way to go about it. I'm not sure that we need to take over PNM, take over power lines, take over their business. I think we can focus from here on out in giving people a choice. You can choose to go with PNM if you want to or maybe you participate in a municipal utility and do a community solar project within your new neighborhood or within your new area that you're building homes in and allow people to have a choice as far as what they do with utilities needs moving forward and not necessarily looking back at what PNM is doing or not doing. So that would be my hope that as we hopefully continue to talk about a municipal utility, that we focus more on taking that monopoly out and I know the City took over the water company many years ago and there was a lot of discussion about that but I don't think the water company routinely shuts off people's water. I think we try to work with people as much as possible, and I'm not sure that we get that with the current electric utility provider, and I think a municipal utility would look at people's needs and give people as much time as possible to try to catch up on their bills instead of just shutting power off. So thank you all for this discussion. I always enjoy having these meetings and I think we accomplish a lot, even if it's just discussion and getting elephants or getting those topics that are a little difficult to discuss out on the table. It's much appreciated. So thank you all.

CHAIR ANAYA: Thank you, Councilor Rivera. Councilor Dominguez.

COUNCILOR DOMINGUEZ: Just real quick. Mr. Chair, thank you very much. I'm not going to speak on behalf of the entire governing body but on my own behalf. It seems to me that the City is kind of speaking public utilities and all the other stuff. We've kind of taken that first step or a small step if you will, in doing exactly what you recommended, Commissioner Holian, that was essentially study the study. And so I wouldn't mind sharing whatever information we get from that and providing it to the County staff and the County Manager so that if there are places where collaboration can happen at least maybe it will be identified in that realm.

I think it's been said, at least at the City level in many different ways that it's really a huge effort and I think everyone recognizes that. And for me and for many people it's not just about whether or not we purchase PNM or whatever the case may be. I think it's at least get the conversation started and pushing the envelope even and getting PNM to do some of these things that I think we've kind of articulated today with regards to community solar and so on and so forth. But I think more than anything if we can share that information I think it would be beneficial and we kind of move down this path. And if we take diverging paths, so be it. But at least we have that information, that sharing of information to make some of these determinations. And so that's just my suggestion. I'm not sure if the rest of the governing body from the City feels that that information is something that they want to share. City staff is doing a lot of the work and so I think that they've done a lot of work already and so I would at least offer that on my behalf.

CHAIR ANAYA: Thank you. Councilor Ives.

COUNCILOR IVES: Thank you, Mr. Commissioner. I think that's exactly right, and again, the proposals that the Climate Action Task Force will be bringing forward as early as our next Council meeting next Wednesday are specifically intended to come to the County so that they know exactly what we're doing and thinking about doing in that regard. And again, as the person who introduced the possibility of the Santa Fe public power you have heard me say I think on at least three or four occasions, I am not proposing to buy out PNM. And I know folks love to go there because then it sounds crazy and expensive and it's a way to limit discussion on

what I think are the good ideas on how do we bring some independence to the people of Santa Fe to control their own energy future and that really is the objective here. I don't think we're going to cause anybody employed by PNM to be fired. The effort is not to try and – I would say that even if we did – and we don't have the power to buy out PNM but even if we did we'd still need those people working for the City as opposed to PNM, so again, I don't think it's a question of local jobs and the folks living in our community. I think that to me is, again, I'd describe it simply as a red herring.

So as these proposals come forward I think it's the City's intent through the task force and the participation of Commissioner Holian to make sure that everything does come to the County so you can know exactly what we're thinking and so if the Commission thinks that it's something that makes sense for the people of the county of Santa Fe of course, most of whom are city residents. Thank you.

CHAIR ANAYA: Thank you, Councilor Ives. If I could I'm going to roll some things up and then I want to ask for some – maybe a little more direction and maybe we can nail a few things down. So multiple things have been said over the course of the discussion but I think one of the things that keeps coming up again and again as we move forward with the discussion, that we need position papers associated with the next discussion, we need background agreements that provide the historical framework, and we need the action step that we're looking to achieve. Those three primary things that we are looking to help us package and bring back.

There are two things that I would suggest that we possible [inaudible] based on the discussions we've had so far and that would be those water concerns that we've been, the Manager and the Mayor and others have been discussing associated with basically the resources of the BDD that the City's been discussing with us on what we owe, and that discussion, and then I suggest we isolate the RECC as a second primary item, that we get position papers, background information and move to some more meetings. I think Councilor Dominguez, you said that, and I think we're not going to get there unless we do that. The suggestion I would offer relative to the meetings is that maybe we do need to do some committee work and we break ourselves up into two segments, a water – where Councilors and Commissioners sit on a water committee if you will, and we have a committee where we have Commissioners and Councilors that talk about RECC.

So I'll go right to Mr. Vice Chair. I just want to finish this thought process. On those issues then we bring recommendations back from the committee to the full governing bodies on both sides with recommendations and proposed action steps. The other thing that I think is resoundingly clear and coming up again and again, and I think it's multi-faceted, but annexation: Where are we with current annexation? I think is one question that we're hearing and not just in the governing bodies. Just two days ago I had a constituent in the Remuda Ridge area that was specifically talking about roads and some of the work that we had committed to doing as part of that annexation. So where are we with annexation as an update and a historical framework, and then the next steps which Commissioner Chavez is very concerned about as are others is where do we go from here with other annexations, so that if we isolate those three areas we have committees on the water, on the RECC, and then get updates on the annexation at minimum, then I think we can progress to some action on those items. Is there concurrence that we can isolate those items? Commissioner Chavez.

COMMISSIONER CHAVEZ: I would – Mr. Chair, if annexation is on the top of the list. And I say that because I get the same calls that you get and sometimes they're not calls. I'll be having breakfast with my dad at Flying Tortilla and I'm approached by the same people that are calling you that live in the Remuda Ridge area asking about their roads. And it's good; it's fine. Because they have a concern. They know that we're responsible for providing the

services. They know that we've made some general commitment to providing those services. They just want to know when it's going to happen. And so annexation for me is the lynchpin. If we do that right and we do it in a timely fashion, a lot of these discussions, a lot of these side issues, a lot of these infrastructure issues could have been taken care of.

So again, I think that – and maybe what we need to do is not put one issue on top of the other but have as you suggested maybe a committee process so that we're running two or three or parallel tracks.

CHAIR ANAYA: I guess, and I'm going to defer to the Manager or other Councilors that want to comment. In no way, Commissioner, am I downplaying the importance of annexation and the progression of what needs to happen with annexation, but when it comes down to elephants in the room associated with difficult decisions, the water is an elephant in the room absolutely right now and RECC is an elephant in the room absolutely right now. I see annexation as an issue where we want to maybe make sure we're in concert, make sure we're providing a seamless delivery of projects and a seamless transition of stuff but I guess I don't see that as something where I'm hearing Councilors that are coming to me or the Mayor saying we just don't agree. I'm hearing the Councilors, if I could, Commissioner, I'm hearing Councilors and the Mayor saying, you're right. We're working together on it. So I guess I don't see the division.

COMMISSIONER CHAVEZ: I can accept that, but what I will say to that is then I would ask for a timeline. If we're committed to something like annexation, there was to be a deadline. There were deadlines and we've amended those. We've put things off. We've delayed things. We left out one section that could have been done. So I'd like to have a general consensus and a commitment from all of the elected officials in the City and the County, and some sense, some timeline of when that might be finalized.

CHAIR ANAYA: I hear you, Commissioner Chavez. So Ms. Miller, do you want to provide some brief comments? What I'd like to do – I'm looking at the clock. What I'd like to do is get some concurrence on tracking these items and then each governing body can go back to their respective governing body and decide who wants to sit on which group and then we can work with the Managers on a reasonable timeline so we can package the history and the background. But Ms. Miller, did you want to make some comments on anything?

KATHERINE MILLER (County Manager): Mr. Chair, Commissioners, Councilors, I just want to say, I think there's two separate things relative to annexation. There's the part that has been annexed and then there's some transfer of service issues there that we are working on, and a lot of things have happened. I think it would be very good to give an update to both governing bodies because we've made quite a bit of progress. But we have a couple areas like the Agua Fria Village, what to do with open space properties, some of the public safety issues that still need to be worked out. And then there's the area which I believe Commissioner Chavez is referring to that is an outdate of when that might be. Somewhere out, I want to say it's like 2018, because I think we did the agreements in 2013, of what we called Area 1 that didn't get included in that last phase of annexation, that it would be done in the future. And that's the issue of trying to bring that forward.

And that could all be wrapped into the discussion. But I think we need to work on dealing with the stuff in the agreement, the Phase 2, that we're kind of bumping into and then look at what Phase 3 looks like. And so I think that could all be done with the same subcommittee, because it's going to be those additional issues of roads and services. And then I think you're right as far as water and RECC or public safety. We could probably break down most of the issues in those three areas and have some subgroups or subcommittees work on them, because I think we both know and our respective staff know where we've kind of run into issues that we need the governing bodies to help us get some policy decisions made as to how they want to

handle those issues.

CHAIR ANAYA: Excellent.

BRIAN SNYDER (City Manager): Mr. Chair, Councilors, Commissioners, I don't really have anything to add beyond what Katherine has stated. Annexation, as she stated we are moving forward with a phasing approach, whether it be public safety, police, fire, roads, utilities. I think we are working collaboratively within the guidelines of the agreement. There are definitely areas that we come across as Katherine alluded to, open space and trails, those kinds of things, within the city. I think Councilor Rivera spoke about a park and projects that the County is doing within the City limits that ultimately would be dedicated to the City and through either the annexation or through separate agreement those kinds of conversations I think would be valuable to have at this level.

And then the other, the RECC and the water issues that we've been talking about, we can definitely work on collaboratively, putting together some position papers as has been requested and we can present them back to this full governing body or the subgroups.

CHAIR ANAYA: So if I could, Commissioners and Councilors, if we could isolate a 60-day timeframe in which we as respective governing bodies, appoint members to three committees: water, let's call it water/wastewater committee, a public safety committee and an annexation committee, and then in 60 days have some commitments for each of those committees to have at least two meetings in the interim with recommendations coming back in those 60 days. Commissioner Holian.

COMMISSIONER HOLIAN: Mr. Chair, to the water subcommittee, I would also add stormwater management.

CHAIR ANAYA: So, water, stormwater and sewer.

COMMISSIONER CHAVEZ: On that point, Mr. Chair, the County and the City, along with the Agua Fria Village is having to do a utility corridor study in and around the Agua Fria Village on both water, wastewater and stormwater.

CHAIR ANAYA: Excellent. So I don't want to speak for anybody. Does it sound reasonable to have three committees?

COMMISSIONER CHAVEZ: And the three again would be?

CHAIR ANAYA: Water, wastewater and stormwater; public safety; and annexation.

COMMISSIONER CHAVEZ: And Mr. Chair, if everybody doesn't mind, I would like being part of the annexation committee. It's not that I'm not interested in the other things but that's what I would be more interested in right now.

CHAIR ANAYA: I think we can as governing bodies have that discussion and then take recommendations. I don't have any problem with that.

COMMISSIONER CHAVEZ: I put that out there now because I'm looking ahead a little bit and if that's the structure then I'm hoping that that's where I would maybe fit in best.

CHAIR ANAYA: Put in a plug for annexation.

COMMISSIONER CHAVEZ: Yes.

CHAIR ANAYA: Councilor Ives.

COUNCILOR IVES: Thank you, Mr. Chair. The only other item I might highlight was one that you highlighted at the very beginning with regards to the hold-harmless provisions and the impact of those provisions. We're all getting into gear on our budgetary processes and it may be worthwhile, unless staff feels comfortable sort of bringing those issues forward to have some collaborative discussion there as well, given the way the statutes currently read.

CHAIR ANAYA: I think that would be appropriate, Councilor, and maybe that's an item where we could get a background from the City and the County perspective at the next overall meeting so that we could progress there. Councilor Trujillo.

COUNCILOR TRUJILLO: Thank you, Mr. Chair. Brian, I want to ask once you compile all the agreements, all that between the County and City, and I know the Commissioner just said to have that 60-day, I'm looking at maybe possibly we could bring that information before the Public Works, not at the next meeting, possibly the meeting after that. Because I know it's probably going to take some time to get that, because I would like just the Councilors on that committee to at least aware of what's coming up if we're going to do the 60-day timeframe before we even have these committees, so we can get that to Public Works, just as a discussion item.

MR. SNYDER: Councilor Trujillo, I can work on doing that. What Katherine and I were just talking about is the 60-day timeframe and potential outcomes of what we pull together, budget timeframes when things are due. We're bumping up against that.

CHAIR ANAYA: Do you guys want to go 90? I think, going to what the Mayor said, I think that if we're going to do this it's going to entail some work and we want to keep momentum, so do you have some comments on that, Councilor Dominguez?

COUNCILOR DOMINGUEZ: Thank you very much. I think whether it's 60, 90 – I'm not quite sure what it is. I'd like to ask the Commission to please be a little respectful of the workload that not only the staffs have but at least the City Council has because it can be pretty taxing. But what I think, and again, I'm not going to speak on behalf of the governing body, but maybe what we can do – just a thought – is assign our Public Works Committee to kind of be that subcommittee. I don't know. I'm just thinking out loud, but I think it might be a way to kind of make sure that it stays on our radar, if you will, and kind of give some design or some parameters to who is actually going to be on all these separate committees. It's just a thought that I have. I don't know.

I know that as far as I'm concerned, if I have one more meeting – not that they're not worth it. I think that they're very important and meetings that need to happen, but we could, it could become pretty strainful. We want to make sure that we get the best out of everything. So I would just offer those comments.

CHAIR ANAYA: I appreciate it, Councilor. I think we have to isolate some time frame, whether we utilize maybe existing tools and then we figure out if our Commissioners can participate during those timeframes. I think we'll have to work out those logistics. So Ms. Miller, Mr. Snyder, keeping in mind we want to get to a point in our resolution but we don't want to impose too much too fast, what are your recommendations on a timeline?

MS. MILLER: Mr. Chair, Commissioners, Councilors, I think one of the biggest problems, there are some things due to statutory timeframes, the legislature, our budget cutoff timeframes are going to push faster than others. So I know that's a vague answer but I guess what I'm getting at is things like hold-harmless GRTs or initiatives that we would want to include in our budget, or those types of things are going to move faster than, say, by subject matter within a subject matter than each subject matter. So it's hard for me to say. I would like to say we could certainly put position papers on these together a little faster but whether we can get together and have collaborative committee discussions is going to be the harder thing before certain deadlines will come up for those respective bodies.

CHAIR ANAYA: So I guess just hearing that, there's elephants in the room but we really don't have time to address them right now. So I guess I would respectfully say that let's allow the process to go forward with some appointments to the committees, taking into consideration existing tools, I would concur with that. Existing mechanisms to have the meetings and then just have a commitment and maybe – I guess what I would ask from the County perspective if you're going forward I would ask for an agenda item on every Board of County Commission meeting that provides the Commissioners with an update on our collective progress. If that's the will of the Mayor and the Council then you guys could consider that. But I'm going

to ask that we put that on our agenda and that we allow those committees to be set up and take into consideration some options on how to package those, and then we evolve into more specific deadlines as we progress. Does that sound reasonable?

COMMISSIONER CHAVEZ: Mr. Chair.

CHAIR ANAYA: Mr. Vice Chair.

COMMISSIONER CHAVEZ: I'm wondering, there are some things that are going to have their own timelines and then there are other things that might fall outside of that, like this water agreement. I think that may have to run its own course because of the need to take care of business, basically, right? So some things may want to jump out ahead of the others. Right? Be handled, be dealt with and take that off the list and keep checking them off the list. So I think we should set that timeline to a 60-day, but then knowing that within that 60 or 90 days we may come to some agreement, to some conclusion on one or two of those items outside of that committee structure but we need to move forward with that.

CHAIR ANAYA: So I appreciate that. Let's allow those committees to get appointed and let's see how we evolve over time. I think that the general concurrence is that we are all in agreement that we're going to move together collectively and I think that's huge. And then also on the issues associated with the public utility that we're not going to abandon ship, if you will, but we're going to still continue to have some information and a dialogue and I think that's reasonable as well. So at this time if it's okay I'd like to go ahead and allow the economic development component to have about 15 minutes if we could or just to provide a synopsis on update, and then get us close to wrapping up.

MS. MILLER: And Mr. Chair, I just want to let you know I do have sandwiches and stuff for everybody so you don't have to leave here hungry.

CHAIR ANAYA: Why don't we go ahead and take a couple minute break before we get started on that.

[The meeting recessed briefly.]

II. Update on Tourism and Economic Development Activities after Joint City/County Meeting of October 20, 2014

KATE NOBLE: Thank you very much. My name's Kate Noble. I'm with economic development for the City of Santa Fe. So, David Griscom who is with economic development for Santa Fe County could not be here today. He had a long time ago booked a vacation and is at 11,000 feet in a yurt, as I understand it, so it's just me today. It's been very interesting to hear the discussion today just because much of what has been discussed we have sort of experienced in developing these draft joint strategies which you all have copies of. ??? We passed those out earlier, and that is just that it takes a little bit of time to figure out how to work together to establish communication, to establish different ways to look at the will and the direction and the understanding we have from two different governing bodies. And to take the sort of even broad subject areas of the film and media industry and the outdoor industry and narrow them to suggested action items and what we found through the process which may be a parallel to the process for some of the other work is that to narrow and to focus and to get to key action steps as the Chair of the Commission talked about earlier is fairly challenging.

So as staff we have wrestled with a lot of different options and possibilities. We have endeavored to look at things that are in essence low-hanging fruit. That's where we found ourselves gravitating towards, what can we do that will be the most efficient and effective actions we can take, and we looked for things that are speed and will provide us really with a robust economy. David Griscom, it is worth nothing, being in a yurt at 11,000 feet is very much someone who lives an outdoor lifestyle so he has been very important at working on that and

pointing to that I had my first career in film and studied that in school so these were two for us very interesting things to dig into as we have particular interest and expertise in the area.

As sort of rough summaries of where we ended up through many, many drafts of these various, varying strategies, again, we gravitated to the low-hanging fruit. In the film strategy I would point to two levels in particular of action. One that is to recruit a greater number of productions. When productions are here they do two primary things. They employ people and they spend money. And the greater number of productions we can have the more of that goes on. However, we have seen somewhat of an erosion of our crew base in Santa Fe County and so looking at growing that in order to better take advantage of the productions that are here and the employment that they provide is certainly what I would call the tier one strategies that we outlined. And increasing spending at local businesses. We've also thought a lot about how to better provide pathways for productions to find our local businesses and spend their money there.

And in the perhaps longer-term portfolio, we look at growing the local industry and diversifying the industry base, and these are very important strategies for the health of the industry in the long term to really make a more robust local industry and a more diverse local industry that might look at app development, gaming post production and other complementary activities.

On the outdoor strategy, it's worth noting that this is in some ways a less developed industry. We have some significant anchors in the spirit of *Outside* magazine and BTI, Bicycle Technologies International, and we would like to leverage those as well as develop our local base. But recruitment became a key focus of this industry because we don't have as big a local base to grow from. In terms of the low-hanging fruit we all, as staff members very clearly see the importance of existing events, in particular such as the Bike and Brew Festival, the Santa Fe Thunder, the Santa Fe Century, the La Tierra Torture, and other events and we have looked at a strategy that would focus really on this year to make those events as well attended and world-class as we possibly can, but also to see them as roads into networks so that we might look at recruiting through the networks of the people involved in any number of those events. Bike and Brew in particular which is coming in May is attracting a lot of national attention from sponsors in the outdoor industry and is providing what looks like an opportunity for us to start to develop those relationships and understand how we can best target our recruitment efforts going forward.

So that's a brief summary of some of the low-hanging fruit on both of these strategies and I'll stand for any questions.

COMMISSIONER CHAVEZ: Mr. Chair.

COUNCILOR IVES: Commissioner.

COMMISSIONER CHAVEZ: Kate, outdoor recreation or ecotourism as it is also called is now under sort of the umbrella of tourism, which I think sort of makes sense. But under tourism, I'm wondering if we could add some language that would help to maybe identify who we are. Because tourism by itself is just tourism but if we have cultural assets, if we have human resources, if we have the arts and crafts component that we have, could we have language that would say something to the effect, maybe cultural or heritage tourism, cultural tourism or heritage tourism? Something that would lead you to believe that there in our case is some real history and some real culture that predates our US history that's significant. So how is that factored in? Where could that be factored in? I know that we talk about branding Santa Fe and the area, right? Beyond just the arts and culture which again I think is good, because we have more than that to offer but just in those areas, if we could expand on that and be more deliberate in the branding of the items and the products that are produced locally so that the region has more significance, so that maybe those items have value-added component to them. Right? And so that we're not lost in the history or – sometimes history has not been kind to New Mexico or Santa Fe. The Bachelor is one example, right?

COUNCILOR IVES: A debatable point.

COMMISSIONER CHAVEZ: History does not always recognize Santa Fe and New Mexico. I know a lot about the Boston tea party and Paul Revere but people don't know where Santa Fe, New Mexico is and that we're not part of Mexico anymore. So that brought that to light again. But it's all part of the education, the ongoing education. So I can say that history hasn't always been kind to Santa Fe, New Mexico because we're not factored in sometimes. But could you maybe expand on that a little bit? See if I'm off the mark at all where that might – because these are drafts, right?

MS. NOBLE: Yes. Absolutely. Mr. Vice Chair, the entirety of the tourism universe of course I will leave to my colleague Randy Randall who is the City's Director of Tourism. I think it would certainly be easy to include some language around in this strategy in particular around complementing heritage tourism and cultural assets because there's probably a very fine line between outdoor and cultural assets and even a grayscale in that somebody may just want to ride a mountain bike down a mountain but someone else might actually want to explore an ancient trail or certainly a trip to Bandelier is an outdoor adventure and an experience in cultural and heritage tourism, so we could certainly add that anything that – and this is where we work to integrate and work with our colleagues in Tourism. Our goal was to really grow the industry around outdoors which would mean companies in particular and products being made, value add and that sort of thing we've looked at. Even expanding on the heritage of sewing to perhaps think about outdoor gear, because we have a lot of expertise for people in making garments and outdoor garments in particular are an area where there's a great market and a great deal of value add.

So we can think about putting some of that in that because all of this strategy is really based on building upon our existing assets and existing strengths, both of those, and identifying exactly where they are and then magnifying them in order to enhance the economy.

COMMISSIONER CHAVEZ: And then on a smaller level, on a smaller scale, that would help I think the cottage industry, the smaller individuals, the smaller arts and craftsmen that are working in their studios producing some of the work that draw people to the area. So I know that diversifying needs to happen. We can't depend and shouldn't depend only on tourism for tourism's sake and so the other areas that we're moving into I think are good. And people like to be outdoors. They like to see attractive things. They don't necessarily like to go to a museum anymore that's stagnant, that's not doing anything. That's why attendance is down. And so they're looking for other things that will stimulate their interest and make their visit different than anywhere else. Anyway, I think that just food for thought, maybe. And I think you're moving in that direction. It's probably not that hard to add some language to this. Thank you, Mr. Chair.

COUNCILOR IVES: And Kate, myself – I'm sorry. Councilor Dominguez.

COUNCILOR DOMINGUEZ: Thank you, Mr. Chair. Just a real quick question. When you say what is below the line, local hires. What is [inaudible]

MS. NOBLE: Below the line is a term in the film industry which is basically your union crew. Above the line is your non-union producers, director, that sort of thing.

COUNCILOR DOMINGUEZ: And then in the economic impact example it talks about *Stanistan*.

MS. NOBLE: Yes.

COUNCILOR DOMINGUEZ: It's \$160,000 per day they spend?

MS. NOBLE: That's right. Yes.

COUNCILOR DOMINGUEZ: And they're spending that. Is that salaries and services or is it –

MS. NOBLE: Yes. That's all inclusive.

COUNCILOR DOMINGUEZ: And how many days for the year?

MS. NOBLE: I'm not sure. I think they were here for about a month, and *Stanistan* was one example. We've actually just in the past couple of weeks had three big announcements. The Tina Fey movie that's right down the street. There's an Adam Sandler one and another one came out yesterday. And productions are all variable, so we would measure it by crew days because we would like to see a diversity of productions all the way from a big feature film that is completely based here to a television commercial.

COUNCILOR DOMINGUEZ: I'm just trying to understand things a little bit better. Is it \$160,000 multiplied by 30 days?

MS. NOBLE: At least. Yes. Precisely.

COUNCILOR DOMINGUEZ: And so how are we measuring this compared to the intent of the legislation that's happening at the state level? Is there anyway to compare? Because I know that it's been generally commented that the film industry incentives were going to be so great that in the City's case the hold-harmless wasn't going to necessarily be an issue, and so are we measuring the success of what we're doing locally versus what the intent of the state level is?

MS. NOBLE: We are not dividing things at this stage. As we move forward with this strategy and gear up in our local efforts that would be something we would want to put in place. So looking at crew days in Santa Fe County and some spending multiplier. And spending is very variable, because it might be on hotel rooms, it might be on products, lumber, food, certainly wages. And so crew days is the standard, the industry standard but we would certainly look to understand how much of additional spending is put into our local economy as a result.

COUNCILOR DOMINGUEZ: Let me ask it a different way. In your documentation you have the \$960.9 million in gross state product. How much of that amount is local City/County, whatever you want to call it, monies?

MS. NOBLE: That came, that figure came from a film production tax incentive study that was done by the state and it did not break things out by county. We could develop and I would want to talk to lots of knowledgeable people before putting any numbers forward, but we could develop, and we did discuss a local extrapolation because between Albuquerque and Santa Fe and some other key locations, White Sands being a notable ones, we know where the production centers are and we could even guess that something like a third, let's say.

COUNCILOR DOMINGUEZ: So I have no idea what the science is behind all of that, but I would think, Mr. Chair, that we would somehow have some of that extrapolated data included in this. Not only to me but I think it's talking to constituencies really what it means to them. That's all I have. Thank you.

COUNCILOR IVES: I would note we are now after 1:00, which is the time period for which the meeting was set so I think it's appropriate to hold further discussion and I know the last item on the agenda was discussion of timeframe for the next meeting and I think it would be prudent, especially given those that have already left the meeting to simply delegate to staff the task of setting that up as well as continuing forward with the committee assignment and meeting process, hopefully with an eye towards I think hopefully getting together in 60 to 90 days for the next meeting, sounded like the timeframe people were thinking of unless there's some urgency due to budgeting processes that compels us to move forward more quickly.

Adjournment

Having completed the agenda and with no further business, Councilor Ives adjourned this meeting at 1:00 p.m.

Approved by:



Board of County Commissioners
Robert A. Anaya, Chair

ATTEST TO:

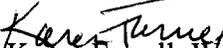


GERALDINE SALAZAR
SANTA FE COUNTY CLERK

3-31-2015



Respectfully submitted:


Karen Farrell, Wordswork
453 Cerrillos Road
Santa Fe, NM 87501

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BCC MINUTES
PAGES: 21

I Hereby Certify That This Instrument Was Filed for
Record On The 1ST Day Of April, 2015 at 10:42:40 AM
And Was Duly Recorded as Instrument # **1761012**
Of The Records Of Santa Fe County



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

SFC CLERK RECORD04/01/2015