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Anna Hansen, Chair - District 2
 Hank Hughes, Vice Chair - District 5
 Camilla Bustamante – District 3
 Justin Greene - District 1
 Anna T. Hamilton - District 4

SANTA FE COUNTY

SPECIAL MEETING

FY2024 CAPITAL BUDGET STUDY SESSION

BOARD OF COUNTY COMMISSIONERS

June 20, 2023

1. A. This special budget study session of the Santa Fe Board of County Commissioners was called to order at approximately 3:09 p.m. by Chair Anna Hansen in the County Commission Chambers, 102 Grant Avenue, Santa Fe, New Mexico.

B. Roll Call

Roll was called by Deputy County Clerk Evonne Ganz and indicated the presence of a quorum as follows:

Members Present:

Commissioner Anna Hansen, Chair
Commissioner Hank Hughes, Vice Chair
Commissioner Anna Hamilton
Commissioner Camilla Bustamante [3:26 arrival]
Commissioner Justin Greene

Members Excused:

None

C. Approval of the Agenda

CHAIR HANSEN: Any changes from Manager Shaffer?

GREG SHAFFER (County Manager): No, Madam Chair.

CHAIR HANSEN: Okay.

COMMISSIONER HAMILTON: Madam Chair, move to approve the agenda.

COMMISSIONER HUGHES: Second.

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

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2. Presentation and Discussion Of Potential FY 2024 Capital Projects Budget

A. Presentation and Discussion of Potential Fiscal Year 2024 Capital Projects Budget and Recommendations Thereon from the County Manager

CHAIR HANSEN: Welcome, everybody.

MANAGER SHAFFER: Thank you, Madam Chair and Commissioners. I appreciate your time this afternoon as we provide you with a lot of information so we're not asking for any direction or action at the end of this meeting. This was very much to provide you with a high level overview of what available resources are and what they're anticipated to be over a five-year planning horizon in terms of capital outlay funds, as well as provide you with staff's initial recommendations relative to both new projects, as well as additional funding for those projects that already have some budget available.

So I want to start at the outset by thanking Yvonne, Leandro Cordova, as well as Brian Snyder and all department directors that have capital-related projects. A lot of folks put a lot of effort into compiling the information that we're going to go over today, as well as scoping and ranking potential new projects and putting together these initial recommendations. So I wanted to acknowledge all of their hard work. Sam in Budget as well, in terms of his very meticulous attention to detail in tracking a lot of different resources.

So with that by way of introductions, what we hoped to go over or achieve from today's meeting was to discuss what our available resources are, to review the general capital outlay process, and spend some amount of time talking specifically about infrastructure investment in Sustainable Development Area 1, as well as the Community College Planned Development District in particular as it does form the basis of two specific recommendations that staff has relative to new projects. We also wanted to go over our high level recommendations. Again, be happy to answer any questions along the way but this is very much an informational and study meeting and we're not asking for any particular direction at the conclusion of today's meeting.

So I wanted to highlight what are the significant sources of capital dollars which you could think of both as new projects as well as significant upgrades to existing facilities such as a reroof project or a restucco project. At the County level, most significant are general obligation and revenue bonds, which one, is a property tax supported source of capital and represents new money. Revenue bonds, you're really getting an advance payment of future revenue streams. We have capital outlay gross receipts tax as well as an increment of so-called hold harmless gross receipts tax that is dedicate to capital expenditures and maintenance expenditures.

We also have the County general fund, state appropriation, congressionally directed spending and community project funding at the federal level, and then federal and state grants.

In terms of recurring sources of revenue or capital and significant maintenance expenses, the two most significant are capital outlay gross receipts tax, as well as our hold harmless gross receipts tax. So the figures on this slide show you our estimates for the next five fiscal years of what we believe we will receive in terms of revenue from

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those sources. So the purpose of this slide is to give you a sense of new dollars we can anticipate bringing in on an annual basis to fund future projects that may not be funded this go around or might only be partially funded this go around. So in other words, if you're doing a preliminary engineering report or you're studying escape routes, what have you, well, that sets the stage for a future ask against this revenue and we just wanted to give you a sense of what that is and what you can anticipate what that is and what you can anticipate coming in over the next five-year planning horizon.

In terms of our significant non-recurring resources – I should stop for a second. The list of potential sources, it wasn't exhaustive. I was attempting to highlight the most significant ones. When we have a utilities enterprise fund for example that can be used to fund capital projects to a certain extent, it's not set up currently, the revenue structure and the rate structure to be fully self-sustaining in terms of actually paying for all the capital needs of the utility, but nonetheless, it is a source of resources within limits, and again, I mention that as one specific that was not called out and that was due in large measure to its size.

In terms of non-recurring resources, first, there is approximately \$21.8 million in uncommitted and unrestricted fund balance in the capital outlay gross receipts tax fund. There's approximately \$14.4 million of uncommitted and unrestricted fund balance in the hold harmless gross receipts tax revenue that I was alluding to. We also have several pots of uncommitted bond funds, \$1.8 million in investment income from bond proceeds that could be allocated to capital projects, \$539,000 that could be allocated to Fire and Public Safety facilities, and then approximately \$2,258 that we could use for one stripe on a road from uncommitted bond funds.

There was also a one-time distribution from the federal government of local assistance and tribal consistency funds of approximately \$1 million. We have some opioid settlement funds that could be used for capital to fund related to opioid/substance abuse treatment and prevention. And then finally, we have some accumulated uncommitted fund balances in our Public Safety operations funds, which although they're denominated operations fund, because the source of those funds is largely general fund distributions they could in fact be used for capital expenditures.

For the most part I would focus in terms of available resources on everything above the Public Safety uncommitted fund balances. Not only are those limited to Public Safety expenditures but we have several projects that we're anticipating that would draw down upon those fund balances fairly rapidly.

CHAIR HANSEN: Madam Chair.

MANAGER SHAFFER: Yes.

CHAIR HANSEN: Commissioner Hamilton has a question.

COMMISSIONER HAMILTON: You might have been on the way to answering it, but uncommitted fund balances means that they're not finally committed to specific projects, but that doesn't mean there aren't projects that have been – what does that mean?

MANAGER SHAFFER: Sure. I'm happy to answer that question. Uncommitted means that they have not been allocated to another project. So uncommitted and unrestricted, there's a technical nuance that I'll get through but that means that they're available to be budgeted now for a new project or an existing project.

COMMISSIONER HAMILTON: So we have not contemplated them in previous budgeting to particular projects. Not that they're not spent; these have not been committed yet.

MANAGER SHAFFER: That is correct. They're not earmarked. They're not associated with a particular project. When we go over the list of actually partially funded projects, you will see that it is a substantial amount of money. I believe it's approximately \$197 million, which is already on the books, in terms of funds that have been committed to specific projects. So when I use the term uncommitted, that means this money is available to either fund a new project that has no funding associated with it, or to provide additional resources for a project that already has partial funding for it.

COMMISSIONER HAMILTON: Okay. That sounds good.

MANAGER SHAFFER: Did that answer your question, Commissioner?

COMMISSIONER HAMILTON: It did definitely. Thank you so much.
Thank you, Madam Chair.

MANAGER SHAFFER: I wanted to briefly talk about the capital budget development process. Capital project ideas come from a variety of sources, including County Commissioners, other County elected officials, County staff, the community, and of course legislators as the state goes through its own capital outlay process, and as you are all aware, we sometimes receive appropriations for projects that aren't on any of our lists. So the idea come from a lot of different source. We do have a defined process for the scoping of projects, as well as the ranking of those projects that we go through on at least an annual basis. And that scoping and ranking process not only helps to define the County's capital budget over a five-year implementation window, but it also is the groundwork for the ICIP process that we will be working on throughout the summer and into the fall in preparation for the legislative session.

As I indicated in our goals for today's presentation, I did want to spend a fair amount of time talking about the Sustainable Development Area 1 and more particularly the Community College District as there are two significant projects that relate to these principles that were adopted as part of the Sustainable Land Development Code. Generally speaking, the Sustainable Land Development Code puts forth the concept that within SDA-1 there is an expectation that adequate public facilities presently exist or are planned, budgeted or reasonably available such that development may generally proceed immediately.

To the extent that isn't the case, the SLDC does allow for developers to advance public facilities with the potential recoupment from subsequent development, but that subsequent recoupment is not guaranteed and is limited to 20 years. So as you think about building out that infrastructure that would become the County's, as a developer you have to be thinking, am I going to get repaid? On what timeframe am I going to get repaid? And you're going to be factoring that in to your overall financial decisions as to whether or not your project is viable.

With regard to SDA-1 and a development in the area, when those assumptions don't exist you potentially have development that is delayed or doesn't happen at all because it is cost-prohibitive. The northeast-southeast connector is a prime example of that. There are several developments that received preliminary plat approval of other discretionary approvals from the Board that there specifically contingent upon the

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construction of the northeast-southeast connector. So again, those developments weren't in a position to move forward until that backbone of public facility or infrastructure was provided, and as we talk in a few slides, requiring development to fully bear the cost of public facilities that are necessary for that to be sustainable can be quite cost-prohibitive in today's construction environment and the costs that are being charged for various infrastructure.

With regard to the Community College District specifically, as the Board is aware, that is one of our primary designated growth areas. It generally establishes a minimum, not a maximum, but a minimum density of 3.5 dwelling units per acre, while at the same time preserving 50% of total land area for development. Minor and major subdivisions are generally required to connect to County sewer and water and those connection costs, again, can be quite substantial, given the current state of our utility system.

Having significant residential development in the Community College District supports potentially other goals that the County has, number one, that's where we're going to get any significant growth in housing stock, is going to be the Community College District and the rest of SDA-1. You're going to have employment and gross receipts tax during construction, utility expansion charges can recoup some of the County upfront investment in at least water and sewer infrastructure as that development is built out, and in addition, you'll be taking what is generally raw land and seeing it converted as it's developed into significant new property tax value, which provides a recurring revenue stream and property tax revenue as you go forward.

In addition, the cost and uncertainty of advancing backbone infrastructure can be prohibitive as development is looking again, at the cost of advancing public facilities.

So with that by way of overview, we started with looking at some things that, based upon Commissioner feedback and direction during the budget process, and other factors we thought it would likely come off the top, if you will. First, we promised that we would bring forward a plan to facilitate the electrification of the County fleet. As the Board knows, we have applied for a significant grant that would cover a lot of these costs.

If that grant doesn't materialize, however, we are suggesting that we put aside \$1.5 million, which should support approximately five level three ultra-fast charging stations, which would be the type of infrastructure that I think you would need if you're going to try and electrify law enforcement vehicles or vehicles that you're anticipating are going to charge significant distances over the course of a day and may need to be recharged in a short period of time as opposed to overnight. And again, \$1.5 million would allow for approximately five such ultra-fast charging stations, which again, would be a significant starting point in terms of spreading those out across the county to support the electrification of the County fleet.

We have offered, as part of settlement discussions related to annexation to contribute \$1.5 million to drainage improvements along West Alameda. That would be a potential contractual commitment and we're just budgeting that on the front end. There is, in one of our attachments, approximately \$775,000 for what are tentatively scored as maintenance projects. That would include some additional money for existing maintenance projects as well as an additional \$250,000 for maintenance of Public Safety

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housing units and \$25,000 for a space utilization and needs assessment at the First Judicial District Court.

Judge Brian Biedsheid is in the house – I can't believe I said that out loud but I did – and available to answer any questions relative to what we may be able to anticipate going forward. But Judge Biedsheid reached out to me and to P.J. and Brian wanting to plan pro-actively for a potential expansion or other solution to anticipated and existing space needs at the First Judicial District Court. And so this \$25,000 is a way to work collaboratively with the Court to actually analyze what their current space is, how it's being utilized, and what those needs might be as a building block for a future potential ask, either an expansion of the existing site or a potential different solution altogether. But that's where that \$25,000 came from, and again, it grew out of our conversation with Chief Judge Biedsheid concerning what they're anticipating and what they're experiencing now, relative to space constraints.

And then just a plug of a number of unanticipated contingencies, as well as unanticipated maintenance projects.

In terms of our overall recommendations and the attachments to this presentation provides additional detail on much of this, which I'll ask Leandro and Brian to go over in a second. We are recommending approximately \$32 million of additional funding for projects that are underway or already have projects associated with them. That ranges from the Pojoaque Basin Regional Water System at over \$8 million to \$700,000 I believe for sewer projects in Agua Fria, to additional funds for road paving projects to allow those to be completed with contracted resources as opposed to the County's own resources. We'll go over those project by project, but when you sum it all up it comes up to about \$32 million and change.

We're also recommending that we augment previously completed projects to help make them fully functional, but also maximize their utility for our staff, specifically the Santa Fe Water Reclamation Facility. Right now it currently lacks an office or a testing lab, which we will need and do need as we move forward. \$500,000 would help address that hardened building need in the long run. In the short run it's not on the capital project list because we can do it with additional resources. We would be using other portable buildings to meet that need while that permanent office space is constructed. But again, it's a significant, albeit relatively small in the scope of things investment for our workforce and for the important work that they are doing and will be doing at the reclamation facility at the state penitentiary.

We mentioned, and I gave an overview relative to some core infrastructure in SDA-1 which could facilitate future sustainable development which would provide both future recurring revenue as well as increased housing stock. Those two projects are, number one, an extension of College Drive to the southeast connector, including conduit, and I didn't list out here, but that would include conduit as well as the waterline that would increase redundancy and water quality in the entire Community College District. And then in addition, there is the sewer line that is planned to run from Richards Avenue all the way to in essence the Abajo lift station via the Colibri Subdivision.

And as it currently stands, we have \$2 million in general obligation bond or anticipated bond resources for this project. The total estimated cost by the developer is approximately \$6 million, which on 250 residential lots is a pretty steep ask in terms of

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passing those costs along to those individual property owners in order to pay for development that really would be the backbone sewer development within the entire Community College District as it relates to County provided wastewater service.

In addition, when we look at public safety, there is first year cost of a public radio system project of \$2.5 million, which would be funded from those accumulated fund balances in the law enforcement fund and the fire fund. And then a handful of projects in the Adult Detention Facility, running at approximately \$265,000 in total, which again would be funded from the Corrections operations fund.

There were several sustainability related initiatives that could also be scored as infrastructure. First there were two separate asks from the Sustainability Division of the Community Development Department to support the continuing electrification and conservation upgrades to County buildings totaling approximately \$2.23 million. There's a preliminary engineering report for a potential Tesuque Valley Wastewater Treatment Facility, \$250,000 to scope out what that project could look like and what those costs might entail if we were able to work with potential partners in the region including Tesuque Pueblo as well as the Santa Fe Opera to pool resources, but this would be the County's initial contribution to put more dollars to that effort in terms of determining what the cost might look like and what the overall lay, if you will, of the various wastewater lines might look like as a starting point for more detailed conversations. In addition, additional funding for transfer of development rights from prioritized County open space.

Finally, in terms of high level things that I would draw your attention to, the proposed additions include \$8,260,000 for the Pojoaque Basin Regional Water System. That's part of the \$32 million that I alluded to earlier. That would fully fund at today's dollars, and not assuming any additional indexing, which is not an assumption that's going to hold, but that would get us to the full amount that we anticipate right now, the County's contributions to the Pojoaque Basin Regional Water System will be with indexing as it exists today. So I believe we've contributed a little bit more than \$9 million to the Bureau of Reclamation at this point and we estimate that our additional contribution will be in the range of a total \$17.4 million. And so this \$8.2 million would at least cover that additional contribution to the federal government.

In addition, we're requesting that \$250,000 be appropriated or budgeted for the Pojoaque Basin Regional System for preliminary engineering report and a financial analysis, so that we can again further explore the idea of an interconnection between the Pojoaque Basin Regional Water System and the Santa Fe Basin Regional Water System for future decision making purposes. We'd like to have a better understanding of the feasibility but also the estimated cost of such an interconnect, but at the same time we also want to do a financial analysis of the various alternatives so that the Board can make an informed decision amongst alternatives as to where to invest what will be not insubstantial dollars regardless of whether funds are allocated to that interconnect or potentially to other distribution lines.

So I didn't have a chance to summarize all of this but I will for you, if not yet today then tomorrow morning. When you add everything up in terms of the available current resources, leaving aside the public safety operations fund uncommitted balances, and then you subtract from that everything that I just went over, you're approximately at

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\$12 million of available resources that County staff is not recommending that we budget at this point in time. And there are a couple of different reasons for that but ultimately that's a decision for the Board of County Commissioners.

First, as you know, we're in the midst of the ICIP process, and so that's a way in which we get potential projects from the community as well as other sources, and we thought it prudent to at least preserve from funding to potentially support those additional projects in whole or in part. In addition, having some capacity left does provide a source for contingencies that would exceed any project-specific contingencies. I don't want to sound like a chicken little, but when you look at the increase project costs that we've been experiencing it bears emphasizing that hopefully the worst is behind us but we've never been in such an inflationary environment, I think, as we have been, or at least in our working memory as we are in now.

Brian, if you could maybe – if I could put you on the spot. Just go over what the costs for the northeast-southeast connector were over the last two years in terms of where we were to where we are now, in terms of what that project looks like.

BRIAN SNYDER (Public Works Director): Madam Chair and Commissioners, just ballpark numbers. Our current project is approved now and under construction and moving along very successfully. It's in the neighborhood of about \$21 million. When the project started early on, and the project's been around for 15, 20 years, early on I found – I came across project files where ten years ago the project cost was estimated to be \$5 million. And we took the project across the finish line largely because of New Mexico DOT's partnership with us on TPF funding, where we got somewhere in the neighborhood of – I think we got \$7.4 million this last year as well as an additional several million dollars the previous year. So they've really helped us get across the finish line, helped us fill some of that gap and make this project a successful project.

But that's just a representation of what we're up against from a cost standpoint, cost increase standpoint, and though we've seen some material costs stabilize we've also seen, because of staffing shortages, the cost of staff increase. So we haven't seen a dramatic shift in costs. I think P.J. would tell us that square footage-wise, when you're building a new building, those costs have come down a little bit, but at the same time they're still at high levels. I think in the neighborhood of about \$500 a square foot is what we were bidding at for the community center. So it's still rather expensive.

MANAGER SHAFFER: Thank you for that, Brian, and again, that's just a representative example of the unknowns in terms of future cost increases and so having some unbudgeted capacity to help fill additional gaps as they materialize seems prudent in terms of allowing projects to actually be completed.

In addition, and on the other end of the spectrum, having some cash on hand does help in the event that anticipated revenues don't actually materialize. The Board's well aware of the potential down-side risk in our gross receipts tax revenue, given various recessionary forecasts. It also allows us, again, by reserving some capacity in terms of cash resources to prepare for those known future needs that we have on the horizon. Some of what I've listed here relates specifically to things that would be funded from those operating uncommitted fund balances in law enforcement, Fire and Corrections. But that's again why we're not anticipating or recommending that those be drawn down at this point in time, to fund a lot of different things, because we do anticipate that we

will need that for significant projects in the future.

Having uncommitted fund balance has benefits in the interim as it relates to bond ratings and the like. And then finally, there are constraints in terms of our ability to expend and implement projects and putting more projects on the books doesn't necessarily translate into more projects getting completed, but also reserving some capacity would allow for additional ability to augment some of our resources in terms of contract project management and in other areas.

So with that, by way of overview, I'm going to turn it over to Leandro and to Brian, primarily to talk about our currently funded projects and what we're recommending in terms of dollars to either fund immediate funding gaps, meaning we anticipate spending this money in a reasonable amount of time in the future, or because we're anticipating large future contractual commitments that we feel that we need to plan for now in order to meet those contractual commitments.

LEANDRO CORDOVA (Deputy County Attorney): Thank you, Madam Chair, Commissioners. So one of the exercises we undertook as we started our capital budgeting was to take a good look at everything that we already had some funding attached to, all the number of projects that were out there, and part of that exercise was kind of prioritizing and going through looking at what projects are currently being either constructed or are very close to being constructed and we're ready to do that. The next of them would be projects that are probably in the design phase or pre-design or close to being completed in their design to determine how much we're going to have to fund to complete those projects.

I had another group of projects that are kind of either stalled for some reason or the money is not necessarily needed for the same purpose. We may change scopes, things like that. And then the last group are projects that are basically completed that we would like to close out and if there's any small balances we'd move those to a project that currently is being constructed so that we could expend those.

So the green – I apologize for the colors. I needed to get all these colors straight for me to be able to go through this list of almost 100 projects and as you heard Manager Shaffer say, almost \$200 million. So the green, as I mentioned, what's current, what our Public Works team are working on right now for the most part, and just that first tranche of projects equals about \$80 million, \$80.5 roughly. We have a gap identified in that group of about \$4 million and some of that is what Manager Shaffer was talking about filling, so that we can complete those projects, get them out of the way, but those projects alone are what take up most of our staff capacity, and I'll actually let Brian elaborate a little bit on those if he wants to just talk about how long it's taken to complete or just to get some of these projects to this point.

We talked about northeast-southeast, that's a big chunk of this \$80 million; it's \$20 million of it, with another million for broadband and another million or so for utility infrastructure. We also have some large projects like the Santa Fe River Greenway, about a \$10 million price tag right now. Agua Fria wastewater, \$7.5 million. Public Safety Facility, which we know is being constructed but a \$6 million project.

So these are some big numbers, big projects, and it takes a lot of our staff time to get them to this point, and then it also takes a lot of staff time to keep them moving and make sure we get them completed.

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MR. SNYDER: Madam Chair, Commissioners, the only thing I would add to what Leandro has already said – I think he did an excellent job of explaining it. I think you've heard me say this before. We have some amazing staff and there for a while we were not as productive as we would have liked to have been due to vacancies, COVID, supply chain issues, those kinds of things but I think, as Leandro highlighted some of the large projects that we've moved forward – northeast-southeast, Public Safety, the River Trail, in the design stages, as well as getting additional funding from this Board to hopefully take that to construction here shortly.

But I think it also highlights not only is it complex to get the project through, whether it be staffing or procurement, but it's also from a financial standpoint, the costs are constantly changing. So these gaps that we've identified are not necessarily additional requests of staff or a design engineer, or a contractor. These are things based on cost escalations largely that have caused a funding gap and our hope is, we've gained some great momentum with these projects and hopefully started proving ourselves on delivery of some of these projects that by funding these gaps that we can continue to move these projects forward for the community.

MANAGER SHAFFER: Thank you for that, Brian and Leandro. And I would interject, I think with regard to at least one project, maybe more. With regard to the Agua Fria wastewater – and Brian, if I'm getting the particulars wrong, I believe that the total funding when you sum it all up and that includes both anticipated bond proceeds from the County's bond sale anticipated later this summer, as well as legislative appropriations, and the additional \$700,000, that is estimated to allow the County to do two things. Number one, to complete the construction of the eight, I believe, sewer lines on streets that have already been designed, but also complete the design work for the next tranche of priority streets, which is, I believe, ten that have been identified as being in the next group of priority streets.

So again, it should allow us to complete what's already been designed, as well as do design work that would be the basis for potential future capital allocations, either from the County or from the legislature.

With regard to the additional funds shown as being part of the northeast-southeast connector, those do relate to project issues that one runs into when you move forward such a huge project. The ones that I would highlight include both material costs relative to necessary dirt to actually support the roadway being constructed, being imported or removed, as well as electricity for lighting at the roundabouts, or the significant ones that I can think of top of mind.

And with that I'll move on in terms of the actual spreadsheet which I'm presenting and which is on BoardDocs as well as in your hard copy of material to the yellow projects –

CHAIR HANSEN: Manager Shaffer.

MANAGER SHAFFER: Please.

CHAIR HANSEN: Commissioner Hamilton.

COMMISSIONER HAMILTON: Thanks so much. I just want to ask a question about the first group for clarity. These are projects – if we filled all the funding gaps, all of these projects – I know some of them are started. Some of them are well underway. Are they all do-able in real time now if we finish the funding gaps? Or are

some of them still not going to be started for a year or two because of staffing and other resource concerns?

MR. CORDOVA: So Madam Chair, Commissioner Hamilton, these green projects we're pretty confident we'll be able to move and get completed with the additional funding that we're requesting. These may not complete, as Manager Shaffer mentioned, Agua Fria is an example – it may not complete the entire project. It would though get us to a very significant phase of a completion. So that's a good example of one that you'll still see on the list for many years to come, even if you give us our gap funding but you'll also see eight streets that would be completed in terms of the sewer infrastructure that we're looking to do.

COMMISSIONER HAMILTON: Yes, but that's separate funding. That might be on next year, but this funding is for that first phase anyway. So that's what the question – okay, great. Thank you so much.

CHAIR HANSEN: So on that topic. There was ARPA money. Where is the ARPA money that we had set aside for sewers and wastewater? Has that money all been spent? We had until 2024 to spend it.

MR. CORDOVA: Madam Chair, I'll take a first crack at that. We still have a lot of that ARPA money available to us. It has been allocated and it's still being put into motion. It's more than just the infrastructure projects. Obviously, some was allocated for programming. But as far as I know we still have all that available.

MANAGER SHAFFER: And if I could, Madam Chair, and Yvonne can speak to this and correct me if I'm wrong. If it's been budgeted for a specific project it would be included in the first line that's on this spreadsheet, in terms of that's budget that would be rolling forward to fiscal year 2024 and beyond in order to complete projects. Did I get that right, Yvonne?

YVONNE HERRERA (Finance Director): Madam Chair, yes. The ARPA funds that were allocated two years ago, we've made some minor adjustments but every year, whatever funding has not been spent continues to roll forward for those specific projects that the Board approved.

CHAIR HANSEN: I was under the impression, I could have been wrong, that money was allocated to the Agua Fria sewer system because that was allowed to be spent there, and I remember specifically requesting that two years ago, whenever we got the ARPA money.

MANAGER SHAFFER: And we'll confirm, Madam Chair, and I think all we're saying is that assuming that all to be correct, it would be reflected in the \$3.5 million that – So amounts that have already been previously budgeted, and either have an encumbrance that's rolling forward or has not yet been encumbered under construction contracts. But we'll confirm that and get that information to you.

CHAIR HANSEN: And then one other item on the Agua Fria project, there are at least 38 to 40 streets that need sewers and we did do the PED, preliminary engineering study that showed that there was at least 38, so even though four streets have been done, there's still a long ways to go. Thank you.

COMMISSIONER HAMILTON: Madam Chair.

CHAIR HANSEN: Commissioner Hamilton.

COMMISSIONER HAMILTON: Thanks. There was one other thing,

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thinking funds in Google, the 2023 projection for building in cost inflation is 3.8 percent. It was almost 19 percent in 2022. So I wonder if someone might add a 3.8%. It's standard to add contingency. I wonder if we might consider adding 3.8% on top of that for the 2023 inflationary costs. Just a thought. You guys know how to deal with it better, but thank you, Madam Chair.

CHAIR HANSEN: Thank you, Commissioner Hamilton. Commissioner Hughes.

COMMISSIONER HUGHES: Thank you, Madam Chair. I was looking on this chart and I was wondering where the College Drive extension and also the sewer for Oshara are on this chart.

MANAGER SHAFFER: Madam Chair, Commissioner Hughes, they're not on this chart because they don't have any funding currently. Well, I take that back. I was about to say something that's accurate as to one but not to the other. So if you scroll down in the chart you'll see that \$2 million – and so now you should be able to see it on the screen, it's Oshara Phase 2, Arroyo Hondo to Santa Fe, wastewater to Abajo. Two million dollars of that project was included as a potential project in the 2022 general obligation bonds that the voters approved. They vote on questions not on projects but when you look at the actual project list that was put out as part of the bond process, there were \$2 million allocated for that purpose. So the additional amount that would be requested is \$4 million, and again, that would get you to a total project cost of approximately \$6 million. So that's where Oshara Phase 2 resides.

With regard to College Drive, that would be a new project. We're going to go over those recommendations in a minute, and that's a separate attachment to this presentation. I hope that answers your question, Commissioner Hughes.

COMMISSIONER HUGHES: Yes, thank you. And also I guess, just to point out that I think we're not that close to even the design of the sewer because I know there was an option to reroute it through some people's backyards and then those people have all been calling us that they don't want it in their backyard. So it seems like there's going to be some time spent trying to design that in a way that works for everybody.

CHAIR HANSEN: Thank you, Madam Chair. Thank you, Manager Shaffer. Did you have a question? I think that some of the questions that were just asked were things that were going to be addressed.

COMMISSIONER GREENE: Yes, and I'm happy to actually hold all my questions until later. I'll hold them.

CHAIR HANSEN: Okay. Thank you. Go ahead, Manager Shaffer and colleagues.

MANAGER SHAFFER: Thank you. As you go through to the projects that are again, already receiving some funding and are not as, say, close to being completed as those that are in green, there are a variety of gaps that have been identified. The significant ones that I would highlight, the Lopez Land sidewalks, the \$600,000 was for, as I understand it, really a preliminary engineering report. The \$1.7 million if that project were to move forward would allow us to proceed with property acquisition as well as construction, if I'm not mistaken. If that project were to be funded by the Board in terms of construction, my understanding is that you would want to coordinate that with the sewer line that is also going to be installed in that street, so that you're again, doing

the construction work all at one time.

With regard to the San Ildefonso right-of-way, or really it's new roads in the Pueblo of San Ildefonso, I believe and Brian can address this, this gets back to the increased costs that are substantial relative to the construction of roadways and so project staff is anticipating a not insignificant to put it mildly, increase in the cost of actually completing those new roads and because that is a contractual commitment, albeit one that is partially subject to appropriations, we are recommending that we start to plan for that, which we would hope to see come to fruition in the next one to two to three fiscal years.

In the Pojoaque Basin, I've already mentioned additional funding for the regional water system, both to complete the County's share of construction costs but also allow us to being to better evaluate what options are for potential system interconnect, as well as other potential uses of significant capital investment to increase demand and water quality.

The Abajo lift station, that is a separate project which would actually be the project that takes wastewater from the Abajo lift station and rather than having it go to the City of Santa Fe wastewater treatment plant at Paseo Real, the wastewater would instead go to the County's water reclamation facility on the grounds of the state penitentiary, and that additional \$2 million I believe would allow that project to be completed.

The Turquoise Trail bulk water station, that's a significant increase in cost. I believe that is stemming from a recommendation to move the actual location of the bulk water station from Turquoise Trail down the road to the fire station. I believe, if I'm not mistaken, it's anticipated that that will better serve the public but also it provides an additional source of supply to our fire station so that it will no longer have to utilize a well. So that is the significant change that I wanted to highlight, and with that, I would turn it over to Leandro and to Brian if there's any additional detail that you wanted to add to any of those, which is again, where the bulk of the additional funding that we're recommending would be going.

MR. CORDOVA: Madam Chair, I don't have much more to add other than to just highlight that the funding gap in this yellow tranche of projects is about \$28 million at this time; that could grow. So I just point that out as some of these are still in design or some of these are estimates based on preliminary design. We don't know exactly what that gap amount would be but it may grow a little bit in the future years as we complete design and have a more solid number. So I just wanted to highlight that.

And one more thing, just to clarify on the chart, the column that's called the 2023 legislative appropriation and bond proceeds, just for you knowledge, the blue are bond and the green are state appropriations. So a couple more colors I just forgot to clarify in the beginning.

COMMISSIONER HUGHES: Madam Chair,

CHAIR HANSEN: Commissioner Hughes.

COMMISSIONER HUGHES: Thank you. Just on this chart, you have Eldorado roads and –

CHAIR HANSEN: You're on the green chart?

COMMISSIONER HUGHES: No, I'm on the yellow.

CHAIR HANSEN: Okay.

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COMMISSIONER HUGHES: On the yellow chart, Eldorado road projects and Encantado Road, those can be combined because the ECIA has made Encantado Road their top priority and that will cut down on the amount we still need to raise by a little bit by combining those two.

MR. SNYDER: Madam Chair and Commissioner Hughes, we're – it's our understanding that the ECIA was supposed to take action at their last board meeting in late May, I believe, and we haven't received confirmation of that but that's our understanding as well, that they are moving in that direction. But we were waiting for that information to be approved by their board as a whole, and then we would be – if we weren't able to get additional funding we would be revising the scope to get as far as we can with design and construction with existing funding we have totaling about \$1.8 million. Then this funding gap would get the entire road completed.

COMMISSIONER HUGHES: Okay. Yes, that makes sense to wait for them to take official action. They've told me on several occasions that's what they're going to do. But we should make sure they do it. Thank you.

CHAIR HANSEN: Thank you. Commissioner Hamilton.

COMMISSIONER HAMILTON: Thank you, Madam Chair. So just in a continued effort to get clarity from a planning point of view, many of these yellow projects – they were separated into a separate group because of the state of funding – but many of them have been committed to for a while and maybe are only underway in terms of design but they're kind of on the list to do and some of them aren't lacking funding. Some of them are. I recognize there's a big gap. So I guess just the simple question is can you give us like a timeframe concept for when these would be gotten to, if we close some of these funding gaps, compared to the green ones?

MR. SNYDER: Madam Chair, Commissioner Hamilton, that's a good question. We have in our pipeline, and this is where I believe coordination amongst departments and process that Greg outlined earlier is key to our success as we seek additional funding, as we start projects, and we go to backlog. Right now, and I believe there's \$160 million or somewhere in that neighborhood of worth of backlog of projects that are in the green, the yellow, that with current staffing, it's just not realistic to get done in a year. So what we at Public Works have done over the last couple years is develop a top ten priority list of those projects for each of our areas, whether it be roads, utilities, vertical, open space and trails, to be realistic on what we can accomplish.

So the green, I would say that these projects are sitting there – they're sitting there waiting to get that additional influx of money to take it to the next step, whether it be design or construction, in the near term. The yellow are some lengthier timeframes. Commissioner Hughes brought up the Eldorado roads projects and Encantado, so just sticking on that topic as an example, that's going to take hiring a design engineer, getting the design completed, and then hiring a contractor and getting the contract completed. So hiring a design engineer and hiring a contractor, using round numbers, takes anywhere from nine to twelve months to get through Procurement, and that's no disrespect to the process, it's just advertising it, getting a bid, getting the contractor bid, reviewing the bid – those types of things, takes time and getting it funded.

So a lot of these projects in the yellow, and I'm using Encantado as an example, you can pick off the west extension of Avenida del Sur as an example. Similarly, it needs

to be designed, it needs to be constructed, so every time you go to Procurement, there's a period of time and then the designer needs to design and the contractor needs to construct.

So I would say the green are within – these would be to move it forward in the near term, and depending on the construction, could be within the next one to two years from delivery of project. Whereas the yellow, I would say, some of these may move forward but you're looking at more of a three- to five-year range to get some of these projects done, depending on the complexity as well as the staff and availability to get these projects moving forward.

COMMISSIONER HAMILTON: Okay.

MANAGER SHAFFER: And if I could address – add on to what Brian said, the Board allocated on the operating budget side of things some resources to help increase our capacity on the project front in the short term. So there are probably several different areas in which we're going to be looking to do so on a temporary basis to clear some of the backlog of these projects. The first is in the procurement arena. We'll be pursuing an e-procurement solution that should generally streamline most of our procurement processes in the next fiscal year. Over and above that, we've been discussing with Mr. Taylor contracting with a higher level procurement specialist to focus specifically on projects so that we have some specific capacity on a contractual basis that is dedicated to moving some of those procurements more quickly.

Secondly, I've been working with the County Attorney to begin the process of contracting with a contractor if we don't already have one in our suite of outside counsel who specialize in construction, engineering contracts. Another pinch point is the actual development of the contractual documents, be they construction contract or design professional contract, so that we're augmenting our capacity there by bringing on additional resource that can just specifically focus there.

Then looking at the project management side, as we begin to work through the backlog, if we are in fact running into constraints in terms of our staff's ability to work through some of these projects then we would be looking at potentially contracting with project management. So it's a cost, but there are potential savings if you can move the project more quickly if you bring a contractor, contract project manager on board and have them work under the general oversight of County staff to move those projects forward.

So those are the three things we'll be looking at in the next fiscal year to help augment our capacity to try and move through what I think you can only describe as a backlog of projects that we need to work our way through. So I would add that to Brian's description of what we'll be trying to do.

COMMISSIONER HAMILTON: Well, that all totally makes sense. I think it was just seeing two things I wanted to ask about that seemed to be exceptions to me so I was wondering. Your answer made total sense in terms of having the green and the yellow bunch, but one example is like the Hondo bulk water station. It is missing some funding. But there was also discussion about that being linked with the completion of the rest of that waterline because – doing it as an add-on to that contract because they were already mobilized, and the design of that was pretty close. So I was a little surprised to see it here instead of in the green.

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Now, maybe things have changed. I'm not necessarily presenting it as a problem, but Manager Shaffer mentioned linking the waterline and the sewer line in another road project and this was something I thought there had been some decisions or thinking in Utilities to link that to the existing construction.

And then similarly, or differently, technically, there's the water rights acquisition, which is not only not missing any money, any funding level, but that's technically not a construction project, and that hit me when I saw it there as something that I don't know how much priority – it's towards the bottom of the list – how much priority – not priority, how much urgency there is, but that seems like something that in terms of future development might be something that would be outside of this ranking system. So that is why I ask the questions, because based on my other assumptions, you would think there would be priority to thinking about filling in funding gaps in the green first and then in the yellow, and I wondered if there were other exceptions like that, that might not follow the timelines you just estimated.

MR. SNYDER: Madam Chair, Commissioner Hamilton, to speak very briefly on the Hondo bulk water station, you are correct. We're always looking for synergies with projects. This project, one, the contractor is no longer onsite, but as we work through some of the details we were coordinating with the Fire Chief and his staff, so from access to the building, we also have an existing – the County owns property there where the fire station is, but then outside of that we're in a DOT right-of-way, so we're working with DOT on an air space lease for that parcel so that we can be in compliance with air requirements for having structures within that area.

So there were some complications to that. From a pure design standpoint we are in the process of moving that forward on the design standpoint, and the nice thing about whether it be the Hondo bulk water station or the Turquoise Trail bulk water station, I think we can get some synergies with the design from the standpoint of the type of equipment we would use, because we would want spare parts that are consistent, those types of things. So there are some synergies that we're always looking at, but there were some complexities with that site that slowed the project down.

COMMISSIONER HAMILTON: Okay. Well, that clarifies it because it was a great idea that would have put it further along and in the green, except that things didn't work out the way they were hoped to. So that makes sense. So now, the difference between the green and the yellow seem pretty consistent with the possible exception of the water rights thing, which seems to be separate, but that's fine. So thank you. I'm much more clear now.

CHAIR HANSEN: Commissioner Greene.

COMMISSIONER GREENE: Thank you, Madam Chair. Thank you, Greg, Leandro and Brian and Yvonne. First off, I want to give you a shout-out for focusing on capacity, right? We've had this conversation a few times and we need to ramp up our capacity for the next few years, because the money's here and I see a big long project list. So if we're not going for it and getting these jobs done, from going out and getting the money and getting them into the cycle and getting them built, that's great. So I appreciate the flexibility and how you're looking at this in that pro-active way.

On the list here, I'll go one project that I didn't know about that seems better funded than I thought it was, which is the Camino Chupadero project up there. I know we

had been asking for some money at the legislature but it appears that we didn't need it. And so I'm wondering what the status of that is and there's a few little add-ons to that that I think are in the broadband area that I'd love to hear about it [inaudible] but probably not now but at least in the future could be, but if you could update me on Camino Chupadero, that would be great. Maybe not now. Or maybe right now.

MR. SNYDER: Madam Chair, Commissioner, I thought you said not now, at a future date. I apologize. Camino Chupadero, we have \$3.5 million in bond funding as part of the November past bond election. That money will be used for design and construction, so we have existing \$750,000. The \$3.5 million gets us to a fully constructed project. We have not started design of that, those drainage improvements and the roads, repaving for that area. We have done some interim fixes to temporarily solve some of the drainage issues along that corridor, because we have not been able to get the design started and move that project forward. So that's why it's in the yellow.

Right now, from a staffing standpoint and staff capacity standpoint, with existing staff that we have, we do not have the capacity to move that forward. But as some projects get completed, come out of design and go into construction and we have some capacity we will definitely – it's on our list, because it is fully funded.

COMMISSIONER GREENE: Okay. Great. Thank you. So then going to more in the future, and I don't know where – obviously, they may not have fallen onto this at this point but just discussion of knowing that within the next year or two there's going to be these FLAP grants, Federal Lands Access Program grants, and there are four potential projects that I've identified so far and I'm sure there's plenty more, but one is Buckman Road to Diablo Canyon, which happens to be the line in between Commissioner Hansen's and my district, and has need for bettering the road, need for broadband and for public safety down the road, and the different trails and parking areas and access plans, and something right along aligned with the FLAP grants, and so the idea would be that if we're planning for fiscal year 2025 right now we could do a little bit of seed funding to scope out the project and be ready for applying for a FLAP grant then.

Second potential FLAP grant is the Chimayo pilgrimage route. This was brought up to me by the BLM, that they needed, that they saw some upgrades that they would support around the Santa Cruz Lake area and as well as it dovetails to some work that we're looking – that constituents have discussed up in the Chimayo area. And again, this was what the BLM said was a perfect FLAP grant in their opinion, so being able to prepare so that we had the documentation ready to go for that would be great to be included in there as well.

And then sort of dovetailing and timing being of the essence here and being prepared, we have – following our own edict of a dig-once project, if we're going to be putting in water, sewer, roads and stuff up in the Pojoaque Valley for the Aamodt settlement, we have an opportunity with federal broadband money to put in conduit alongside of this, and so part of this goes to a) making it very clear to the BOR that we would like to do this, and that we will provide the funding to gap that in, but that they need to include it in their designs for all the distribution lines as they go in over the next few years.

And so having that, a) on our radar to start collecting money for that, but b) also making sure that we reach out to the BOR and include that in their design specifications

as they're building that.

Lastly, I've heard from a few people all over the county talking about how County facilities really need some broadband, just on those buildings, out – whether it's a senior center, an election location, whatever, the County senior programs need access control, and all of our buildings need security cameras, and we can provide public wi-fi or some or library functions at all of these facilities and I know broadband and fiber will take a long time, but we don't need to make the good the enemy of the perfect. And we can probably put in a dish with fixed wireless to a local service provider enough broadband to these facilities to get us through the next election cycle, to get us to have new control systems for these projects. And so when we have – whether it's the Abedon Lopez project up in Santa Cruz or up in Rio en Medio, if we put a dish up on top of those buildings we would be able to control it with a smart phone, as opposed to have to find the person with the keys at 6:00 at night when there's some event and we can't figure those things out.

So I would put those our projects on this as sort of seed funding to get these things initiated. I appreciate this. I know a constituent from Commissioner Hamilton's district mentioned a dog park and we talked about it on the road the other day and rumor has it the landowner out there is willing to give the land to a dog park, and I've seen the happiness on people's face when they have a dog park in their neighborhood. So I know Commissioner Hughes will be happy to see that on his constituents' faces.

CHAIR HANSEN: Thank you, Commissioner Greene, but I think we should allow staff to finish their presentation before adding on more stuff.

COMMISSIONER GREENE: I'm done. Thank you.

CHAIR HANSEN: Okay. Thank you. Please continue.

MANAGER SHAFFER: Thank you, Madam Chair, and I'll just complete the high level overview as we go further down. In terms of relative – I don't want to say priority. I would say it's more accurate to say project development and other factors. Again, I don't want to use the priority, but just in terms of reasonable anticipation. For example, the Thornton Ranch open space is obviously a priority for the County, but when you factor in all of the consultation that is yet to be completed, as well as thinking about designing facilities in order for that open space to move forward, you're looking at multiple years out before you're going to make a significant dent in that.

Nonetheless, there were a few gaps that have already been identified that the projects team are recommending that we go ahead and attempt to fill at this point, even recognizing that there will be potential for those gaps to grow in the future, if there are any questions on that score to Brian and Leandro As we go forward to the red projects, these are projects that, as Leandro indicated, we're potentially on the verge of closing out and relatively small dollar amounts will be available for reallocation to other projects, or they were funded by the legislature and they might not have been our priorities but we have received legislative funding for them. So the animal shelter at \$510,000 would be one such project that was on the ICIP but did not rank highly in terms of County projects. \$400,000 for the Eldorado Pathway, which again, if I'm not mistaken, was another project that was not on a priority list for the County but those are highlighted in this group, and again, we can answer any questions about that but I wanted to explain where those large dollar figures were coming from.

MR. CORDOVA: Madam Chair, if I could just add one more thing, some of these Eldorado, I think to Commissioner Hughes' point, we're going to be combining them into one so that we could do one big project out there. So they're not necessarily dead or closed. I think there's a large amount you see on the Pathway or the trails. I think the purpose of them being red is so that we can bind them together and figure out what that big project is going to be and then put all the sources towards that. Thank you.

CHAIR HANSEN: So I also see on the red we have Lopez Lane, so that \$9,000 we could move up to working on the road and sidewalks and just road repair.

MR. SNYDER: Madam Chair, to that point, there's also – you have Caja del Oro, Agua Fria and Lopez Lane, that paving and striping project is largely complete. However, there's some sections of the road that have failed, so what we have done is we've withheld money from the contractor on that road until the project's complete. Once that project's complete to our testing standards then we'll pay the contractor and whatever money's left over will go back towards two other projects.

So the money is held up right now in a purchase order that we're withholding from the contractor until the road is complete to our liking.

CHAIR HANSEN: Thank you.

MANAGER SHAFFER: Thank you, Madam Chair and Commissioners. The next document that I wanted to share related to current and proposed maintenance projects. I think these are relatively straightforward, but I did want to review them with the Board in terms of staff recommendations for both existing and new projects. So I'm now broadcasting and will endeavor to make larger a list of those projects. Again, for the most part, the additional funding is what we are highlighting as well as the new potential project.

I mentioned previously we are going to be undertaking a study relative to a countywide facility assessment. We're proposing to add \$25,000 to that. It might not be the same contractor but that would be for the space assessment and analysis for the First Judicial District Court. We also have an existing maintenance project to address concrete and planter issues at the First Judicial District Court, and in terms of significant additional projects, that's fuel pump repairs as well as the maintenance of our Public Safety housing units and our various public housing communities. And then finally I mentioned the general contingency and minor unanticipated projects set aside.

So the sum total of new funds is approximately \$775,000, and when you add that to existing funding you're looking at approximately \$1.8 million would be budgeted for those purposes in fiscal year 2024 based upon staff's recommendation. I'd be happy to answer any questions relative to maintenance projects before I move on.

CHAIR HANSEN: Okay. Next.

MANAGER SHAFFER: Thank you, Madam Chair. The next – and this is going to be exceedingly difficult to read and I apologize for that in advance. You do have a hard copy in your physical binder. I will see if I can shrink it down to make it a little more visible, or else Yvonne will hand out reading glasses and magnifying glasses.

Madam Chair, I hope this will be a little bit larger for everybody to view. This is the scoring sheet relative to new projects. I believe they're generally grouped by department and not ranked in terms of their score. But we have two projects from Community Development and Sustainability. There's a bit of overlap with some of the

EV stuff but ultimately, looking beyond the specific descriptions to the overall purpose, these would be amounts of funds or monies that could be available to support further energy conservation as well as water conservation and energy efficiency at existing County facilities and potentially additional augmentations to those facilities in terms of solar upgrades and the like. So a significant amount of money to support those efforts.

For the housing, meter bases replacement, I believe that's part of the congressionally directed funding if I'm not mistaken. And the request and we're optimistic that that will be funded through that mechanism, which is why it's not highlight in green. We discussed the various projects at Corrections will provide, as needed, a safe space for our canines as well as fence around the staff gym building and complete the installation of food ports to enable us to run a more secure facility.

The transfer of development survey plats, I already mentioned. The Growth Management project in open space for floodplain restoration, two things I would note is that there's existing funding of approximately \$100,000 to do some initial design work and assessments for a larger project, which would again lay the groundwork for a future potential capital request, either through the legislature or through our own internal processes. In addition, Leandro has been working with the federal government to assess various projects that may be eligible for federal funding, and this might be one such project as well. So I wanted to spend a minute talking about that.

We've briefly touched upon the College Drive extension and I want to spend a few more minutes discussing that concept as well as the P-25 public safety radio network. This would be the County replacing its existing end of life analog system with digital radio, most likely through the statewide public safety radio system, but these are the initial costs that would cover the anticipated costs this next fiscal year. And again, that's a much larger project that could ultimately be in the \$10 to \$17 million range depending on whether the County invests in new additional towers to support more robust public safety radio communications.

We talked about the PER for the Tesuque Valley wastewater treatment facility, and again, we looked and spoke with the chief at the La Puebla station #1 burn building, while it isn't a must-have, and that's why we're not recommending that we fund it at this particular time, but I'd be happy to answer any specific questions that you have relative to how we looked at this list of potential new projects, and then again, I want to ask Leandro and Brian to spend a few minutes just making sure we're all thinking about the College Drive extension from the same premises in terms of what it means to not only potential development in the area but also to relieve traffic congestion and failure on Richards Avenue.

MR. CORDOVA: So Madam Chair, Commissioners, I'm going to ask Matt if he'll pull up the map. He was ready to present the map, but we have a map of the northeast-southeast area, so it will show a little bit better and demonstrate what we're asking for in the College Drive extension. If we can't get that up I have a good old-fashioned paper map as well. There it is. You can get the gist of it from what's up on your screen. The Community College starts College Drive and it extends to a certain point. So the map itself shows like a dirt road. You see it as a right angle. That isn't exactly the extension of College Drive but just below that and on the southeast connector you can see where it extends out, there's a T intersection there to try to get you familiar

with the other side of the College Drive extension.

College Drive does go a little ways already and we're just proposing connecting it from what's existing to the southeast connector. We also talked about including conduit for broadband and the waterline, as Manager Shaffer had mentioned earlier.

MANAGER SHAFFER: So the one thing that I would highlight, it related both to new development but also maximizing the return on the investment in the northeast-southeast connector, is without the extension of College Drive, all of the Community College related traffic and all of the traffic associated with both the church as well as the elementary school that is to the west of College Drive, it ultimately has to come on Richards. So while the northeast-southeast connector would help in many regards, without the extension of College Drive, all of the traffic associated with those two fairly large uses, in particular the Community College, will still somehow be making its way onto Richards Avenue. It might take a slightly different route, either down to Avenida del Sur or over and then up north to the Community College, or perhaps it comes over off of Rabbit Road onto Richards at the new interchange or roundabout with Dinosaur Trail. But ultimately you're still going to have all of that traffic on that section of Richards Avenue.

Extending College Drive would help alleviate that to a not insignificant extent because now folks would have a secondary or another primary access point into the Community College that would allow them to bypass Richards Avenue altogether. So again, you could take the southeast connector to the College Drive, and then use the existing entrance on the north side of the Community College that you can take off of College Drive. So that would be point #1 that that investment would have in terms of return on that investment for the community.

Secondly, as part of this project, what would be included would be the extension of a waterline or the construction of a waterline that would run from the southeast connector – and Brian, if I'm getting it wrong, correct me – over to College Drive. And it would complete a loop for the utility system for our water infrastructure that would provide greater redundancy to the area but also allow us to better circulate the water for water quality purposes.

Finally, what the County construction or extension of that County road could facilitate is the development of a previously approved multi-family development that is just to the east of the existing development in the area. Leaving aside the cost for the waterline and the conduit, just the cost of the road itself, I believe we're estimating to be in the order of magnitude of about \$3.3 million, with a contingency, that gets you up to \$3.5 million.

If we look to that development to build that infrastructure, what has been represented to the County is that at least at those prices it's not going to occur. In other words, that development won't move forward and the connection itself won't happen. So to sum up, the rationale for the College Drive extension is to maximize the return for the community on the investment in the northeast-southeast connector by providing further relief on Richards Avenue, by providing an additional access point for the Community College that would bypass Richards Avenue, as well as providing another potential access point to the church adjacent to the College Drive and the private elementary school that is there. It would also serve the additional purpose of providing a looped

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water system for the Utility Division. And finally, it's anticipate that it will help facilitate the construction of much needed, previously approved multi-family housing in that area.

So I'd be happy to answer any questions about the College Drive extension before we move on to the wastewater line in the Community College District.

COMMISSIONER HUGHES: Madam Chair.

CHAIR HANSEN: Commissioner Hughes.

COMMISSIONER HUGHES: Thank you, Madam Chair. I'm just wondering, I think that apartment building was approved before my time. Is it affordable housing or is it just market rate housing?

MR. CORDOVA: Madam Chair, I understand it to be market rate housing. And I do have some numbers attached to that that might give you an idea of the additional potential revenue for the County. Just the project itself is a \$46 million project. Our County portion of GRT would be at 2% in the county area; that would equate to just under a million dollars, \$920,000 in just GRT from the project. Future property taxes, potentially up to \$330,000 annually from the project. So you can see the investment in College Drive with this one development alone would likely pay for itself within ten years.

COMMISSIONER HUGHES: Thank you. I think that – I was just wondering if we would have an opportunity to revisit the affordable housing aspect of the housing, if we're going to invest \$3 million in making it possible. It seems to me that just to invest our money and create only market rate housing, that part doesn't appeal to me that much, I guess. I understand all the rest of it and I know the College really wants that entrance into the College, so that's all good.

CHAIR HANSEN: So just FYI, this project was approved by the Board in 2016, before Commissioner Hamilton and I were on the Board but I remember the meeting because I was at it and I testified on that project. So I know that it happened in 2016. Commissioner Greene.

COMMISSIONER GREENE: Thank you, Madam Chair, and thank you Brian and Leandro for sharing this road project. I get the concept of trying to do it all at the same time and I'm a big fan of solving two problems with one mobilization, so I think that that cost savings is a great benefit, but back to the concerns of Commissioner Hughes, the affordability and large apartment buildings are not built typically by local developers. They're usually built by out of state, financed by Wall Street, and if this is an infeasible project at that sort of model, there could be the same density built in a variety of mechanisms that might be more appropriate for this area. It's an eight-year-old project at this point. We should probably look at it. I didn't know these projects don't sunset. Are they like in perpetuity? So these approvals, we need to be careful and probably put sunsets on some approvals if that's the case.

CHAIR HANSEN: So, it was contingent upon us building the road and getting the northeast-southeast connector done. They couldn't build it until we completed our part. As Brian Snyder said, ten years ago, the northeast-southeast connector would have cost us probably \$8 million. Unfortunately, at that point, New Mexico DOT did not want to help us at all and actually withdrew \$3 million. So things have evolved and changed over the times.

COMMISSIONER GREENE: Along the lines of the apartments, it is my

understanding that apartments are not necessarily filling up in Santa Fe. It is not the housing stock – we need housing but there's different flavors of housing and I don't know for sure but I know the five of us up here do not live in apartments in Santa Fe, and I went to an architectural housing group and I asked the architects who were saying, we need apartments, and I was like, how many of you live in apartments? So it is unaffordable, it is not the quality of life that people are looking for in Santa Fe. And so I'm in for apartments when they're appropriate but we should address that and especially the affordability aspect to it.

CHAIR HANSEN: Thank you. Commissioner Hamilton.

COMMISSIONER HAMILTON: So I understand the basis for several of those thoughts, but first of all, affordable housing should be incredibly high on our priority list. That doesn't mean every single project has to be focused in that direction. There is also this bigger picture of economic development, and frankly, this question is about something that was approved a while ago, and has tremendous economic development as Leandro just pointed out, potential benefits. But there are some failings to the way business as usual in the county in terms of having all infrastructure developer-driven so that if it doesn't make economic sense to put the cost of infrastructure, which in many of the places where high density development is more common, like the East Coast, it is put in by the municipality or the County or the City or whatever, and that encourages development.

There are a lot of ways to encourage economic development. So this is an area where we have through long planning, it frankly occurred before Commissioner Hansen and I were on the Board, with the idea of what was environmentally sound planning, encouraging cluster development in our area. This is a way of making, of following through logically on that plan and putting in infrastructure that allows that kind of development in a way that makes sense. Frankly, putting infrastructure in would allow affordable housing development in a much more rational way as well.

But the idea of rethinking the approval of a project a few years later because they weren't able to start because we haven't put something in is unacceptable. That is just not the way to do business. That is not the kind of thing this County ought to think about doing. Here, you guys can develop here – oh, we think we'd rather do something else now. That's not acceptable.

COMMISSIONER GREENE: Madam Chair, I agree. If we were on the hook for it, then we're on the hook for it.

CHAIR HANSEN: So as somebody who has worked in the Community College District for years and years and has been involved in this project, I do see the benefit of putting in College Drive because I see the connections that can be made. I also see that talking to the developer and looking at the land around it of what kind of projects we can put in that are affordable, but at the same time, I know that it is much wiser to put in a road before there are constituents people living there than it is to try and do it afterwards. And I'm just making a probably very logical point. So I do see the benefit of doing this. I do also see the benefit of doing this for the Community College, and I would think that these apartments would possibly be occupied by college students, even at market rate. It's unknown who would actually – we can't project.

But I think having the discussion is important, but I also, as I've said up here

many, many times, I love roads and I love road networks, and I think that this is a logical road network to undertake. So I'll leave it there for the moment. Commissioner Hughes wants to say something.

COMMISSIONER HUGHES: Yes, just a couple things. One is that we're not the ones reopening this. They're agreement was that they would build College Drive to the apartments as part of their approval. And so they're asking us to reconsider. And so I think if they're asking us to reconsider that part, that opens it up a little bit. And I don't know that we would change very much – I agree that not all apartment buildings have to be affordable. I think what I was saying is that the sewer line that we're also talking about building would go by the Dominium Apartment proposals and those are supposed to be affordable, because they're going to use four percent tax credits to build them. And I would say I'm just more excited about those.

And I guess I would just like to know who are they going to market these apartments to. And unfortunately, there are people who live on College Drive who are going to talk to me about this. They live on the part that's already built, not the part we're going to build, but every time a flag goes up out there they call me and say, what's that? What are they building now? And so I would like to have a good answer for them like, oh, these are going to be apartments that are marketed to college students, or these are going to be this or that. So I don't know. I think it's worth at least figuring out who it is we're helping if we're going to help with the apartments. Thank you.

COMMISSIONER BUSTAMANTE: Madam Chair.

CHAIR HANSEN: Yes, Commissioner Bustamante.

COMMISSIONER BUSTAMANTE: Madam Chair, in the interests of really addressing the issue of college students, and it was my experience that there were students literally living in their cars right behind the college. I'm just throwing it out, that if it's plausible, maybe they want to create dorms, and they would be privately owned dorms. But I don't see college students at Santa Fe Community College being able to afford, unless you had multiple students in one small apartment, at today's rates. But I just want to put that out there since we have brought out college students, many were not able to live in the city proper. Thank you.

CHAIR HANSEN: Thank you, Commissioner Bustamante. It's also 4:59, so I wonder where we are at and how much longer we want to go, if we want to do a little bit more and take a break. I know we have been talking about meeting again on Friday. A few of us have obligations on Friday, and maybe possibly we could meet on Monday afternoon, but I don't know what the rest of the Commission, where they are with that.

MANAGER SHAFFER: So Madam Chair, Commissioners, we'll be pleased to accommodate the Board's schedule in whatever way is necessary, whether it be a different time on Friday or Monday. In terms of today's presentation, I believe the last thing that we wanted to provide was additional information relative to the main wastewater trunk line through the Community College, and then we would again stand for any final questions, but that was going to wrap up what we were going to present today. And again, we're not asking for any direction from the Board but we'd be pleased to hear any comments that you want to add.

COMMISSIONER HAMILTON: Madam Chair.

CHAIR HANSEN: Yes.

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COMMISSIONER HAMILTON: At the end, could we also get – I know this might be putting you guys on the spot, but like a really brief summation of what we got presented today? Like here's how much we have to spend and here are the major – like the 37 seconds worth of summation.

CHAIR HANSEN: I don't know if they have that.

COMMISSIONER HAMILTON: They may not, but a little bit.

CHAIR HANSEN: Maybe we could have that the first thing on Monday or –

MANAGER SHAFFER: What I could do and what I indicated – thank you, Madam Chair and Commissioner Hamilton – is we will sum that up and we'll provide that to you by the end of the day tomorrow, so you can actually see it in writing, if that would be useful.

COMMISSIONER HAMILTON: Thanks so much.

CHAIR HANSEN: Can we find out if Monday at 3:00 pm works for people instead of Friday?

COMMISSIONER HUGHES: That works for me.

COMMISSIONER HAMILTON: Yes, it works for me as well.

COMMISSIONER BUSTAMANTE: Madam Chair, as well.

COMMISSIONER GREENE: Yes, ma'am.

CHAIR HANSEN: Okay. So if we could move the next session to Monday at 3:00 pm. I don't have a date – the 26th.

MANAGER SHAFFER: We will notice that accordingly. Thank you again, Commissioners, for your flexibility.

CHAIR HANSEN: I think just a number of us have things happening on Friday.

MANAGER SHAFFER: So the last, again, piece of information that we wanted to provide related to the proposed main wastewater line through the Community College District, which would be part of the County's backbone infrastructure. And what should be displayed shortly is a map of that wastewater line. So this is again an overview of what the wastewater line looks like. I think to Commissioner Hamilton's point, it kind of proves up some of the challenges when you have developer-driven infrastructure being your primary source of infrastructure build-out in an area as large as even the Community College District. And so beginning on the right hand side of the map there are two potential locations shown here relative to the actual wastewater line, but for purposes of discussion, it runs from Richards Avenue to the west. It would allow for connection to the existing Oshara Phase 1 Subdivision should they choose to make that connection in the future and get out of the wastewater treatment business.

It would also allow for potential future connection by the existing La Pradera Subdivision, again, should they also choose to get out of the wastewater treatment business in the future. Finally, it would run down to the south and continue west by the existing Turquoise Trail Business Park, over to the Colibri Subdivision where, I believe, if I'm not mistaken, the wastewater would ultimately flow through Colibri to the Abajo lift station and then out to our water reclamation facility.

So that's an overview of that infrastructure and as I alluded to in the power point presentation, connecting to County water and sewer is required in SDA-1. And that

project that is just outlined, again, the total cost is in the neighborhood of approximately \$6 million all told. That's a significant amount of off-site infrastructure for one development to potentially front, even if there is the possibility for future recoupment against subsequent development. If those costs are spread out across even just the Oshara Subdivision Phase 2, the Arroyo de Hondo, I believe you're looking at in excess of \$11,000 almost per lot, in terms of off-site infrastructure that will need to be provided to make that connection.

If the County were to provide those public facilities, part of the cost would be recouped from any future subdivisions of Oshara that are actually built out through utility expansion charges to probably a closer approximation of their actual usage, but the County would be able to recoup some of that upfront investment from any future connections that are made, either from existing development, such as La Pradera and Oshara Phase 1, but again, other subdivisions that may connect to that core infrastructure in the future.

And I would highlight for Commissioner Hughes' point, in terms of what becomes more possible and more feasible the more core – and I want to emphasize that point, the more core public facilities that the County provides in our designated growth area is that in this area of the Community College District, which is to the northwest of New Mexico Highway 14 and of the Turquoise Trail Business Park across from Rancho Viejo Boulevard, there are not only one but potentially two fully affordable housing, multi-family tax credit properties that are being developed or are at various stages of development in that area. Their cost of infrastructure is substantially reduced if the wastewater line that they need to run simply is across that street to this backbone wastewater line that we're talking about at this point, as opposed to constructing not insignificant amounts of lineal feet to go to the Abajo lift station.

So again, those are two projects that have been discussed with our Growth Management Department that are affordable housing projects, tax credit housing, but the overall principal is demonstrated by again, County investment in such core infrastructure makes the overall cost of development less and therefore makes the likelihood that development will occur greater at a reduced cost to the homebuyers, all other things being equal. So I'd be pleased to answer any questions but did want to provide this visual representation of the specific wastewater line that we're talking about.

CHAIR HANSEN: Commissioner Hughes.

COMMISSIONER HUGHES: I just wondered what you think the timeframe, if we were to approve it would be for constructing the sewer line.

MANAGER SHAFFER: I look to Brian. I believe, if I'm not mistaken, the planning documents are at approximately 90 to 95 percent, so we're pretty close to having a full-blown set of construction drawings. So those would need to be completed and then we would need to go through whatever procurement process is necessary. I believe that if I'm not mistaken, the right-of-way acquisition has already been undertaken by the developer so that's not a critical path item. Those easements and real property interests could be turned over to the County to the extent they have not already been dedicated to the County through previous subdivisions.

So those are a lot of words, but I would imagine to actually move forward as contemplated by that subdivision you would be looking at a one- to two-year timeframe.

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MR. SNYDER: Madam Chair, Commissioner Hughes, I believe that's the case as well. This is largely developer-driven so timeframes are a little bit different or a little bit out of our control, but our understanding, as Greg said, is they're about 90 percent design. They have two alternatives, the green and the magenta route, with easements already acquired. And in the populated area that Commissioner Hughes, you were referencing earlier, it's my understanding that existing 15-foot wide easements exist along those properties that would be utilized for this infrastructure if they were to go that route. But to Greg's point, I think we're about a year to two years out.

COMMISSIONER HUGHES: Okay. Thank you.

CHAIR HANSEN: Any other questions from the Board? Manager Shaffer.

MANAGER SHAFFER: Thank you, Madam Chair and Commissioners. So again, I will endeavor to produce the summary sheet by the end of the day tomorrow so you have that as you plan for our next meeting on Monday. But I think leaving aside again the public safety pots of money and radio projects and such, I think when you sum it all up there's about \$12 million of existing and anticipated resources in fiscal year 24 that would be available for additional potential appropriation should the Board decide to do so. So that's my summary figure but I'll break it out by specific pots of money and specific projects to you by the end of the day tomorrow. That's all we had.

CHAIR HANSEN: Commissioner Greene.

COMMISSIONER GREENE: Thank you, Madam Chair. A question regarding the Youth Detention Facility, and where that falls on a redevelopment plan. I think I've heard from Commissioners that there is a master plan for that facility and I know that we have money to remodel for the Clerk over there, for the Clerk's warehouse and senior service. I'm just wondering where that is in terms of funding and what that kind of looks like as a master planning and timing and use constraints and needs. I don't expect that answer today but that could be certainly on Monday or any time you feel like providing that to me. Great. Thank you.

CHAIR HANSEN: Anything else from anyone?

3. Concluding Business

A. Adjournment

Upon motion by Commissioner Greene and second by Commissioner Hughes, Chair Hansen declared this meeting adjourned at 5:11 p.m.

Approved by:



Anna Hansen, Chair
Board of County Commissioners

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ATTEST TO:



KATHARINE E. CLARK
SANTA FE COUNTY CLERK



Respectfully submitted:



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