

SANTA FE COUNTY
BOARD OF COUNTY COMMISSIONERS
SPECIAL BCC MEETING
May 15, 2025

Camilla Bustamante, Chair - District 3
Lisa Cacari Stone, Vice Chair - District 2
Justin Greene - District 1
Hank Hughes - District 5 [Virtually]
Adam Johnson - District 4 [Excused]

SFC CLERK RECORDED 06/25/2025

SANTA FE COUNTY
BOARD OF COUNTY COMMISSIONERS
SPECIAL MEETING

May 15, 2025

1. A. This special meeting of the Santa Fe Board of County Commissioners Board was called to order at approximately 4:00 p.m. by Chair Camilla Bustamante in the County Commission Chambers, 102 Grant Avenue, Santa Fe, New Mexico.

B. Roll Call

Roll was called by Celeste Garcia of the County Clerk's Office and indicated the presence of a quorum as follows:

Members Present:

Commissioner Camilla Bustamante, Chair
Commissioner Lisa Cacari Stone, Vice Chair
Commissioner Justin Greene
Commissioner Hank Hughes [virtually]

Members Excused:

Commissioner Adam Johnson

C. Approval of Agenda

Upon motion by Commissioner Greene and second by Commissioner Cacari Stone, the agenda, as published was approved by unanimous [4-0] voice vote.

2. **Miscellaneous Action Items**

- A. **Resolution No. 2025-055, a Resolution Authorizing the Issuance and Sale of General Obligation Improvement Bonds, Series 2025, in a Principal Amount of Up to \$21,025,000, Including Approval of Forms of a Preliminary Official Statement and Registrar/Paying Agent Agreement**

CHAIR BUSTAMANTE: Manager.

MANAGER SHAFFER: Thank you, Madam Chair and Commissioners. I'll go ahead and take a lead relative to this item. This notice of sale resolution would set in motion the steps necessary for the County to issue the lion's share of general obligation bonds which were approved by the voters at the November general election. More specifically, the voters approved a total of \$33,525,000 in general obligation bonds

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via three questions. Specifically, \$4.9 million for roads; \$12.5 million for water and wastewater projects, and; \$16,125,000 for open space trails and parks within the County.

The bonds that are proposed to be sold to the public which this resolution would authorize total \$21,025,000 and those are specifically for the roads and for the open space, trails and park projects within the County. The balance of \$12.5 million we currently intend to place with the New Mexico Environment Department for water and wastewater projects as the interest rate charged on loans from NMED are close to zero.

In terms of what the resolution would do, it would authorize the sale of the bonds either by a negotiated sale or by competitive bids. Competitive bids would be electronic through the electronic bid facility of Grant Street Group after notice of sale is provided in accordance with law. The option of selling the bonds by a negotiated sale is unlikely to be utilized if it would be based upon market conditions and the advice of our financial advisor. The short version is that it just provides us with an opportunity to sell the bonds more quickly in the event that we experience market turbulence that causes a lot of fluctuations in anticipated interest rates.

The sale resolution also provides for general parameters in which the bonds have to be sold. The net effective interest rate shall not exceed 10 percent and the final majority of the bonds shall be no later than July 1 of 2045. The bonds shall be sold for no less than par and not more than 115 percent of the face values of the bond and the underwriting discount shall not exceed 3 percent of the par amount of the bonds.

In terms of general schedule, we anticipate selling the bonds, as I indicated, via competitive bond sale on or about June 5 after we receive the ratings on the bonds that have been applied for from Standard & Poors towards the end of the month. The resolution would also approve the preliminary official statement which is what will be provided to prospective bidders. It provides really basic background information about the County, its financial state, our evaluations as well as overlapping debt and the like. While ultimately the preliminary official statement belongs to the County and thus to the Board of County Commissioners. I will not for the record, that various staff at the County has reviewed and recommends the preliminary official statement to include myself, our Finance Division Director as well as our Deputy County Manager Leandro Cordova. In addition, the preliminary official statement that has been presented to the Board for approval is part of this resolution has been reviewed and approved by our bond counsel Peter Franklin as well as our financial advisor Erik Harrigan of RBC Capital Markets.

Lastly, the notice of sale resolution would also approve a form of registrar and paying agent agreement. This is an agreement between the County and BOKF, a national association. They would provide registration services as well as paying services and will act as an intermediary between the County and bond holders by keeping records of who owns the bonds as well as by making scheduled payments on the County's behalf. The fees that they charge for those services are relatively modest and it takes a burden off of our County Treasurer and our Finance Department who principally the County Treasurer who would otherwise be responsible for those services.

That's a high-level summary of the item before the Board today. Again, we're seeking to sell the bonds in the month of June with a closing of July 1st which would be the date on which the bond proceeds would be available to the County for expenditure.

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And with that, I and Yvonne and Leandro as well as our bond counsel and financial advisor who I believe are on the call would be pleased to answer any questions that the Board might have.

CHAIR BUSTAMANTE: Thank you, Manager Shaffer. Do we have any questions for staff? Commissioner Greene.

COMMISSIONER GREENE: Thank you, Madam Chair. Not to say timing the market isn't the best of things, but are we looking to do this in the next 30 days because of an urgency of getting this money in place or an urgency because of the market timing of -- does bond counsel or any financial people give us some sort of guidance on interest rates and a better, you know, trend on this sale?

MANAGER SHAFFER: Chair Bustamante, Commissioner Greene, we could certainly ask our financial advisor Erik Harrigan to weigh in. I believe from where I sit, the reason to move forward now is that obviously there's a fair amount of uncertainty relative to what the future may hold. Erik can speak better as to current market conditions which seem to have at least stabilized a bit in terms of creating an environment where assuming the rating is what we hope for, should allow the County to sell the bonds at a favorable interest rate.

In addition while it appears not to have been in the mark-up in the house bill, there is periodically continued interest in doing away with the tax advantage status of municipal bonds which would significantly our borrowing cost. So selling the bonds while that tax advantage feature of the Federal Income Tax Code is still in place has its own advantages and as I said, I don't believe that that provision is in the marked-up version of the house but nonetheless they are looking for ways to save money in order to fund other things and the municipal bonds does come up from time to time. So that would be my response to that question.

And then finally having the funds available just means that again there's money in the bank that we can begin spending down.

COMMISSIONER GREENE: Great, thank you for clarifying that.

CHAIR BUSTAMANTE: Additional questions for staff? Commissioner Hughes, do you have a question?

COMMISSIONER HUGHES: I'm wondering -- it sounded like we're going to borrow \$12 million from the Environment Department rather than sell obligation bonds; is that right for wastewater and water?

MANAGER SHAFFER: Chair Bustamante, Commissioner Hughes, the funding mechanism would remain the same in that they would be general obligations of the County. So we would repay the loan to NMED using the proceeds of a property tax levy. So it would still technically be a general obligation of the County. But what you said is correct; rather, than issue bonds to the financial markets the plan is to attempt to borrow that money to be repaid with property tax proceeds or a property tax levy from funds administered by the New Mexico Environment Department.

COMMISSIONER HUGHES: Okay, I think it's fine.

CHAIR BUSTAMANTE: Any further questions? If we have no further questions, do we have an action.

COMMISSIONER GREENE: Sure I will make a motion to authorize the issuance and sale of General Obligation Improvement Bonds, Series 2025, in a principal

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amount of up to \$21,025,000, including approval of forms of a Preliminary Official Statement and Registrar/Paying Agent Agreement.

CHAIR BUSTAMANTE: We have a motion by Commissioner Hughes; do we have a second?

COMMISSIONER HUGHES: Second.

CHAIR BUSTAMANTE: Second by Commissioner Hughes.

The motion passed by unanimous [4-0] voice vote.

3. Concluding Business

A. Announcements

CHAIR BUSTAMANTE: Do we have any announcements?

COMMISSIONER GREENE: Just to remind everybody it's San Isidro this weekend up in Chimayo. Please come up on Sunday between 2 and 4 and come check out the Plaza de Cerro which is an amazing monument to Spanish heritage in the north.

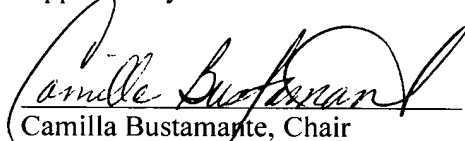
CHAIR BUSTAMANTE: Thank you, Commissioner Greene. Anything else.

MANAGER SHAFFER: Just don't forget about tomorrow's special meeting – I'm kidding.

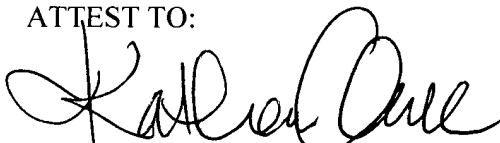
B. Adjournment

Upon motion to adjourn by Commissioner Greene and second by Commissioner Cacari Stone and with no further business to come before this body, Chair Bustamante declared this meeting adjourned at 4:15 p.m.

Approved by:


Camilla Bustamante, Chair
Board of County Commissioners

ATTEST TO:


KATHARINE E. CLARK
SANTA FE COUNTY CLERK

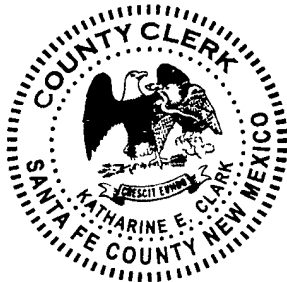
Respectfully submitted:

Karen Farrell, Wordswork



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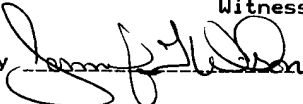
453 Cerrillos Road
Santa Fe, NM 87501



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BCC MINUTES
PAGES: 6

I Hereby Certify That This Instrument Was Filed for
Record On The 25TH Day Of June, 2025 at 09:31:02 AM
and Was Duly Recorded as Instrument # **2061445**
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Katharine E. Clark
Deputy  County Clerk, Santa Fe, NM

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