

SUMMARY OF ACTION
FINANCE COMMITTEE MEETING
Monday, June 15, 2015

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved	1
APPROVAL OF CONSENT AGENDA	Approved [amended]	2
CONSENT AGENDA LISTING		2-4
APPROVAL OF MINUTES: SPECIAL FINANCE COMMITTEE – APRIL 30, 2015	Approved	4
<u>CONSENT CALENDAR DISCUSSION</u>		
REQUEST FOR APPROVAL OF FOUR-MONTH EMERGENCY PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – SECURITY SERVICES AT MUNICIPAL PARKING FACILITIES, CITY HALL/ SANTA FE COMMUNITY CONVENTION CENTER, PUBLIC LIBRARIES, MUNICIPAL COURT AND SANTA FE TRAILS, BLACKSTONE SECURITY SERVICES, INC.	Approved	5-10
REQUEST FOR APPROVAL OF DONATION OF FIRE TRUCK TO THE SIERRA BONITA VOLUNTEER FIRE DEPARTMENT	Approved	10-12
REQUEST FOR APPROVAL OF MEMORANDUM OF AGREEMENT – PROVISION OF WASTEWATER COLLECTION AND TREATMENT SERVICE FOR THE THORNBURG AMENDED MASTER PLAN AREA LOCATED OUTSIDE THE PRESUMPTIVE CITY LIMITS; SANTA FE COUNTY	Approved	12-15
REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – WEBSITE DESIGN AND CONTENT MANAGEMENT SYSTEM (CMS) SERVICES FOR TOURISM SANTA FE; STUDIO X	Postponed to 06/29/15	16-18

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
REQUEST FOR APPROVAL OF WATER DIVISION PAYOFF OF TWO (2) OUTSTANDING DRINKING WATER LOANS FROM NEW MEXICO FINANCE AUTHORITY IN THE TOTAL AMOUNT OF \$13,638,956.35	Approved	18-20
REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE PUBLIC UTILITIES STAFF TO CREATE A "CARBON NEUTRAL IMPACT REPORT" (CNIR) FORM DESIGNED TO IDENTIFY AND QUANTIFY CARBON EMISSIONS STEMMING FROM PROPOSED CITY RESOLUTIONS, ORDINANCES AND OTHER ACTIONS IN ORDER TO BETTER ASCERTAIN THEIR POSITIVE OR NEGATIVE EFFECTS ON THE ENVIRONMENT; REQUIRING CITY STAFF TO USE AND COMPLETE THE CNIR WHEN ASSESSING PROPOSED RESOLUTIONS, ORDINANCES AND OTHER ACTIONS	Approved	20-21
REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING GUIDELINES AND REGULATIONS FOR THE ACCEPTANCE OF MEMORIAL DONATIONS FOR PLACEMENT IN CITY-OWNED PARKS, OPEN SPACES AND TRAILS	Approved	21-25
REQUEST FOR APPROVAL OF A RESOLUTION AMENDING RESOLUTION NO. 2014-19 THAT AUTHORIZED THE ESTABLISHMENT OF A COMMUNITY HOSPITAL AND HEALTH CARE STUDY GROUP TO EXAMINE THE EFFECTS OF THE AFFORDABLE CARE ACT AND OTHER CHANGING CONDITIONS ON THE EFFECTIVE AND EFFICIENT DELIVERY OF HEALTH CARE SERVICES TO THE SANTA FE COMMUNITY AND THE DELIVERY OF HEALTH CARE SERVICES TO THE INDIGENT; AND CALLED ON SANTA FE COUNTY, OTHER HEALTH CARE PROVIDERS AND STAKEHOLDERS IN THE NORTHERN NEW MEXICO REGION TO JOIN THE CITY OF SANTA FE IN SUCH EFFORTS	Postponed to 07/08/15 w/dir. to staff	26-29

END OF CONSENT CALENDAR DISCUSSION

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 11-12.1 SFCC 1987, TO MODIFY THE FORMULA BY WHICH THE GOVERNING BODY MAY AUTHORIZE FUNDS FOR TRANSFER FROM AN ENTERPRISE FUND TO THE GENERAL FUND	Approved [amended]	29-36
DISCUSSION ON CAPITAL IMPROVEMENT PLAN (2015-2020)	Information/discussion	36-38
MONTHLY FINANCIAL REPORT AS OF MARCH 31, 2015	Information/discussion	38-39
OTHER FINANCIAL INFORMATION	None	39
MATTERS FROM THE COMMITTEE	Information/introductions	39
ADJOURN		40

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE**
Monday, June 15, 2015

1. CALL TO ORDER

A meeting of the City of Santa Fe Finance Committee was called to order by Chair Carmichael A. Dominguez, at approximately 5:00 p.m., on Monday, June 15, 2015, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Carmichael A. Dominguez, Chair
Councilor Signe I. Lindell
Councilor Joseph M. Maestas
Councilor Ronald S. Trujillo
Councilor Christopher M. Rivera

OTHERS ATTENDING:

Oscar S. Rodriguez, Director, Finance Department
Kelley Brennan, City Attorney
Carolynn Roibal, Finance Department
Melessia Helberg, Stenographer.

There was a quorum of the membership in attendance for the conducting of official business.

NOTE: All items in the Committee packets for all agenda items are incorporated herewith to these minutes by reference. The original Committee packet is on file in the Finance Department.

3. APPROVAL OF AGENDA

MOTION: Councilor Trujillo moved, seconded by Councilor Rivera, to approve the agenda, as presented.

VOTE: The motion was approved unanimously on a voice vote.

4. APPROVAL OF CONSENT AGENDA

Councilor Rivera said he would like to have a copy of the Plan on Item #23, so he doesn't need to pull that item.

Chair Dominguez said the Item #23 will remain on consent and Jon Bulthuis to provide a copy of the plan to Councilor Rivera.

MOTION: Councilor Rivera moved, seconded by Councilor Maestas, to approve the following Consent Agenda as amended.

VOTE: The motion was approved unanimously on a voice vote.

CONSENT AGENDA

- 6. **REQUEST FOR APPROVAL OF COOPERATIVE AGREEMENT – DESIGN AND RIGHT-OF-WAY ACQUISITION FOR ROUNDABOUT AT AGUA FRIA STREET/COTTONWOOD DRIVE INTERSECTION; NEW MEXICO DEPARTMENT OF TRANSPORTATION. (JOHN ROMERO)**
- 7. **REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT – RADIO ADVERTISING TO PROMOTE AND MARKET THE CITY PARKS AND RECREATION DEPARTMENT; HUTTON BROADCASTING, LLC. (LIZA SUZANNE)**
- 8. *[Removed for discussion by Councilor Maestas]*
- 9. *[Removed for discussion by Councilor Lindell]*
- 10. **REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – CITY-WIDE BARRICADING AND TRAFFIC CONTROL SERVICES (BID NO. 15/08/B) FOR WATER DIVISION; SOUTHWEST SAFETY SERVICES, INC. (MICHAEL MONTOYA)**
- 11. **REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT – TEN (10) FIFTEEN YARD ROLL-OFF REFUSE CONTAINERS; WASTEQUIP MFG. CO, LLC (HGACBUY). (LAWRENCE GARCIA AND CINDY PADILLA)**
- 12. **REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT – SIXTEEN (16) SIX-YARD COMMERCIAL FRONT-LOADING REFUSE CONTAINERS; WASTEQUIP MFG CO LOLC (HGACBUY). (LAWRENCE GARCIA AND CINDY PADILLA)**
- 13. *[Removed for discussion by Councilor Lindell and Chair Dominguez]*

14. *[Removed for discussion by Councilor Rivera]*
15. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – PUBLIC RELATIONS SERVICES FOR TOURISM SANTA FE; LOU HAMMOND AND ASSOCIATES. (RANDY RANDALL)
16. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – ENTERPRISE RESOURCE PLANNING SYSTEM (ERP) SOLUTION SELECTION AND CONSULTING SERVICES FOR CITY OF SANTA FE (RFP #15/18/P); BERRYDUNN. (RENEE MARTINEZ)
17. REQUEST FOR APPROVAL OF AGREEMENT – INTEGRATED SERVICES DIGITAL NETWORK PRIMARY RATE SERVICE A/K/A ISDN PRS FOR ITT DIVISION; CENTURYLINK QC. (YODEL CATANACH)
18. REQUEST FOR APPROVAL OF AGREEMENT – QWEST METRO OPTICAL ETHERNET SERVICES FOR CITY HALL AND MOST SATELLITE OFFICES; QWEST CORPORATION D/B/A CENTURYLINK QC AND APPROVAL OF BUDGET INCREASE IN THE AMOUNT OF \$48,842. (YODEL CATANACH)
19. *[Removed for discussion by Councilor Maestas]*
20. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENTS TO TRANSFER RESTRICTED CASH IN THE GRT BOND FUNDS AND TO REDISTRIBUTE PROPERTY TAX BETWEEN GO BOND FUNDS 4150 AND 4151. (HELENE HAUSMAN)
21. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SUBSECTION 12-6-6.1 OF THE CITY OF SANTA FE UNIFORM TRAFFIC ORDINANCE TO PROHIBIT THE PARKING OF A MOTOR VEHICLE IN A MARKED BICYCLE LANE; MAKING MINOR GRAMMATICAL CHANGES (COUNCILOR BUSHEE). (KEITH WILSON) Committee Review: Public Safety Committee (scheduled) 06/16/15; Bicycle & Trails Advisory Committee (scheduled) 06/17/15; City Council (request to publish) 06/24/15; and City Council (public hearing) 06/24/15. Fiscal Impact – No.
22. *[Removed by Councilor Lindell for Discussion]*
23. REQUEST FOR APPROVAL OF A RESOLUTION ENDORSING THE NORTH CENTRAL REGIONAL TRANSIT DISTRICT'S FY 2016 BUDGET PROPOSAL, APPROVING THE FY 2016 CITY OF SANTA FE REGIONAL TRANSIT PLAN, AND DIRECTING STAFF TO SUBMIT THE CITY OF SANTA FE REGIONAL TRANSIT PLAN FOR FY 2016 TO THE NORTH CENTRAL REGIONAL TRANSIT DISTRICT BOARD OF DIRECTORS FOR CONSIDERATION AND APPROVAL (COUNCILOR BUSHEE). (JON BULTHUIS) Committee Review: Public Works Committee (scheduled) 06/22/15; and City Council (scheduled) 06/24/15. Fiscal Impact – No.
24. *[Removed for discussion by Councilor Lindell and Chair Dominguez]*
25. *[Removed for discussion by Councilor Rivera]*

CONSENT ITEMS IN PREPARATION FOR NEXT FISCAL YEAR

26. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT – FY 2015/16 SANTA FE MUNICIPAL COURT DUI/DRUG COURT TREATMENT SERVICES; MILLENNIUM TREATMENT SERVICES, INC. (CORDELIA BEGAY)
27. REQUEST FOR APPROVAL OF AGREEMENT – FY 2015/16 COORDINATE OUTLINED SERVICES THROUGH THE SANTA FE REGIONAL JUVENILE JUSTICE BOARD; STATE OF NEW MEXICO CHILDREN YOUTH AND FAMILIES DEPARTMENT. (RICHARD DeMELLA)
28. REQUEST FOR APPROVAL OF GRANT AWARD AND PROFESSIONAL SERVICES AGREEMENT – VO2 MAX (CARDIOPULMONARY) TESTING FOR SANTA E FIRE DEPARTMENT PERSONNEL; UNIVERSITY OF NEW MEXICO AND APPROVAL OF BUDGET INCREASE IN THE AMOUNT OF \$61,200. (JAN SNYDER)
29. REQUEST FOR APPROVAL OF RENEWAL FOR FISCAL YEAR 2015/2016 COMPREHENSIVE INSURANCE PROGRAM COVERAGE FOR CITY OF SANTA FE (RFP #12/19/P; A.J. GALLAGHER RISK MANAGEMENT SERVICES. (BARBARA BOLTREK)
30. REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT – CITY-WIDE BUILDING SUPPLIES AND SERVICES FOR FY 2015/16 AND 2016/17; HOME DEPOT. (ROBERT RODARTE)
31. REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT – CITY-WIDE AUTO AND TRUCK SUPPLIES AND SERVICE FOR FY 2015/16 AND 2016/17. (ROBERT RODARTE)
 - CARQUEST
 - NAPA
 - O'REILLY'S

END OF CONSENT AGENDA

5. APPROVAL OF MINUTES: SPECIAL FINANCE COMMITTEE – APRIL 30, 2015

MOTION: Councilor Rivera moved, seconded by Councilor Trujillo, to approve the minutes of the Special Finance Committee meeting of April 30, 2015, as presented.

VOTE: The motion was approved unanimously on a voice vote.

CONSENT CALENDAR DISCUSSION

8. REQUEST FOR APPROVAL OF FOUR-MONTH EMERGENCY PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – SECURITY SERVICES AT MUNICIPAL PARKING FACILITIES, CITY HALL/SANTA FE COMMUNITY CONVENTION CENTER, PUBLIC LIBRARIES, MUNICIPAL COURT AND SANTA FE TRAILS, BLACKSTONE SECURITY SERVICES, INC. (NEIL CORREIA)

Councilor Maestas said his concern is the Blackstone price is much higher than AAA offered, but he had no idea of the gravity of the situation in terms of the parent financial problems. He said we need seamless security services for some of our key facilities. He asked if there are competitive prices in some of the current cooperative agreements, as opposed to us going back and issuing a request for proposals until this 4-month temporary goes through.

Mr. Rodarte said his recommendation that it is in the City's best interest to start from scratch, write up new specifications, including everything we want to provide the highest level of security services. To do that, it is best to go back out for a request for either bid packages or proposals.

Councilor Maestas said he sees this as a performance issue with AAA and it should be noted for future procurements because there were several years left on the contract.

Mr. Rodarte said there is one more year left on the contract.

Councilor Maestas said he doesn't think it is a good way to do business for AAA to abruptly say they can't serve out the contract, but at a higher price they could. He asked Mr. Rodarte to what extent do we consider past performance in RFP's and how can we objectively and appropriately consider what AAA did to the City.

Mr. Rodarte said on the new RFP that will be heavily weighted as well as financials. He said when he brings this back, the performance section of the evaluation criteria for pre-qualification will be quite high as well as the financials and other things that we're putting in there. So it will be a major piece.

Councilor Maestas said for a contract to be left hanging like this is unacceptable and we need to consider that going forward with this particular company and avoid this from happening again.

Mr. Rodarte said Blackstone has a State Price Agreement in which the price is identical to "that one you see there." He could have gone that route, but they wanted to give the other organizations that competed for the original bid, the opportunity to do this.

Councilor Maestas thanked him for his Memo which clarifies a lot.

Councilor Rivera said in the letter from AAA they said they couldn't afford to do it at the current price, and asked if they could come in as the lowest bid a second time.

Mr. Correia said there would be restrictions to qualify to submit a proposal again. He said we could have specifications or requirements for the other bids such as a requirement to submit 3 years of audited financial statements, so we can see the financial strength of each bidder.

Councilor Rivera said they could provide the audits and still be the lowest bidder. He asked what we can include in a contract to disqualify them if they were the lowest bid.

Mr. Correia said he would suggest including a disqualifying factor if a company had withdrawn from a contract with the City prior to the end of the term.

Mr. Rodarte said, "I would not allow them to bid on this. They have just proven to us that they cannot financially operate per our requirements on the last bid. So under the pre-qualification, the financials are going to be required and any kinds of defaults related to contracts. It will be worded a little differently, but, as we know, this is basically a default in the contract. So I'm not going to allow them to submit."

Councilor Rivera said you typically take the lowest price, and with a RFP, you can evaluate each group on its own merit and then make a recommendation. Ultimately, the Council would still have the final say, but you would have an idea of what each company could offer.

Mr. Rodarte said, "That's correct but, we already know what we need as far as the security is concerned."

Councilor Rivera said he heard this last time as well, and we went with AAA and now we're in this situation.

Mr. Rodarte said, "Let's go back a little bit to the first part of your question."

Councilor Rivera said we went through this process previously, so this part has to be different, so what's going to be different with what we do now, versus what we did last time.

Mr. Rodarte said the last time we did a pre-qualification based bid, which is almost like an RFP. We had the criteria for each company to get qualified to bid, no cost factors at all at that point. He said about 7 companies bid the pre-qualification request and only 4 qualified. We made every effort to screen out the ones that weren't qualified.

Councilor Rivera asked how we ended up with the lowest bidder that couldn't do the job.

Mr. Rodarte said there were 4 qualified companies. He said, "Now they get the bid packet, they don't have to worry about pre-qualification, just put the requirements, bid *[inaudible]* stuff like this. They went in there and based it based on all the time we put in there as far as the schedules. They didn't have to worry about pre-qualifying, that had already been done, so that's when they had to put their pencils together regardless of who they are. Out of the 6-7, we got 4, and only those 4 were given the bid packet."

Councilor Rivera said when this came through the first time, they were considerably lower than the other 2-3 people they were bidding against. He said, "And I asked how they could do it for that price. And I was assured again that they could and would perform. Did they think they were going to come in at the lower price and then negotiate a higher cost."

Mr. Rodarte said, "At any given time during that period they did not tell me they would come back to renegotiate until we met with them about 30 days out. And they sat right here in that first row and you asked that exact question of me and I backed them because they were 100% sure they could do it. Now, naturally they didn't. When you get to that point, you have done all your homework to get that bid out as best you possibly can. They just flat-out blew it. They really felt they could do it, and they're probably going to go under and a lot of companies do. I've yet to see any company that we've put together on bids go under like this, like what we're experience here. But I can tell you, we qualified them across the board 100% before the actual bid packet went out to them, so they had an even playing field against all of the other ones, whether local or anywhere else, that we prequalified."

Councilor Rivera asked Mr. Correia his experience with security in parking.

Mr. Correia said he isn't in security, but he has issued many requests for proposals for security guard services in California in several parking facilities combined for the City of Oakland, U.C. Berkeley and others. He has gone through RFP processes and written specifications for these types of contracts and happy to say they were all successful and served their terms.

Councilor Rivera asked Mr. Correia what he is comfortable doing.

Mr. Correia said his preferences for professional services contracts is a request for proposals, and he likes to go for bit if it is for equipment and related matters.

Councilor Rivera said he doesn't want to make the same mistake we made 8 months ago.

Mr. Rodriguez said he has been in a situation like this with a security firm for a much larger city that then went under and "we just had a lot trouble finally getting to that point. And we thought long and hard about the question you asked. And at what we found is at some point you have to compromise either one side of the other. And that is that you do your due diligence and expect the market is going to keep you there." He said for something like security you may want to "hedge" your bets and they came up with a minimum cost to provide the service, so it was a mish-mash of a request for bid proposals as well as a lowest bid and we said they have to be qualified and we have established this is the minimum cost to provide the service. So what we want from every is the best bid and proposal, and to keep people from bidding blow what the market could sustain we said this would be the floor. It did give up the edge to try and drive the price down, but we felt secure that when they opened the bids was they would get bids that we felt were sustainable over the long term.

MOTION: Councilor Rivera moved, seconded by Councilor Trujillo, to approve this request, with direction to staff to do an RFP on this and not necessarily take the lowest bid, and to know what the security companies can provide and if it's still the lowest bidder that's fine, but we will have an idea of what companies can provide to the City.

DISCUSSION: Chair Dominguez said according to Mr. Rodarte's memo we approved Bid No. 14/17/B in June 2014, and asked if that is correct.

Mr. Rodarte said it should be 27/B, noting that is a typographical error, which will be corrected, but it was on June 25, 2014.

Chair said in May 2015, AAA met with the Parking Division Director to discuss the extension. He said this request is brought forward as an emergency procurement, and asked the reason it meets the definition of emergency procurement.

Mr. Rodarte said it is the safety of individuals, especially when it comes to the Airport and other things.

Chair Dominguez said paragraph 3 of the Memorandum says, "During this meeting AAA Security expressed concerns about the original bid amount as being too low and acknowledged that they had underestimated their overall cost." He said that should say that they had underestimated their over all cost and staff didn't clarify that during the process.

Responding to Mr. Rodarte, Chair Dominguez said he is speaking about today.

Mr. Rodarte said we were unaware that they had underestimated and knew nothing at all about it.

Chair Dominguez said then the letter should say that staff was unaware of any of that, and asked that Mr. Rodarte to clarify that by the time this goes Council. He said this Governing Body, as it has demonstrated, will be asking a lot of question about procurement and the process, noting things have been delayed because of some of the details we haven't requested in the past.

Councilor Maestas noted that the 30 day notice for termination by either party is standard, but perhaps it should be longer for higher risk contracts, and asked if this provision can be changed in these kinds of contracts.

Mr. Rodarte said he believes it should be mandatory to have a meeting at least 4-5 months prior to the end of the contract.

Councilor Maestas suggested including appropriate milestones leading to the 30 days, commenting that the generic mutual party notice isn't serving our purposes.

Mr. Rodriguez said the challenge is that if we ask for 90 days, they want the same from us, and sometimes we want them to hurry and get off the job because they're using up the funding. He said perhaps we can ask for that in a special circumstance where they cannot continue in their contract, that they give us a 90 day notice, otherwise it is a 30-day notice on both sides.

Mr. Rodriguez said we could insert milestones such that the company doesn't go 3 months before they have an opportunity to tell us things, so there would be periodic meetings with updates to talk about their performance – on a quarterly basis have a performance meeting of some kind.

Councilor Maestas would like that in writing.

Chair Dominguez asked how we memorialize something like that in a policy, commenting he can see where previous administrations would say that we're micromanaging. He agrees that if we have a policy and put some of those things in place it is the letter of the law and should be followed. However, he doesn't know how that comes – an amendment to the Procurement Policy, or what.

Mr. Rodriguez said it could be an item in the contract itself.

Councilor Dominguez asked how do we pick and choose which of those contracts need to have that kind of language in it.

Mr. Rodriguez said they would rely on staff, "and in this case, we think it's a great idea."

Councilor Rivera suggested a quarterly evaluation with criteria developed by staff – something we don't see unless something raises a flag on evaluation. He wants something that can be measured to go along with that.

Councilor Maestas said we already have a process for renewal for another year. He asked what leads to the official question, the policy decision you want from us. Perhaps there needs to be an administrative process behind that before going to the Council before requesting for another on-year extension. He asked what needs to happen and what assurances does staff need from a contractor to bring that request to them. He asked the time for contract renewal.

Mr. Rodriguez said the objective in terms of performance is that before any contract has expired, it will have been bid, brought before the Committee, for approval and/or debate with sufficient time. He said not all contracts are the same, some are really basic. He said to set up these things arbitrarily or wholesale would be onerous on the vendors and would take a lot of additional staff without big returns. However, critical services, like security are different, noting there may be other services the same. He said in this situation, the company thought it could keep it together until the very last minute and at that point we learned it can't go further and at this point they were doing us a favor.

Chair Dominguez believes the City has the obligation to do due diligence to ensure the company is following through on the contract and that they will be able to continue the services they propose to provide. He said we're policymakers and aren't there "on the ground," to make those determinations. He asked if he is proposing to write administrative policy that gives that direction, or will it be whoever schedules a meeting with you first.

Mr. Rodriguez said no.

Councilor Maestas said on packet page 23, there is a summary of contracts, agreements and amendments, and there is a section there for amendment. He said an amendment that is an extension of a termination date, perhaps there should be a concurrence from the contractor, in addition to approval by the City Manager which should precede approval by the City Council. We can then get them for breach of contract.

Chair Dominguez said we are a little off the Agenda topic, although it is a good discussion. He said he doesn't want to get "too deep into the woods," because we're amending contract language and it gets crazy.

Mr. Rodarte spoke about what's been done with the Golf Course restaurant and the concession at the GCCC. We're requiring them to sit monthly and review the terms and conditions of the contract, what we've paid them, as well as anything – all before we pay them. He thinks the way to do it is to have consistent meetings with the vendor, whether a big or little contractor.

Mr. Correia said he has had success with requiring a performance bond as well as proposal guarantee bond, and if they can't afford to do it, then we cash the bond.

Councilor Lindell said she doesn't think the company acted in bad faith, commenting if they were acting in bad faith they would have packed up and left us hanging without saying a word to us. She said they are continuing to the best of their ability for a period of time. She said she is sure they don't want to go out of business. She doesn't think we can legislate and play with contracts to the point that we can avoid this in the future. She said these things happen to businesses, noting she believes they have been forthright. She noted she has dealt with many businesses that weren't. She said we have a solution and believes we should move forward with it.

VOTE: The motion was approved unanimously on a voice vote.

9. REQUEST FOR APPROVAL OF DONATION OF FIRE TRUCK TO THE SIERRA BONITA VOLUNTEER FIRE DEPARTMENT. (ROBERT RODARTE)

Councilor Lindell said on page 5 of the packet it shows that this vehicle cost us \$150,000 and it has other items. She asked what are those items.

Mr. Rodarte said those are after market costs, repairs, maintenance and things to service the vehicle. He said there is a module we have been working on to capture the total costs of ownership of the vehicle.

Councilor Lindell asked if that is the total cost of ownership of the vehicle.

Mr. Rodarte said no. The software is not working correctly and that would be another \$100,000 since 1992. He said during the testing phase of the software some of the costs that were incurred. He said the only thing you need to look at is the \$150,000 cost at this time.

Councilor Lindell said, "Let's try not to give us data like this that isn't real data, because it doesn't do us any good." She said if that's all the cost of maintenance why are we getting rid of us.

Councilor Lindell asked the miles on the vehicle.

Chief Litzenberg said it has about 133,000 miles, which is quite a lot of miles for an emergency response. He said they do hard miles. The truck has been very well used and recently valued at \$3,000, which is pretty low value, noting it hasn't been on the street in about 5 years.

Councilor Lindell said we may have to keep and use vehicles a little bit longer than we're used to. He said if someone else is going to use, clearly it's a usable vehicle. She said in these budgetary times, she thinks we have nothing to give away if we can get an extra use out of it.

Councilor Rivera said the vehicle has 133,000 miles on it, and asked how many hours it has on it.

Chief Litzenberg said he just asked the Fleet Administrator that question and he couldn't provide the data, but "I can tell you, a lot of hours. Way more than when we usually have to cycle them out because they become less cost vehicle than a newer vehicle."

Councilor Rivera said, "And that's the way most of your vehicles are, they have more hours than the actual mileage."

Chief Litzenberg said yes, and starting and stopping vehicles of that size is significantly more troublesome that it is in a normal size vehicle.

Councilor Rivera said he remembers doing this a couple of years ago, and the department that was going to take this over, was using it basically to leverage other funding. He asked if that is what is going to happen here.

Chief Litzenberg said the State actually doesn't give a new department funding from the State allocation until they are done with the first year, so our donation to these departments helps them establish themselves for the first year so they can start to get State funding.

Councilor Trujillo asked if the Fire Department has done a vehicle replacement criteria like the Police Department.

Chief Litzenberg said yes, noting this vehicle came out of rotation 5 years ago. It was slated for a donation that fell through, so "we're making sure it gets into hands where it would be useful." He said they have a replacement schedule they have used religiously for about a decade.

Councilor Trujillo said it would be helpful to all of the Councilors if we could get a copy of that, so people can see black and white criteria, hours, miles, use, which puts it in perspective of why we don't use it. He said it is good that as a community that we are able to do this, although he does understand what Councilor Lindell is saying. He said we try to run these vehicles as much as we possibly can. But if we as a bigger City, can help a smaller community, he thinks that is good. However, he wants to use these vehicles and get as much as we can out of them before we get rid of them.

MOTION: Councilor Trujillo moved, seconded by Councilor Rivera, to approve this request.

VOTE: The motion was approved on a voice vote, with Councilor Maestas, Councilor Trujillo and Councilor Rivera voting in favor of the motion, no one voting against, and Councilor Lindell abstaining.

13. REQUEST FOR APPROVAL OF MEMORANDUM OF AGREEMENT – PROVISION OF WASTEWATER COLLECTION AND TREATMENT SERVICE FOR THE THORNBURG AMENDED MASTER PLAN AREA LOCATED OUTSIDE THE PRESUMPTIVE CITY LIMITS; SANTA FE COUNTY. (STAN HOLLAND)

Councilor Lindell, referring to packet page 6, Item #6, said this requires all properties to have water meters, and asked if all the properties at this point have water meters.

Stan Holland said yes. The occupied residences are served by County water meters.

Councilor Lindell asked if the commercial is metered.

Mr. Holland said he would have to defer to the County, noting the only commercial unit he's aware of out there is Gruda Veterinary Clinic, and he understands they have a meter.

Councilor Lindell asked if all of the park is commercial – Bisbee Court.

Mr. Holland said there is an open space area that's reserved out there. He said Bisbee Court is a community adjacent to this property, but not part of it.

Councilor Lindell asked if the County is to report the metered water usage and other pertinent billing information to the City on a monthly basis, and asked if we are current and current in payment.

Nick Schiavo said, "No and no."

Councilor Lindell said she is unsure why we would want to move forward if the County isn't current.

Councilor Maestas said, "My concern is. This is almost a formality, based on the action we took in December when we agreed to allow Santa Fe Brewing Company to connect to our wastewater system subject to the County taking over the lift station. I thought we agreed in principle, as a Governing Body, to this back in December. The Joint City/County Review Team probably doesn't address the matters that have been brought up by Councilor Lindell, and I'm not sure we should scuttle this deal because of that. I don't know how much we're talking about here in this service area, but I would hate to penalize Santa Fe Brewing Company for a lingering City/County issue that is broader than just this service area. So I think we ought to be very careful and think back to the action we took in December, and that was approving in principle the MOU, subject to the takeover of the lift station."

Councilor Lindell asked Mr. Schiavo what are the consequences of not approving this request, and asked his opinion as to why are we not current.

Mr. Schiavo said the County isn't current in paying the City, and he believes they think don't owe us any of the \$700,000 for past water sales for water provided when the BDD has been down. He said he believes we agreed to a mediation with the County, and looks forward to having the discussion with the County. He said regarding the consequences, "I would imagine it is very very important for the County to keep growth going and to keep development going, so it's probably very critical that the County gets an approval on this."

Councilor Maestas said, "I'm a little taken aback. We voted unanimously, I sit on Public Utilities Committee, and this issue was not raised, and so I'm just wondering what's going on, why this issue wasn't really brought before the Public Utilities Committee."

Chair Dominguez asked if he's speaking of this item.

Councilor Maestas said, "No the issue of linking the back payments on the water to this. So I think it's a little disingenuous. I would have preferred to maybe hear this at PUC, if there was some issue. I understand that. This could be motivated by staff as well. That's all I have."

Councilor Lindell asked, "Are you saying that my question was brought forward by staff?"

Councilor Maestas said, "I don't know. I don't what the issue is."

Councilor Lindell said, "Let me just be clear, I'll answer it very clearly. My question is brought forward from studying my packet and marking it. It's not been discussed with any other person."

Councilor Rivera said, "Nick, this is really a MOA for collection of wastewater. Does the County have any outstanding balances with regard to wastewater?"

Mr. Schiavo said, "It is my understanding that they do not have any outstanding balances. We recently discovered though, that there have been roughly 60 homes that have been connected to the City's wastewater system, and UEC's have been paid. Those are homes west of 599, Aldea, in that area. We are still behind, Claudia came over and talked to me, saying that I had said about answering no to them not being current is not truthful. But I want to be very clear that the County has been behind every month, and sometimes we've been waiting 3-4 months to get data from for the meter reads, the water. The water reads directly affect the wastewater fee."

Councilor Rivera said, "I understand that. Okay, that's all I had."

Chair Dominguez said, "So, a couple of questions Nick. If you look at your Memo again, and you look at the first paragraph, the 2nd or 3rd sentence in there that talks about, 'In addition to receiving City water service it was agreed that the Thornburg Amended Master Plan Area would discharge its wastewater to the City Sewer System.' So does that mean that with this agreement, they will not be discharging wastewater to the City sewer system."

Mr. Holland said, "No. They will still continue to discharge to us at this point. The system was originally built as a private system with a private lift station. It discharges to the City's public sewer system out at Mutt Nelson Road. That will not change at this time."

Chair Dominguez said, "At this time, meaning..."

Mr. Holland said, "What will happen if this is approved is that the County will take over ownership of the sewer system and the lift station with responsibility for maintenance and repair of that. But they will still be discharging into us at this time, yes."

Chair Dominguez said, "To speak little bit to Councilor Lindell's issue on page 6, so do you have meter readings from the County in hand."

Mr. Holland said, "I do not know."

Chair Dominguez asked if the utility has it.

Mr. Holland said, "We should be getting meter reads from the County for this out here."

Chair Dominguez said, "So I know that with this MOA, that says the County is required to provide us this information, but do we have any existing from them already."

Mr. Holland said, "My understanding is that we have yes, because the County has their sewer bulk rate with us and that is based off their meter reads they're supposed to provide to us out there."

Chair Dominguez asked, "So have you seen those meter readings."

Mr. Holland said, "Myself, personally, no."

Chair Dominguez asked if the utility seen those meter readings and Mr. Holland said yes.

Chair Dominguez asked how long is the term on this MOA.

Mr. Holland said, "I guess you could say it would be perpetual."

Councilor Trujillo said, "I don't want to hold this up. There's politics going on, there is, okay. Claudia, I don't know what's going on with the County, I really don't. That will be taken care of in the mediation, it's started. But I'm not going to stop somebody from getting what they need. I do understand Council Lindell, I do understand what you're saying. There are some issues that are, I guess, are putty much out of our realm right now. It's going to be mediated, so I'm going to move for approval on this."

MOTION: Councilor Trujillo moved, seconded by Councilor Rivera, to approve this request.

DISCUSSION: Chair Dominguez asked, "If I understand, this really does not impact the development itself, right. This is really just an agreement between the City and County. It's not going to impact their operations. Thornburg Management's operations."

Mr. Holland said no.

Councilor Rivera asked, "How will this affect Santa Fe Brewing if it were to not get passed."

Brian Lock, President and owner of Santa Fe Brewing, said, "If this were not to pass, then I would look to move the brewer out of State. Governor Martinez came to the hearing back in September of last year, and *[inaudible]* had seen there was a need of funds, specifically toward connecting to the sewer. So this is the one thing that's holding up us connecting to the sewer. And I committed to Santa Fe in building my business here under the assumption that I would be connected to the sewer. So this would be a huge barrier to what I've been working on for the past year. And if it wasn't out there, I would pursue other places."

Councilor Maestas said, "On a positive note, you have our support, and just as Councilor Trujillo said, there are some under-tones, some other broader issues, and I'm not minimizing the broader issue, but there's no reason that you should be caught in this situation. So we're proud of the growth and expansion plans of Santa Fe Brewing Company and we know it's going to help the greater area. And thank you for being here to speak on this."

Chair Dominguez said, "I just want to clarify something. The Santa Fe Brewing Company is not part of the TTMA Thornburg service area, which is on the table tonight, but needs to connect to the to TTMA Sewer Collection Service in order to convey its wastewater to the City's wastewater treatment facility. So even though what is on the table tonight is not directly impacting Santa Fe Brewing, the action we take eventually will down the line, no pun intended. So I see that, and I just wanted to clarify that for the Governing Body as well."

VOTE: The motion was approved unanimously on a voice vote.

14. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – WEBSITE DESIGN AND CONTENT MANAGEMENT SYSTEM (CMS) SERVICES FOR TOURISM SANTA FE; STUDIO X. (RANDY RANDALL)

Councilor Rivera said there is no one from staff here. He said the original contract was for \$130,000, and the amended contract has bumped it up by \$140,000. He said, "And similar to what happened with the security contract, you bid low to get in, and then once you're in, then you start negotiating higher prices, and first, is that legal to do. And is that something we typically do."

Mr. Rodriguez said it's not legal to do it without Council approval, which is the reason it comes to this Committee. He said it is something we typically do. He said he doesn't see too many of these, and at this point he can't tell you what percentage it is, and exactly why this is happening. He said the backup is there about what is happening. He said, "If there's any reason to believe that the reason they're doing this is because the current contract is not performing, etc., I would have to defer that question to the Department Director."

Councilor Rivera said, "That is what I was looking for, and hoping for, Mr. Chair, so since he's not here to answer, I don't know if there's.... do you want to try Teresita."

Teresita Garcia, Finance Department, said, "What this amendment did and the reason it came forward was on this contract, there was a section in which the total amount was \$130,000 and the additional amount of services was \$60,000. So what Randall wanted to do was to receive the \$60,000 and any additional advertising revenue come back to the City instead of netting them. So all this does is it's more of an accounting clarification in which they were... let me see if I can remember. The contract was for \$130,000 in which if they get additional advertising, they can use the additional \$60,000... they can keep the \$60,000 for additional revenue on the company side. So what we wanted to do was record the actual cost of the contract, and actually record the revenue that's being generated which is the additional \$60,000. Because under the contract, they are required to at least bring in \$60,000 of additional advertising."

Ms. Garcia continued, "So in the years before, what they used to do is that they used to just pay \$130,000 and they kept the \$60,000. We never recorded it on our general ledger as revenue generating contract. Randall wants more accountability on their contract, and he wants to be sure they are generating \$60,000 of additional advertisement, we see that, so the total cost of that contract is really accountability. And then if they generate additional contract for more than \$60,000, the City gets the difference, instead of them keeping it. So it's more for contract manage to properly record the revenue [advertising?] that they sell on behalf of the City and to make the contract more accountable in our general ledger. So that's why we moved this forward for budget adjustment, is to properly reflect the monitoring of the contract. Did I confuse you completely."

Councilor Rivera said, "Yes ma'am, you did a good job. So, the amendment, Item A, then... so we would be deleting Item B completely from the original contract, is that correct, that talks about the \$60,000. I don't see anything really in here saying that Item B, C or D would be deleted from the compensation portion, even though A has changed a little bit. I'm looking at the Amendment which is page 2, and then the original contract on page 14."

Ms. Garcia said, "Okay Councilor, the contract on page 14 says, 'The Contractor is responsible for selling a minimum of sixty thousand dollars (\$60,000) per fiscal year of website digital advertising.' That portion was never recorded or accounted for in our general ledger."

Councilor Rivera asked, "So, are we doing away with it."

Ms. Garcia said, "No, we're not doing away with it. All we're doing is recording the revenue, instead of netting it out to, so the total contract is \$270,000, they subtract the \$60,000 and it would come up to \$210,000. That's the amount of the contract, so we really don't see the \$60,000 anywhere. What he wants to do, is that the contract is really \$270,000 because they're selling advertising on behalf of the City, we're generating \$60,000, and therefore we're generating \$60,000 and the contract is really \$270,000, because they are selling more additional advertising. If they sell more than \$60,000, then that \$60,000 comes back to the City. What he wants to make sure that he can monitor the \$60,000, and if they sell more than \$60,000, that comes to the City. They cannot use it for additional advertisement."

Councilor Rivera asked if the extra \$10,000 in the original contract will help them do that, going from \$130,000 to \$140,000.

Ms. Garcia said she can't answer that question.

Chair Dominguez said the Memo is from Randy Randall.

MOTION: Councilor Rivera moved, seconded by Councilor Maestas, to postpone this item to the next meeting of the Committee on June 29, 2015, until Randy Randall can be in attendance, but if there are time constraints necessary for Randall.

DISCUSSION: Ms. Garcia said they wanted to make sure the contract and budget was approved for 14/15, so June 30th is just around the corner.

Chair Dominguez noted this is kind of at the last minute.

Ms. Garcia said it's a different way of recording revenue.

Chair Dominguez noted this is at the last minute again, noting this is an emergency process.

Mr. Rodriguez said it's not an emergency.

Ms. Garcia said what we budget is the difference between the total amount of the contract, and the \$60,000.

Chair Dominguez said he doesn't understand it, but he's heard her say it.

Ms. Garcia said, "So, if we they do a budget to actual variance, we will be spending \$60,000 more on the expenditures and not reporting the revenue. So all we're doing is recording the revenue and increasing expenditure by the \$60,000."

Councilor Rivera said he is looking at the original contract amount going from \$130,000 to \$140,00. It sounds like the \$60,000 is still in there and Randy is going to keep track of that some other way. He asked the reason the original contract amount is increasing by \$10,000, which will extend the termination date to June 30, 2016, which is a question for Randy Randall.

Chair Dominguez said the Memo says, "The result will be known savings of \$110,000 which will be available for additional website improvements through a separate PO or other marketing services for the benefit of Tourism in Santa Fe. This calculation is based on the former base fee of \$130,000 plus the sales of \$60,000 as compared to a fixed fee for services of \$140,00 less the \$60,000 income that will be received from the website sales." Chair Dominguez asked, what is he saying the difference is between a base fee and a fixed fee.

Ms. Garcia said she has no idea what he is saying.

Chair Dominguez would like to ask Mr. Randall that question as well. He said if it's a play on words and the difference between a base fee and a fixed fee, he doesn't know.

VOTE: The motion was approved unanimously on a voice vote.

19. REQUEST FOR APPROVAL OF WATER DIVISION PAYOFF OF TWO (2) OUTSTANDING DRINKING WATER LOANS FROM NEW MEXICO FINANCE AUTHORITY IN THE TOTAL AMOUNT OF \$13,638,956.35. (NICK SCHIAVO)

Councilor Maestas asked if this whole effort is an effort to pursue a loan/grant combo for the new meters.

Mr. Schiavo said, "No. This is to do a parallel pipeline to our existing Buckman line. We have system constraints. It's impossible for us to run both the Buckman well field and the BDD at the same time."

Councilor Maestas said he looked at our debt, and the sheet he has doesn't show what's backing these loans. He knows Drinking Water #2 is backed by GRT, and asked if DW4 also is backed by GRT.

Mr. Schiavo said he believes they are backed by revenues from the sales of water and from GRTs.

Councilor Maestas said he has legislation to do a stress test on the Water Fund to see if it can stand on its own without the gross receipts tax and accelerating the need for a rate increase. He said this is a substantial amount of money, asked if it would impact the need to impose a rate anytime soon.

Mr. Schiavo said this is correct. He said in the Memo he is saying that the recommendation to pay the \$13 million is so we are eligible to get about \$8 million in a grant/loan combination for the parallel pipeline. We've been told that our current revenue to debt ratio isn't good enough to receive the \$8 million without paying this off. He said there is no guarantee we'll get the grant/loan, but if we don't pay this off, we definitely won't get it. He said, "So to answer your question. We will not have to raise rates. We have the \$13 million in cash, so it makes sense to pay it off. It probably also would be my recommendation in a few years that if we were looking to refinance, we may also pay off the roughly \$8 million because of the grant portion of that, although we may decide to hold onto it at 2% interest."

Councilor Maestas said his issue is not with this action, but he wants to make sure that when we pursue the \$8.4 million that we turn around and use the freed-up GRT to back that. He asked if that is the plan.

Mr. Schiavo said, "Councilor, that is not the plan. At this point though, unlike a bond, we're not asked to show how we're backing it, if it's from both GRTs and sales of water.

Councilor Maestas said he is willing to postpone that debate, but his preference tonight is in the future \$8.4 loan/debt is that we not back it with GRT. He isn't saying we keep that GRT going, pay as you go, until we can decide as a Governing Body to decide what to do with the freed up GRT. He said this is a new revenue source that's not new, but it could potentially be a new revenue source without impacting the Water Fund. He thinks this is a positive step if the unintended consequence is to free up some GRT that's being backed by current debt and we can make that decision when staff comes forward in response to his Resolution to see if there is a way forward to somehow gradually redirect the GRT to other priorities and avoid having to raise taxes and impacts to the water fund. He said, "So if your intent on the \$8.4 million is not to throw GRT into the mix to back that debt, then I support this. And if you do plan to do that, then we'll have a more robust debate when you come forward with the \$8.4 million loan/grant."

Mr. Rodriguez said when this goes forward to the MFA you will approve that contract, so you will have that debate back here one way or another.

Councilor Maestas said, "But you can tell me now, right, our application will not include backing this \$8.4 million loan with GRT. It will be solely from water funds revenues."

Mr. Rodriguez said the way it is structured is sort of general revenues and basically includes everything.

Chair Dominguez said, "On that point, Councilor Maestas, when we say revenue, we're also talking fees. It's water fees that customers are paying through their water use."

Mr. Rodriguez said yes.

Councilor Maestas said, "I just wanted, for the record, to let everyone know that I think this is positive, in that we're freeing up GRT, and I hope that we don't reinvest, or use this freed-up GRT to back this future loan so we can have that debate. So with that, I'll move for approval."

MOTION: Councilor Maestas moved, seconded by Lindell, to approve this request.

DISCUSSION: Chair Dominguez said Councilor Maestas is correct, we're going to have that debate if it come to that, because we don't want to use that freed-up GRT for General Fund purposes, so we'll see.

VOTE: The motion was approved unanimously on a voice vote.

- 22. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE PUBLIC UTILITIES STAFF TO CREATE A "CARBON NEUTRAL IMPACT REPORT" (CNIR) FORM DESIGNED TO IDENTIFY AND QUANTIFY CARBON EMISSIONS STEMMING FROM PROPOSED CITY RESOLUTIONS, ORDINANCES AND OTHER ACTIONS IN ORDER TO BETTER ASCERTAIN THEIR POSITIVE OR NEGATIVE EFFECTS ON THE ENVIRONMENT; REQUIRING CITY STAFF TO USE AND COMPLETE THE CNIR WHEN ASSESSING PROPOSED RESOLUTIONS, ORDINANCES AND OTHER ACTIONS (COUNCILOR IVES). (JOHN ALEJANDRO) Committee Review: Public Utilities Committee (approved) 06/03/15; and City Council (scheduled) 06/24/15. Fiscal Impact – No.**

Councilor Lindell said this is a sizeable amount of data and information to sift through. She said we haven't really nailed this down, but she is uncomfortable that this is brought forward without an FIR, or saying there is no cost. She thinks it takes a lot of time to do this, and she doesn't know how much of Mr. Alejandro's time it takes annually to do this, commenting she thinks it takes a lot of hours.

Mr. Alejandro said this is separate from the GHG Carbon Emission yearly annual collection and report. The Sponsor's intent was to create what amounts to an FIR.... it's very much like an FIR and it differs in that we would be calculating the carbon emissions associated with any action related to a resolutions or ordinance. Staff would then take into time whether the actions taken by the Governing Body would be positive or negative with respect to the amount of carbon released into the atmosphere based on whatever Ordinance or Revolution is put forth. He said this stems largely from the Sponsor's Resolution from the past Fall calling for an evaluation of cost/benefit analysis when it comes to administration vehicle procurement, and looking at best cost versus emissions. He said the form would take a minimal amount of time to determine which better calculator or calculators would be applied and put down on the form. It takes a minimal amount of staff time. He said he hopes he answered her question.

Councilor Lindell said it's hard to say how much of his time is going to go into this.

Mr. Alejandro said, "I would at best guess, estimate anyway, between 10 and 15 hours, noting there are about 7-10 EPA carbon calculators that exist if you do not take into account other additional, international carbon calculators that many international governing bodies regarding climate change also employ to calculate carbon. Typically, the calculators that would be used on this form would be those that calculate carbon related to water, waste, transportation, kind of general type calculators that are out there."

Councilor Lindell said so you're saying 10 to 15 hours total on this.

Mr. Alejandro said yes to create the form in and of itself.

Councilor Lindell said then he has to go back through all the resolutions, ordinances and anything else that's been done.

Mr. Alejandro said, "No. I'm sorry. To clarify. It does not require us to go back and calculate our carbon emissions based on pre-existing resolutions and ordinances. However, it does call for us to use the form moving forward on resolutions and ordinances being considered by the Governing Body."

MOTION: Councilor Lindell moved, seconded by Councilor Trujillo, to approve this request.

DISCUSSION: Councilor Maestas said we had a big discussion about this thing really ballooning, and we can already see the impacts to limited staff resources, so let's watch that. We need to self-police ourselves and make sure this doesn't get out of control.

Chair Dominguez said that might be an issue on Item #25 that's coming up.

VOTE: The motion was approved unanimously on a voice vote.

24. REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING GUIDELINES AND REGULATIONS FOR THE ACCEPTANCE OF MEMORIAL DONATIONS FOR PLACEMENT IN CITY-OWNED PARKS, OPEN SPACES AND TRAILS (COUNCILOR DIMAS). (ROBERT CARTER) Committee Review: Public Works Committee (scheduled) 06/08/15; Parks and Recreation Advisory Commission (scheduled) 06/16/15; and City Council (scheduled) 06/24/15. Fiscal Impact – No.

Councilor Lindell said she would like to amend the Resolution to provide that "plaques to be fixed or put in parks are to be approved and I think we should have a maximum size of what could be used, and perhaps it's already at the discretion of the Parks Director, but I didn't read about the size of any plaques." She said she has seen some in City places that seemed pretty big.

Mr. Carter said part of the design is that "we must approve the wording that is going on there as well as the size of the plaques, yes. Actually, right now we're working with a couple celebrating their 50th wedding anniversary, and their children who live in Colorado, are purchasing a Colorado flagstone bench for them, and we've asked them to send us the wording so we can make sure it's not too wordy, and

it's very small to fit on the bench." He agrees that we don't want to have an elaborate memorial. It just needs to say the information we want and go that way.

Councilor Lindell said she would encourage him to keep the plaques extremely small and not a paragraph which is not appropriate.

Mr. Carter said, "You are on the same wave length, you and I."

MOTION: Councilor Lindell moved, seconded by Councilor Rivera, to approve this request.

DISCUSSION: Chair Dominguez noted Councilor Dimas is the main sponsor, and asked if there is any particular reason this policy is coming forward.

Mr. Carter said, "The staff asked for it is his understanding. This was before I got here. A draft was put together by POSAC and Richard Thompson, with the idea that there really wasn't anything in writing to direct this."

Chair Dominguez asked if people can donate cash, and Mr. Carter said yes. Chair Dominguez asked if they can earmark the cash specifically for a certain park.

Mr. Carter said, "Yes. Again, Mr. Chair we would have to approve what they were asking to put in there as well, and if there would be any kind of special request."

Ms. Brennan said, "There is a State Statute that permits donations to parks and recreation areas specifically. And so it's interesting, because this came up and I just glanced at this to make sure this is something we are authorized to do, and I did note that, and thought it would be interesting to explore further for donations straight to parks in similar areas beyond this."

Chair Dominguez said then we may be approving something you want to explore a little more in terms of cash donations.

Ms. Brennan said, "No, I think this is specifically about memorials rather than anything else, but I did note that we may want to explore the possibility of other kinds of donations for parks."

Councilor Trujillo said, "We've had this discussion of certain parks in the community, so we're still on track to look into that. Right. Okay, that's all I want to know."

Chair Dominguez asked Councilor Trujillo to expound a little more.

Councilor Trujillo said, "I've been approached by many people to donate to Parks. How can they possibly make a to improve something at a baseball field, for example. What I'm looking for is how that would be done. Would it be put into a fund that we would keep until we got the appropriate money to do something to that park. We have nothing on the books that allows us to even take that donation in. I know Kelley is exploring this right now."

Chair Dominguez said he isn't opposed to this, but if we're not careful with some of the language we are proposing, we could further demonstrate the inequities that exist in our community. He said there is a certain part of the community that already have made contributions, monetarily to some of our parks on the east and north sides of town. He doesn't think we should be turning away some of the contributions people are wanting to give to us, but he doesn't want to create more of an obvious division that exists in the community.

Councilor Dominguez noted 1.2(c) of Exhibit A, and asked what is meant by non-designated monetary memorial designations. He said 1.2(c) further proposed that, "...will be used to meet current needs of the Department, as recommended by the Parks and Recreation Department Director."

Mr. Carter said he is unsure. He said they also are working with PARC to develop a Friends of the Park program, and in that program people would be able to donate money or their time to improve a park, or to do volunteer work in a park. He said during the next year, they will be working to PARC to develop a Parks Donation Catalogue, where there will be prices of things you could donate – a playground system, a field and such – if people wanted to make those kinds of donations.

Chair Dominguez said then he can't tell him what is meant by "monetary memorial donations." He said, "This is really your policy. I just want to make sure I understand it correctly. And how does that impact the anti-donation clause."

Kelley Brennan, City Attorney, said, "This has been reviewed by Legal and it's appropriately legal, whether it's desirable to you is another question. This does seem to say non-designated monetary memorial donations will meet current needs of the Department. And I think that probably that may be something that would fall under that category of things that I was discussing that would require setting up a 501(c)(3) to receive and administer the funds, among other things, and have tax regulations apply to it."

Chair Dominguez said, then that's where the anti-donation clause could kick in, and Ms. Brennan said yes.

Mr. Carter said somebody could say they want to give \$100,000, but doesn't want to designate where it goes, but they want to give it to Parks and Recreation.

Chair Dominguez asked if these are recurring funds.

Mr. Carter said it could be an endowment of a certain amount of money goes to Parks & Recreation.

Chair Dominguez said it doesn't say operations or capital. He asked if these funds could be used to pay for somebody's salary.

Mr. Carter said, "No, we wouldn't want to do that, but maybe we need to make that adjustment in the guidelines.

Chair Dominguez said he needs to give this more thought.

Councilor Rivera said knowing there is a Friends of the Park ordinance or resolution coming forward, he wonders how this would meld with that, and perhaps it might be better to take a step back and see how the two would work together, instead of having two separate programs with two separate funding sources and ways of spending money, who will make decisions. He would like these two to work together.

Chair Dominguez asked Mr. Carter the status of the Friends of the Park effort.

Mr. Carter said they just started, noting this has been a dream of the current Chair, and it never happened until he got on board. He said they are working together to finalize it, noting several Councilors and the Mayor are all for this program.

Councilor Rivera asked Mr. Carter his opinion as to whether the two could be melded together, or are they completely separate efforts.

Mr. Carter said, "My Chair says they are separate but equal."

Chair Dominguez said then Councilor Rivera is saying instead of going through the process twice, go through it once, but for two separate programs.

Councilor Rivera said, "Or to see how they would work together."

Chair Dominguez asked if the Chair of POSAC would like to speak.

Bette Booth, POSAC Chair, said it has been in progress for a long time. She said now that we do have a new Parks & Recreation, Director, and a Parks & Recreation Commission, it would be good to go back and look at it through this lense. She said the Friends of the Park is a little different. It's about how to get people to adopt a park and do volunteer work in the park. She said they have just started a discussion on whether there might be a sponsor category – some people might want to go and work in the park, while others who want to say, "A business, I'll give you \$5,000, put my name on the plaque and you guys do the work." That needs to be discussed with Legal – should it go through Santa Fe Beautiful, or will it need to be another 501(c)(3). The memorial is supposed to be really simple. We started working on this with Fabian and Ben, and Robert coming into the end of it. The idea was to make explicit what people can donate today and here's the process, really easy for memorials. I'm not quite sure how this "non-designated monetary memorial donations" got in there.

Ms. Booth continued, "So one suggestion would be, if people are comfortable with this, except for that [wording], take that out, because the rest of it's pretty clear. We actually did have the first draft that I submitted the size of the plaque, it was teeny and how many letters could be on it. The Memorial Tree Board thought it was too detailed. The Tree Board also looked at this, because the types of donations that Fabian heard most is they wanted to give a tree and they wanted to put a plaque on it. So there was quite a bit of discussion about whether there should be plaque at all, because plaques disappear. And in one version of this, no plaques were allowed."

Chair Dominguez said he wants to make sure there is no commingling of funds, and we are explicit and clear about how the money is spent, where it sits and who makes the decisions. He said the lack of clarity has to be the situation we're in with our bonds. He said, "I don't think there will be \$30 million in donations, but every donation is important to the City and the people making donations regardless of the amount, and we need to make sure we have the appropriate systems in place to be sure it is as clear as possible."

Chair Dominguez continued, saying he doesn't want to tell a donor we're going to spend the money for something, and then somebody found it cheaper elsewhere, and some of the money went to pay for water, maintenance, etc.

Councilor Maestas said Section 1.2(c) will address his concern about donations, noting if it is non-designated it has a better chance to be distributed City-wide. He said Section 1.1 indicates the scope of how the donations can be used, "Trees, shrubs, park benches, tables or similar items," and nothing else. So there should be no danger with money being paid for salaries, limited in scope. He doesn't know what a "similar item" is, but it won't be a big ramada. He said the way we market and set up the program should encourage the non-designated monetary designation to be spent City-wide.

Chair Dominguez said he has issues relating to inequity, and said we need to be as clear as possible to prevent people taking advantage of it. He said more work needs to be done and he is willing to do that before it gets to the Council if the Committee proves this.

Councilor Rivera agreed with the Chair. He asked whose responsibility it is to plant the trees and shrubs, or to replace the trees or shrubs if they die.

Mr. Carter said that is set out in the agreement, Sections 2.3 and 2.4, which provide that the City is in charge of maintaining and protecting those items. He said Section 2.4 says the permanency of a memorial is not guaranteed by the City, and permanency may be affected by natural or man made pressure beyond the City's control such as lack of water, vandalism and natural decay. He said we would then notify the donor of what happened at the donor's last known address. He said replacements will not be made at the City's expense for memorials that succumb to natural or man made pressure, unless it is in the budget and in accordance with current department policies.

Councilor Rivera said he isn't necessarily opposed to the motion.

COUNCILOR RIVERA WITHDREW HIS SECOND.

COUNCILOR TRUJILLO SECONDED THE MOTION.

Chair Dominguez noted there probably will be changes to the Resolution by the time it goes to Council.

VOTE: The motion was approved unanimously on a voice vote.

25. **REQUEST FOR APPROVAL OF A RESOLUTION AMENDING RESOLUTION NO. 2014-19 THAT AUTHORIZED THE ESTABLISHMENT OF A COMMUNITY HOSPITAL AND HEALTH CARE STUDY GROUP TO EXAMINE THE EFFECTS OF THE AFFORDABLE CARE ACT AND OTHER CHANGING CONDITIONS ON THE EFFECTIVE AND EFFICIENT DELIVERY OF HEALTH CARE SERVICES TO THE SANTA FE COMMUNITY AND THE DELIVERY OF HEALTH CARE SERVICES TO THE INDIGENT; AND CALLED ON SANTA FE COUNTY, OTHER HEALTH CARE PROVIDERS AND STAKEHOLDERS IN THE NORTHERN NEW MEXICO REGION TO JOIN THE CITY OF SANTA FE IN SUCH EFFORTS (COUNCILOR IVES). (KATE NOBLE) Committee Review: City Council (scheduled) 06/24/15. Fiscal Impact – Yes. Professional Services of \$50,000 (non-recurring). Funds not identified.**

Councilor Rivera asked if the County is interested in participating.

Reed Liming, Long Range Planning, said he believes the County is interested. He said the County Health Policy & Planning, Community Services, put together a 120 page Health Community Profile in 2013, and produced a Community Health Action Plan in 2014. He noted we have those documents.

Councilor Rivera asked if this Resolution will support what the County has done or are they separate altogether.

Mr. Liming said he doesn't know.

Councilor Rivera noted there are other health care providers that requested membership, but aren't specified the same as Christus. He thought this was to look at how the Affordable Care Act was going to affect health care in general, commenting that Christus isn't the only provider in the community, although it is the only hospital.

Mr. Liming agreed Christus does show up many times because it is the primary hospital. However, he has no insight as to why others aren't included.

Councilor Rivera asked if the members appointed are in line with the membership in the Resolution.

Mr. Liming said he can only assume that they are.

Councilor Rivera asked if Christus has agreed to participate.

Mr. Liming said we haven't heard that they've declined.

Councilor Rivera asked how the proposed funding of \$50,000 will be used, noting this wasn't brought up in the budget.

Mr. Liming said their Department was handed this Resolution and Ms. Noble asked him to help her to look through this, and it appears to be a very sizable task. He noted it is a 29 member study group that could function for as long as a year. He said working groups on various topics shall be determined by the Committee. He said the thinking is that money would be needed for some type of facilitation or professional facilitation. He said they have been in touch with UNM Health Sciences Center, the Medical School at UNM, and they have program for outreach and facilitation, and they have resources and knowledge to help with these kinds of issues. He said they were unsure if this expertise existed in the City.

Councilor Rivera asked if the County Commission representatives have been named.

Mr. Liming said he doesn't believe they have, saying Ms. Noble told him that might happen at the next County Commission meeting.

Chair Dominguez asked the source of the \$50,000 funding.

Mr. Liming said it is not budgeted at this point.

Mr. Rodriguez said if this moves forward, the money would come from reserves.

Chair Dominguez said so basically this is the same answer we had on other unfunded mandates.

Mr. Rodriguez said if this was a more substantial amount, he would have to tap into the contingency.

Chair Dominguez asked if the partners are contributing funds as well.

Mr. Liming said to his knowledge no one has been asked for money, noting money wasn't an issue in the original Resolution and no money was requested. It was assumed that City staff would staff this group and working groups.

Chair Dominguez said the Resolution is well intended, but he wants to know if there are duplication of efforts between the City and the County with it's Health Planning Policy Committee is doing what the Resolution asks to do.

Councilor Maestas said this is unwieldy. He said we are now talking about money that's not budgeted, and there is no real commitment from the County or Christus, noting that is 9 of the members on this Group. He thinks there is duplication. It seems to him this effort is still somewhat half baked, and now we have to deal with an unbudgeted expense.

Chair Dominguez asked if the Committee wants to postpone or deny this matter, or ask the sponsor to come and make his case for approval.

Councilor Maestas said we need an objective qualified stakeholder to speak to the objectives and if there is a pressing need for this, and the reason we're taking a lead and paying all the funds. He said we're really getting outside our realm of influence. He asked what happens to the report once done and what influence we have to ensure the findings are implemented. He said this is much broader than a CPI. He is unsure he can support it until we have a letter of commitment from Christus and the County saying they are willing to appoint representatives to this Group. He wants to make sure the City is doing its fair share to help the state of health care, but questioned whether this is the vehicle.

Chair Dominguez said it seems this is a response the Hospital had when they had issues and wanting the City to intervene. He said we have to be very careful about that, noting the scope of work is pretty general, and seems to be the responsibility of the entire community.

Councilor Maestas said perhaps we could give direction to the City Manager from the Finance Committee requesting a letter of commitment from the County and Christus that they are willing to participate in this study group as presented.

Councilor Rivera said he agrees with everything Councilor Maestas said, and would also make sure we have a dedicated funding source. He doesn't think staff has the ability to coordinate, noting this is a large group of people and we would need professional help to be sure meetings are run efficiently and smoothly.

Councilor Maestas said the real pressing issue was the contract impasse, and he doesn't want to send the wrong message to #1199 that we don't care about the working environment and the state of health care of patients based on what they told us leading to the resolution of their contract negotiations. He would like to have #1199 weigh into this as well, noting he would add formal communication from #1199 regarding their take on this effort.

Mr. Liming said he may not be privy to some communications that have occurred, if we find out we have received a letter from Local Union #1199 that it is supportive.

Chair Dominguez suggested postponing to the next meeting with direction to Mr. Rodriguez to contact the three entities, #1199, Santa Fe County and Christus, and find out if they support this effort as well as to how they anticipate participating.

MOTION: Councilor Maestas moved, seconded by Councilor Rivera, to postpone this item to the next meeting of the Committee on June 29, 2015, with direction to Mr. Rodriguez to contact the three entities, #1199, Santa Fe County and Christus, and find out if they support this effort as well as to how they anticipate participating.

FRIENDLY AMENDMENTS: Councilor Rivera asked to amend the motion to identify the funding source for this effort, including any funding from the other entities. Councilor Maestas said the caption should be corrected to say "repeal and replace," instead of "amending." **THE AMENDMENTS WERE FRIENDLY TO THE MAKER, AND THERE WERE NO OBJECTIONS BY THE OTHER MEMBERS OF THE COMMITTEE.**

DISCUSSION: Councilor Lindell said the size of the Group is way, way too big. She said she thinks it is unnecessary and if we genuinely want to see a report that address issues, nowhere near this many people are needed, and in fact are not needed. She agrees that until there is a funding source she doesn't see how we can go forward with it.

VOTE: The motion, as amended, was approved unanimously on a voice vote.

END OF CONSENT CALENDAR DISCUSSION

32. **REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 11-12.1 SFCC 1987, TO MODIFY THE FORMULA BY WHICH THE GOVERNING BODY MAY AUTHORIZE FUNDS FOR TRANSFER FROM AN ENTERPRISE FUND TO THE GENERAL FUND (COUNCILOR IVES). (OSCAR RODRIGUEZ) Committee Review: Public Utilities Committee (not approved) 06/03/15; City Council (request to publish) – approved as amended 06/10/15; and City Council (public hearing) 07/08/15. Fiscal Impact – Yes. (Revenue Sources in Operating of \$3,000,000)**

A copy of the statement for the record by Carolyn Sigstedt, entered for the record by Carolyn Sigstedt, is incorporated herewith to these minutes as Exhibit "1."

Chair Dominguez said there will be a public hearing at the Council meeting.

Mr. Rodriguez said yes, noting there was a request to publish this Ordinance at the last meeting, and there will be a public hearing when it comes back to the Council.

Chair Dominguez said for the record, this item is not advertised as a public hearing, but he will use his discretion is anyone who would like to speak to this issue, and asked for a show of hands. There was only one person wishing to speak, and he asked that person to come forth. He said, "I will utilize my discretion to allow that person 2 minutes to address this Committee on that one issue, and then, we will move on."

Carolyn Sigstedt, 703 Alto Street, read a statement into the record urging the Governing Body to make its decisions using highest practices and to give the public a voice in its decision in this matter. Please see Exhibit "1," for the text of Ms. Sigstedt's statement.

Councilor Maestas said there has been a lot of discussion and these proposed changes in the budget impacting the Water Fund which were open to the public, and all members of the Governing Body was invited. However, there is still a lack of understanding about the proposed change to our transfer - policy. He accepts the amendments as proposed with the exception of the sunset date. He would like the policy to sunset in 2016 instead of June 30, 2019. And during the intervening time the Finance Committee should take the lead in going through every single cost associated with General Fund support of the Water

Fund to justify every single transfer, and to educate the public on the nature of the operation of the Water Fund Enterprise and its impact on the General Fund. He wants to put all rumors to rest about unrelated expenses being paid from the Water Fund.

Councilor Maestas continued, saying he accepts the rationale behind the transfers. However, when he voted to approve the budget, he made very clear that approving the budget is not a mechanism to approve policy, that is done separately. He feels we still lack that separate process. He said the discussions need to address the payback loan from 2006, and the nature of the loan, and how we're near the end of that. This is a complex issue which will require time and effort to educate the public. He will move for approval with an amendment to make the proposed policy to sunset in 2016, and we use the intervening time to go through it in great detail.

Councilor Rivera said he agrees with the sunset, and asked if June 30, 2016, do it, or does it leave the door open to move some funds.

Ms. Brennan said, "I think that's really something Oscar can answer better than I. I was going to comment that we should, because the fiscal year budget depends on that, we should make sure we do not compromise the budget that has been sent for approval by sunsetting too soon. I understand the desire to have the discussions that will result in a different kind of budget for the following year, but I think you do want to be sure about that. So I think Oscar can answer that question."

Councilor Rivera asked if it would be better to include language saying it is specific to what was discussed at budget, and once that has been transferred, that's it, instead of a date.

Ms. Brennan said, "I think what was discussed in conjunction with the budget was the amount that is filling a gap, but again, I think Oscar can speak more directly to that."

Responding to Mr. Rodriguez, Councilor Rivera said the suggestion is that this Ordinance will expire on June 30, 2016, does that then open the entire for transfer of funds from water reserves to other areas.

Mr. Rodriguez said no, because there is a limit of \$4.7 million, and once transferred you can't go beyond that, unless you amend the Ordinance.

Councilor Rodriguez said the Ordinance didn't say anything about the \$4.7 million, it talked about 12% – \$1.7 million and 12% on top of that.

Mr. Rodriguez said no, it would replace the \$1.7 million to just 12%, which is about \$4.7 million next year. He said to be precise if you decide at mid-year to amend the Ordinance to increase it to 15%, and you could decide to change the sunset. He said the Council has absolute authority about what they want to do with the ordinance. The ordinance, as currently structured, the limit is 12%, and once transferred that is all, unless you amend the Ordinance.

Councilor Rivera said then that's exactly what we need to balance the budget.

Mr. Rodriguez said more is needed to balance the budget, noting next year this time, you will be dealing with an \$11 million deficit. We cleaned up the deficit in the General Fund, and all funds including the fund that lent them the \$19.6 million. The \$4.7 million was so we wouldn't make the deficit greater, and the deficit stayed about the same.

Councilor Rivera said then the 12% will basically keep us afloat, and Mr. Rodriguez said yes.

Ms. Brennan said, "If I could just add one thing to that. And this speaks to your authority. No Council can bind a future Council. Conditions change, circumstances change, and sometimes Ordinances that people hoped would be engraved in stone are no longer as solid as they were. I think it's important to keep that in mind. And the other thing I wanted to make sure is on the record is that there are statutory protections for the fund, so that we can't invade an enterprise fund in a way that would put the fund or the obligations the City had incurred on behalf of that fund in jeopardy. And those are embodied in statute, but any income in excess of that amount may be transferred to the General Fund of the municipality and expended as the Governing Body of the municipality directs, by statute."

Mr. Rodriguez said under the policy as structured, we can't make this transfer until the utility has paid all of its cost, met all of its obligations and generated an excess of expenditures of those obligations of 45 days of reserves. The standard you're being asked to approve here is well above the State mandated minimum reserves.

Councilor Rivera asked, regarding the Bateman Act, since we're having an election in March, if this were extended through June, if we are in jeopardy of violating the Bateman Act.

Ms. Brennan said, "The Bateman Act only requires that you have within a fiscal year the funds sufficient to meet the obligations you are incurring in that fiscal year. So to the extent you are allocating or making sure you have sufficient funds at that stage, a certain amount of those funds are projected. As you know, you need to amend the Ordinance to access these particular funds. We need for the GRTs to come in, we need Property Tax increments to come in, those as long as we're operating within the fiscal year, which is why I said I think it's important to make sure we don't sunset it before we've taken care the fiscal year requirements."

Councilor Lindell said, with the sunset of this next June, we still have an ordinance allowing transfer of \$1.7 million passed in 2011.

Mr. Brennan said, "It was passed in 2011. I think what this Ordinance will do will replace the \$1.7 million figure with the 12%. So, if that sunsets that would, I want to take particular care to review the language of the proposed amendment again to make sure it does it properly. If it sunsets, it would mean that only the rest of the Ordinance would remain, and the rest of the Ordinance allows for basically reimbursements of costs that the General Fund incurs on behalf of the enterprise. So it is a more constricted standard."

Councilor Lindell asked for clarity of what that is.

Mr. Rodriguez said the current Ordinance allows the Governing Body to transfer up to \$1.7 million. So, depending on the language of the sunset, if the amendment to the existing Ordinance is to raise the \$1.7 to 12%, which next year is about \$4.7 million. If the amendment sunsets on June 30th, it will sunset back to the limit of \$1.7 million in place.

Councilor Lindell said there is nothing wrong with taking a moment to get this right. She asked, once this sunsets, do we still have the \$1.7 million existing.

Ms. Brennan said, "I have to look at the actual language. It is my impression that the 12% replaced the \$1.7 million and once it has gone by Ordinance, it does not get resuscitated unless the Ordinance you're adopting specifically says so."

Mr. Rodriguez said if it were to sunset to zero, the \$1.7 million totally went away, the impact would be greater than \$4.7 and would be in the neighborhood of \$6 million.

Ms. Brennan said, "The language strikes the \$1.7 million, I'm looking on your packet page 3 on this matter, line 2, it strikes \$1.7 million, substitutes in place thereof the 12% of available cash, etc. So that deletes from the Ordinance entirely the \$1.7 million. And the proposed amendment on page 5 of your packet, on page 2, line 14, insert the following new Paragraph F, 'The transfer of funds from an enterprise fund to the General Fund pursuant to Subsection C of this section shall expire on June 30, 2019.' So that simply removes the transfer provision entirely, leaving you at zero with the present wording."

Councilor Lindell said she wanted clarity. She doesn't think people are clear that we have been taking \$1.7 million out since 2011, annually.

Mr. Rodriguez said, "No. The last few years the City hasn't taken that amount." He said the most that has been taken are the 19 positions which are still to be determined to be utility costs, and the most would be about \$900,000.

Chair Dominguez said we've taken funds from reserves to balance the budget.

Mr. Rodriguez said the existing Ordinance was done after that, and since it has been in place the most transferred is \$900,000. He said the Council accelerated the payback of the \$19.6 million, and it has been set at about \$2 million a year, and this year you authorized almost double payment to liquidate what was there.

Councilor Lindell she doesn't think anyone is doing this lightly or with enthusiasm, and we all know it isn't a sustainable practice thus the sunset, noting we are facing sizeable shortfalls of \$11 million. The discussions in the future are identifying essential services and areas where we can be more efficient, places to increase revenue as well as services we're willing to cut. This also means no expansion without a proposal of contraction which won't be easy, popular, but it will be necessary. She said to find an immediate \$4.8 million in cuts in the immediate future isn't something we could come to agreement about. She said we have a huge amount of work to get this done in a way everyone can live with in the coming year.

Chair Dominguez said there isn't much more to add, and he agrees this is not a stable way to operate, commenting the Finance Director has said that many times. He said we have a policy, some parameters that it sunsets, it gets through this budget and presents a balance budget to the public. He said, in terms of process, Councilor Maestas is correct that the public does not completely grasp the dilemma we are in. It isn't about just this particular issue, and in his opinion we need to do priority based budget, and that isn't going to be a public process in one hearing at City Council. It will take a process that will require dedication by this Finance Committee. He thanked the Finance Committee for the work done to date, but the work is going to get much more complicated.

Chair Dominguez continued, saying he doesn't think simple across the board cuts are equitable, and sets the organization up for failure in jeopardizing the integrity of the organization. This means the public process will be about more than this policy, and about the tough decisions Councilor Lindell discussed, whether we make cuts, find revenue or a combination of both. He said tightening our belt and finding efficiencies will help, but the reality is that won't get us to \$11 million. He has been through the process before, noting he was on the Council when the nation's and world's financial crisis hit. He said they cut \$7 to \$11 million at that time, noting we are \$7 to \$11 million leaner than we were back then and we're going to have to become even leaner. He said this policy kicks the can down the road, but we are at the end of the road after this year which is the bottom line.

Chair Dominguez continued, saying this gap in the General Fund is not anything new and has existed for many, many years, and this Committee recognized that over a number of months. He said this gap has been articulated to members of the Governing Body, even those who may be in opposition to this particular policy. At that time, there were no suggestions or requests to do either revenue enhancements or budget cuts to get us to a balanced budget. The idea that we just do budget hearings doesn't sit well with him, especially after the work done by the Committee and staff to get to a balanced budget. We are going to have to make some serious decisions after this year, but that won't happen over the course of one public hearing. He said he would propose we have to engage in a very significant public process to establish those priorities. He has a feeling the public may not be happy with their options, but we're going to have to make some of those tough decisions.

Councilor Maestas said regarding Payment In Lieu of Taxes [PIT], he accepts the basis of the 12%, PIT, there is no mention of that in the ordinance. He doesn't want to use the idea of PIT only in this instance, or to use it conveniently to justify this transfer. He thinks it is a legitimate transfer, but we need to be sure 12% is appropriate. The PIT should address the overall element of a franchise, but here it is based on net revenues. He said the pilot concept doesn't seem to apply to a changing amount in talking about net revenue. He thinks this should be on the agenda as we move forward into the next fiscal year, commenting he wants to make it very clear that he does not intend to use the PIT as a justification for the 12% transfer. He thinks this should be part of our policy and will give us a lot of credibility moving forward as a new way of doing business and is a common practice across the country. He hopes we can address whether 12% is appropriate before June 30, 2016.

Councilor Rivera commended staff for the most transparent way of presenting a budget since he came on the Council, and brought to light things nobody likes to hear – we're not in the best financial situation. And though we don't like to make the tough decisions, at least we're aware of them, and is

unsure it has been that way in the past. We are on solid footing, we know where we are, and we need to cinch our belts and get down to the tough work of living within our means.

Councilor Trujillo said he remembers the first few years after the economy tanked. He said we had discussions about imposing the property tax and people didn't want that. He said he found the \$9.7 million in water and asked Mayor Coss what it was, and he said that is a surplus. He said it's unfortunate we have to "rob Peter to pay Paul." He would have "rather done it that way, and rather do it this way, than laying people off, raising taxes or cutting services." He said it isn't an easy decision as Councilor Lindell say. He said he is grateful we do have these funds right now and we're not laying people off, cutting services, or raising taxes which he doesn't want to see. He said we will have that discussion in the future, but in the meantime we had to make this decision to move the City forward and "I am fine with it right now."

Chair Dominguez said, regarding to Councilor Maestas's discussion on PIT, because he thinks he is spot on." He said the fact this sunsets help to address that a little, absent of a clear policy on how we are going to move forward. He said when we discuss taxes – property taxes or gross receipts taxes – this action is much more progressive than the other two options. He doesn't think this is sustainable, but without raising taxes, this is a more progressive way to do that. He wants to discuss PIT now only with this issue, but across the "whole enterprise fund world."

MOTION: Councilor Maestas moved, seconded by Councilor Rivera, to approve the Ordinance, including all the proposed amends from staff and the sponsor Councilor Ives, with one change that the expiration be amended from June 30, 2019, to June 30, 2016.

DISCUSSION: Ms. Brennan said, "If this is being sunsetted, I think in Paragraph D, the word 'non-routine' at the time it sunsets should be deleted – page 3 of the packet, line 8, D, '*The City may also charge the enterprise fund for duly-incurred costs of non-routine services attributable to operation and maintenance of the enterprise or enterprise fund.*' This non-routine language was put in on the premise that the 12% would pick up the costs that were being billed for, essentially. And my example is in Legal, Marcos Martinez, the Water Attorney is funded by the Water Division. If the 12% is in effect, he would be paid from the General Fund, and only non-routine, for instance if we had to hire an outside counsel in a litigation matter would be separately reimbursable. So once you remove the 12%, you want to go back to being able to reimburse."

Chair Dominguez said, "Yes, but that's a discussion we need to have past this in the creation of any policy. For all we know, the Governing Body may want to reduce the \$1.7 million to whatever. I think what you said in terms of our discretion, we need to practice that discretion after this gets approved, and we come up with a policy that may be more forward-looking, at least past this year."

Councilor Maestas said, "You're asking us to basically put back the descriptor extraordinary."

Ms. Brennan said, "No. I'm asking, if this sunsets or when it sunsets, that the words... I believe the amendment already takes out the word 'extraordinary,' leaving only the non-routing. But if and when this sunsets and the word non-routine stays in, it would not allow the Water Division to pay for services it was getting directly, for instance the Water lawyer. So you wouldn't have the \$1.7 million and we would not be able to bill the Water Division for the cost of providing services to the Water Division."

Councilor Maestas said that is the pressing part of all of this, and the Chair agreed.

Chair Dominguez said it is appropriate for staff to have that concern because want to be able to have resources in the City Attorney's Office to address water issues, but he thinks that's a policy discussion that needs to happen, commenting that "maybe one of our cuts is the City Attorney's Office. I don't know that's just part of the entire discussion we need to have."

Councilor Rivera asked, "So Kelley if we don't address your concern with D, then really Marcos doesn't get paid out of the Water Company, even though he provides service to the Water Company."

Ms. Brennan said, "Virtually all of his work is for the Water Division, and essentially, the benefit would be flowing in the opposite direction. The Water Division would be receiving services without paying in, and I want to emphasize, because it's hard that we acquired the water company, but it's not a water company anymore, it's a Water Division of the City, and its assets and revenues are the City's."

Councilor Rivera said he understands 100% what she is saying, and he has no problem with the water company paying for attorney services, he wants a way to know exactly how much is being billed to the water company for those services, and if we take that out, there's no need to keep track of that, because it's not funded out of water any more.

Ms. Brennan said, "It would increase the deficit of the General Fund and benefit water unless we just said, well if you're not paying for those services, we're not going to provide them, which wouldn't be beneficial and we wouldn't think of doing something like that."

Councilor Rivera said then your recommendation is to delete "non-routine."

Ms. Brennan said, "When it sunsets, correct. So that it would be replacing the ability for the Water Division to pay its costs."

Chair Dominguez asked Councilor Rivera if he wants the sunset just to apply to the percentage and the amount.

Ms. Brennan said, "Because we're adding the word "non-routine" in the Ordinance, we would have to take it out to put it back in that position where Water is paying for services it actually receives."

Councilor Rivera said he's trying to figure out the language, and Ms. Brennan for her assistance so he can make a friendly amendment.

FRIENDLY AMENDMENT: Councilor Rivera proposed to amend the amendment sheet on packet page 5, to add on page 3, line 9 the language, "Delete "non-routine" and add a new 3.3 "Paragraph F is effective." That would refer back to the sunset date. **THE AMENDMENT WAS FRIENDLY TO THE MAKER, AND THERE WERE NO OBJECTIONS BY THE OTHER MEMBERS OF THE COMMITTEE.**

VOTE: The motion, as amended, was approved on a voice vote, with Chair Dominguez and Councilors Lindell, Rivera, Trujillo and Maestas voting in favor of the motion and no one voting against.

33. DISCUSSION ON CAPITAL IMPROVEMENT PLAN (2015-2020) (OSCAR RODRIGUEZ)

Councilor Lindell departed the meeting during this presentation

Chair Dominguez said this will be a good exercise to lead us in the direction of multi-year budgeting of Capital Improvements Plan, based on principles identified by the Governing Body, as well as measurements.

Oscar Rodriguez presented the information in the document, *Capital Improvement Plan 2015-2020, Rationale, Process and Guidelines*. Please see this document for specifics of this presentation.

The Committee commented and asked questions as follows:

- Chair Dominguez said this discussion is really important, because when we talk about priority based budgeting, this is an example of what that looks like.
- Chair Dominguez said you want the Committee to set timelines and guidelines. There are operations being paid from CIP such as the Library the GCCC. He asked if we should be concerned about as we contemplate the timelines and guidelines.

Mr. Rodriguez said sure.

- Chair Dominguez said, speaking just of timelines, if the Committee decides this year that we don't want operations to be paid from CIP, that doesn't impact our approved budget.

Mr. Rodriguez said it would.

- Chair Dominguez said this really is an introduction and we're not going to get into some of the criteria right now, and this is just an introduction. He said he thinks one of the criteria should be that the CIP program is purely CIP and not operational.

Mr. Rodriguez said the Drainage Fund has been discussed and the entire amount goes to operations for drainage-related issues, but it is not CIP.

- Chair Dominguez said as we start thinking about minimum level of service, he wants to be sure he understands. He said the discussion about operations being paid from CIP is one thing. But when we start saying something like all sidewalks in the City are ADA compliant, there are rules governing this that are outside the purview of the City. He is trying to understand how broadly or narrowly we should be looking. For example, all establish crosswalk shall be painted with minimum or maximum level striping. He said he is having trouble understanding at what level you want us to look at this.

Mr. Rodriguez said he would recommend you establish a minimum service level for all services that the City provides, so you could say the projects of the highest priority within that sector are those that meet the minimum levels, or those areas that are in the greatest levels. He said all of our public spaces have to be ADA compliant by law. However, the law doesn't say you can't spend your capital money or anything else but achieving compliance in all public spaces. He said with this you're trying to go past the minimum level of requirements by law and establish a means by which you can compare the needs and choose. At the end of the day you'll have a long list of very important needs in each sector with people advocating for each one of those. If there's not some mechanism where these come to you prioritized in a format that allows comparison, it will be very hard for you to make choices in short order.

- Chair Dominguez asked how this conflicts with the Assets Management Program we're embarking on fairly soon which could change our priorities.

Mr. Rodriguez said hopefully not, noting the proposed process is for the Public Works Committee to do its work, and out of the process comes a list of priorities that's what you want for all of the sectors – to go through the same planning process.

- Councilor Maestas said he approves the concept, but believes we should separate out the enterprise CIP's from non-enterprise CIP's. His concern is the General Fund funded capital improvements. He doesn't know if we should intermingle enterprise CIP with non-enterprise CIP.
- Councilor Maestas continued, saying, you can't commingle non-enterprise with enterprise fund in a mixed CIP which is where he was going with this. He agrees with this, but believes we need more discussions on the minimum service levels. He would like the departments to come up with the recommended service levels. He said hopefully we have existing policies that will complement, but could conflict or needs to be considered.
- Councilor Maestas asked the vision for funding.
- Mr. Rodriguez said he would recommend that we have one CIP, and revenues coming from one sector should stay in that sector as much as possible in the fund. However, we have fairly cross-pledged revenue sources – GRT and enterprise and in some cases the revenue cross-pledge within the different enterprises. There could be reasons in doing a CIP to put a lot of this together for leverage. He said in the future you may want to create enterprises such as a drainage utility. He said the picture will change over time.

Mr. Rodriguez said with regard to minimum service levels, these are just obvious examples and in no way is he recommending them to you.

- Councilor Maestas asked how much is in the CIP Fund right now. He said we have transferred \$2 million from the Water Division to the CIP as part of the repayment and asked where that went, noting we will be transferring another \$1 million for a total of \$3 million from the Water Division to some CIP account.

Mr. Rodriguez said we've been talking in general terms about the lending of funds from the general side to the Water Division in 2009, \$19.6 million. It wasn't the General Fund itself, but it was the Capital Outlay GRT, also known as Fund 3201 which pays for the Library and such. When the Water Division paid back it went into that fund and to the ending balance. The Council appropriated those funds over the years to keep operations going. This was done to the point that next year you will be in a deficit. He said you are in an operating deficit right now and next year you'll be in an outright cash deficit. He said, "From now on if I say CIP, what I intend with that is the plan, Capital Improvement Plan and nothing else."

- Chair Dominguez said as we move forward in documentation we receive that that definition is made clear so we understand that.
- Councilor Trujillo said we have no criteria for roads, so how do we pick and choose which road. He asked Councilor Maestas for help on this because of his engineering background. He thinks it would be wise to investigate that. He said if we're going to set priorities, such as sidewalks, we have said we have laws in place requiring ADA compliance. He said the sidewalks are not in compliance throughout his District and haven't been for years, noting the roads were built in the 1960's and they still not in compliance. He said we don't follow through on our own Ordinances. He wants to treat the City fairly whatever District has the most critical needs which need to take priority.

Mr. Rodriguez said the State should be able to provide a rating report of all road surfaces. He said, for example, it could be a nice gravel road and still be fair.

34. MONTHLY FINANCIAL REPORT AS OF MARCH 31, 2015. (OSCAR RODRIGUEZ)

Chair Dominguez said it's not necessary to go over the Monthly Financial Report, noting it is available to us, and asked if there are questions.

Mr. Rodriguez said nothing has changed, the expenditures are about 5% below budget, and revenues are about 1% below. One of the Departments that gave back \$300,000 was the Police Department, noting that was about 25% of the overtime budget. This is a significant accomplishment, and not easy to do.

Mr. Rodriguez said this will be the last Financial Report for this year, and the next report will be about how the year closed, and will test our ability to predict.

35. OTHER FINANCIAL INFORMATION

There was no other financial information.

36 MATTERS FROM THE COMMITTEE

A copy of *Bills and Resolutions Scheduled for introduction by members of the Governing Body* at the Finance Committee meeting of June 15, 2015, is incorporated herewith to these minutes as Exhibit "2."

Chair Dominguez introduced the following legislation on behalf of Councilor Ives:

1. An Ordinance amending Section 9-2 SFCC 1987 Campaign Code; editing several definitions; adding a definition for "coordinated expenditure;" and prohibiting interference with campaign material of another candidate. A copy of the Ordinance is incorporated herewith to these minutes as Exhibit "3."

2. An Ordinance amending the Public Campaign Finance Code, Section 9-3 SFCC 1987, to modify the definitions of "contribution" and "expenditure;" delete the definition of "Qualifying Contribution" and create a definition for "Coordinated Expenditure" and "Qualified Small Contribution;" to modify the requirements to qualify as a participating candidate; to delete provisions related to "Seed Money Contributions" and "Qualifying Contributions;" to establish provisions for Qualified Small Contributions; to modify provisions related to "Reports of Expenditure" to expand reporting requirements; to add provisions for "additional reporting of Qualified Small Contributions and Additional Matching Payments from Fund;" and to make such other changes as are necessary to clarify the provisions of the Public Campaign Finance Code. A copy of the Ordinance is incorporated herewith to these minutes as Exhibit "4."

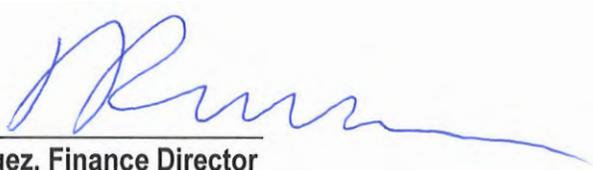
Councilor Rivera introduced the following legislation on behalf of Mayor Gonzales: An Ordinance authorizing the sale of 2,263 square feet of real property located adjacent to 830 El Caminito Street and described as "area of gain" as shown and delineated on a Plat of Survey entitled, "Lot Line Adjustment Workmap of property located at 830 El Caminito," prepared by Paul A. Armijo, N.M.P.S. No 13604, dated October 2, 2014, lying and being situate within the Santa Fe Grant, projected Section 30, T1, 7N, R9E, N.M.P.M., in the City and County of Santa Fe, New Mexico. A copy of the Ordinance is incorporated herewith to these minutes as Exhibit "5"

37. ADJOURN

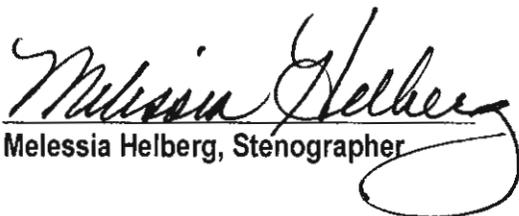
There was no further business to come before the Committee, and the meeting was adjourned at approximately 8:30 p.m.

Carmichael A. Dominguez, Chair

Reviewed by:



**Oscar S. Rodriguez, Finance Director
Department of Finance**



Melessia Helberg, Stenographer

**SUMMARY OF ACTION
FINANCE COMMITTEE MEETING
Monday, June 29, 2015**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved	1
APPROVAL OF CONSENT AGENDA	Approved [amended]	2
CONSENT AGENDA LISTING		2-3
APPROVAL OF MINUTES: SPECIAL FINANCE COMMITTEE – MAY 18, 2015	Approved	3
<u>INFORMATION ITEM</u>		
PRESENTATION OF CIP PROJECT #611B – 2015 AIRPORT TERMINAL IMPROVEMENTS SCHEMATIC PLANS	Information/discussion	4-8
<u>CONSENT CALENDAR DISCUSSION</u>		
REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – WEBSITE DESIGN AND CONTENT MANAGEMENT SYSTEM (CSM) SERVICES FOR TOURISM SANTA FE; STUDIO X	Approved	8
REQUEST FOR APPROVAL OF A RESOLUTION AUTHORIZING STAFF TO COLLABORATE WITH THE SANTA FE FARMERS MARKET TO STAGE A PLAZA FARMERS MARKET ON SUNDAY, SEPTEMBER 27, 2015	Approved [amended]	8-11

ITEM

ACTION

PAGE

REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING THE PUBLIC CAMPAIGN FINANCE CODE, SECTION 9-3 SFCC 1987, TO MODIFY THE DEFINITIONS OF "CONTRIBUTION" AND "EXPENDITURE;" DELETE THE DEFINITION OF "QUALIFYING CONTRIBUTION" AND CREATE A DEFINITION FOR "COORDINATED EXPENDITURE" AND "QUALIFIED SMALL CONTRIBUTION;" TO MODIFY THE REQUIREMENTS TO QUALIFY AS A PARTICIPATING CANDIDATE; TO DELETE PROVISIONS RELATED TO "SEED MONEY CONTRIBUTIONS" AND "QUALIFYING CONTRIBUTIONS;" TO ESTABLISH PROVISIONS FOR QUALIFIED SMALL CONTRIBUTIONS; TO MODIFY PROVISIONS RELATED TO "REPORTS OF EXPENDITURE" TO EXPAND REPORTING REQUIREMENTS; TO ADD PROVISIONS FOR "ADDITIONAL REPORTING OF QUALIFIED SMALL CONTRIBUTIONS AND ADDITIONAL MATCHING PAYMENTS FROM FUND;" AND TO MAKE SUCH OTHER CHANGES AS ARE NECESSARY TO CLARIFY THE PROVISIONS OF THE PUBLIC CAMPAIGN FINANCE CODE

Postponed to 07/13/15

11-25

REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING THE CAMPAIGN CODE, SECTION 9.2 SFCC 1987, TO MODIFY THE DEFINITIONS OF "CONTRIBUTION" AND "EXPENDITURE" AND CREATE A DEFINITION FOR "COORDINATED EXPENDITURE;" TO MODIFY PROVISIONS RELATED TO INDEPENDENTLY SPONSORED CAMPAIGN COMMUNICATIONS AND REPORTING; TO MODIFY PROVISIONS RELATED TO THE CONTENTS OF CAMPAIGN FINANCE STATEMENTS; AND TO MAKE SUCH OTHER CHANGES AS ARE NECESSARY TO CLARIFY THE PROVISIONS OF THE CAMPAIGN CODE

Postponed to 07/13/15

11-25

END OF CONSENT CALENDAR DISCUSSION

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
DISCUSSION ON CAPITAL IMPROVEMENT PLAN (2015-2020)	Information/discussion	25-30
OTHER FINANCIAL INFORMATION	Information/discussion	30-31
MATTERS FROM THE COMMITTEE	None	31
ADJOURN		31

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE**
Monday, June 29, 2015

1. CALL TO ORDER

A meeting of the City of Santa Fe Finance Committee was called to order by Chair Carmichael A. Dominguez, at approximately 5:00 p.m., on Monday, June 29, 2015, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Carmichael A. Dominguez, Chair
Councilor Signe I. Lindell
Councilor Joseph M. Maestas
Councilor Christopher M. Rivera

MEMBERS PRESENT

Councilor Ronald S. Trujillo

OTHERS ATTENDING:

Oscar S. Rodriguez, Director, Finance Department
Kelley Brennan, City Attorney
Teresita Garcia, Finance Department
Yolanda Green, Finance Department
Elizabeth Martin for Melessia Helberg, Stenographer.

There was a quorum of the membership in attendance for the conducting of official business.

NOTE: All items in the Committee packets for all agenda items are incorporated herewith to these minutes by reference. The original Committee packet is on file in the Finance Department.

3. APPROVAL OF AGENDA

MOTION: Councilor Maestas moved, seconded by Councilor Lindell, to approve the agenda, as presented.

VOTE: The motion was approved unanimously on a voice vote.

4. APPROVAL OF CONSENT AGENDA

MOTION: Councilor Lindell moved, seconded by Councilor Maestas, to approve the following Consent Agenda, as amended.

VOTE: The motion was approved unanimously on a voice vote.

CONSENT AGENDA

7. **REQUEST FOR APPROVAL OF GRANT AWARD FOR \$6,323 AND BUDGET ADJUSTMENT REQUEST FOR FY 15/16 – FUNDING TO SUPPORT PUBLIC PROGRAMS AT THE ARTS COMMISSION COMMUNITY GALLERY, NEW MEXICO ARTS. (JULIE BYSTROM)**
8. **REQUEST FOR APPROVAL OF GRANT AWARD – DIVISION OF SENIOR SERVICES FOSTER GRANDPARENT PROGRAM, RETIRED SENIOR VOLUNTEER PROGRAM AND SENIOR COMPANION PROGRAM FY 2015/2016; STATE OF NEW MEXICO AGING AND LONG TERM SERVICES DEPARTMENT. (MELANIE MONTOYA)**
9. *[Removed for discussion by Councilor Rivera]*
10. **REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – DEVELOPMENT AND ADMINISTRATION FOR GREEN LODGING INITIATIVE (RFP #15/20/P); SANTA FE WATERSHED ASSOCIATION. (JOHN ALEJANDRO)**
11. **REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – CONDUCT WATER SYSTEM LOSS AUDIT SERVICES FOR WATER DIVISION (RFP #15/09/P); DANILE B. STEPHENS AND ASSOCIATES, INC. (ANDREW ERDMAN)**
12. **REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – SPANISH INTERPRETIVE SERVICE TO THE MUNICIPAL COURT FOR FY 2015-2016 TO FY 2018-2019; MARIA CRISTINA LOPEZ. (CORDELIA BEGAY)**
13. **REQUEST FOR APPROVAL OF CHANGE ORDER NO. 1 AND APPROVAL OF BAR – NEW ITEMS NOT PART OF THE ORIGINAL BID AND QUANTITY OVER/UNDER RUNS IN THE AMOUNT OF \$98947.45, INCLUSIVE OF NMGRT (BAR REQUEST FOR A TOTAL OF \$48,436.14); TLC PLUMBING AND UTILITY. (JAMES MARTINEZ)**
14. **REQUEST FOR APPROVAL OF COOPERATIVE PROJECT AGREEMENT – CIP PROJECT #460D – EAST ALAMEDA PEDESTRIAN IMPROVEMENTS ALONG EAST ALAMEDA STREET FROM EL ALAMO TO MONSIGNOR PATRICK SMITH PARK; NEW MEXICO DEPARTMENT OF TRANSPORTATION. (JAMES MARTINEZ)**

15. REQUEST FOR APPROVAL OF COOPERATIVE PROJECT AGREEMENT – SANTA FE RIVER TRAIL IMPROVEMENTS, PHASE 1 – FROM CAMINO DE CHELLY/AGUA FRIA TO CAMINO DEL CAMPO FOR IMPROVEMENTS TO THE SANTA FE RIVER TRAIL; NEW MEXICO DEPARTMENT OF TRANSPORTATION. (JAMES MARTINEZ)
16. REQUEST FOR APPROVAL OF CONSTRUCTION AGREEMENT – PAVEMENT RESURFACING PROJECTS VIA CITY OF SANTA FE ON-CALL AGREEMENT 14/10/B FOR PAVING, LABOR AND MATERIALS AND STATE PRICE AGREEMENT 40-000-14-00066 WITH ALBUQUERQUE ASPHALT FOR COLD MILLING; GM EMULSION, LLC, AND ALBUQUERQUE ASPHALT. (DAVID CATANACH)
17. REQUEST FOR APPROVAL OF FY 2015-2016 NUTRITION INCENTIVE PROGRAM AGREEMENT IN THE AMOUNT OF \$151,682 AND APPROVAL OF BUDGET ADJUSTMENT INCREASE FOR FY 2015-2016, PURCHASE OF RAW FOOD SUPPLIES FOR MEAL PREPARATION FOR ELIGIBLE SENIOR CITIZENS PARTICIPATING IN MEAL PROGRAM; NORTH CENTRAL NEW MEXICO ECONOMIC DEVELOPMENT DISTRICT NON-METRO AREA AGENCY ON AGING. (RON VIALPANDO)
18. REQUEST FOR APPROVAL OF VENDOR AGREEMENT – IN THE AMOUNT OF \$788,461 AND BUDGET ADJUSTMENT – VARIOUS SERVICES FOR ELIGIBLE SENIOR CITIZENS IN AREAS OF TRANSPORTATION, NUTRITION, IN-HOME SUPPORT SERVICES, ETC., NORTH CENTRAL NEW MEXICO ECONOMIC DEVELOPMENT DISTRICT NON-METRO AREA AGENCY ON AGING. (RON VIALPANDO)
19. *[Removed for discussion by Councilor Rivera and Councilor Maestas]*
20. *[Removed for discussion by Councilor Rivera, Councilor Maestas and Councilor Lindell]*
21. *[Removed for discussion by Councilor Maestas and Councilor Lindell]*

END OF CONSENT AGENDA

5. APPROVAL OF MINUTES: SPECIAL FINANCE COMMITTEE – MAY 18, 2015

MOTION: Councilor Rivera moved, seconded by Councilor Lindell, to approve the minutes of the Special Finance Committee meeting of May 18, 2015, as presented.

VOTE: The motion was approved unanimously on a voice vote.

INFORMATION ITEM

6. PRESENTATION OF CIP PROJECT #611B – 2015 AIRPORT TERMINAL IMPROVEMENTS SCHEMATIC PLANS. (MARY MacDONALD)

Mr. Bulthuis said a CIP item was funded by the Legislature in the amount of \$890,000 two sessions ago, focused on making improvements to the Airport so operations run more smoothly. The funds were received by the City on November 7, 2014, at which time they went into design immediately, working with the contract consultant Molzen-Corbin. He said John Pate is the consulting architect and will be presenting information, and Kent Freier is the consulting engineer who has worked with the Airport for some time.

Mr. Bulthuis said the design team met on November 18, 2014, with different stakeholders at the Airport in a design charrette. He said there was an invitation to tenants, airport users and members of the public. He said they discussed absolute needs, what worked and what didn't, the dreams for the facility as well as the Airport Master Plan generally. There was good representation including TSA.

Mr. Bulthuis said on March 5, 2015, the input was crafted into the initial schematic plan which varies somewhat from what you see today, and it was presented to the Airport Advisory Board. The Program Schedule was done at that point. The Board asked that we go back to a second round of involvement with the stakeholders, so individual meetings were set up rather than a design charrette which was held in November 2015. He said additional meetings were held on April 23 and 24, 2015, with Hertz, Airport maintenance, Avis, Budget, Envoy which is a ground handling organization serving both American Eagle and United, maintenance staff, Roadrunner Shuttle, the FBO's and the tenant operating the airport and others. These stakeholders were able to provide refined comment based on the schematic design at that stage.

Mr. Bulthuis continued saying, following those meetings, a revised version of the schematic which you have today was brought to the Airport Advisory for its review, consideration and comment. At its May 14, 2015 meeting, the Board voted to recommend moving forward with the schematic – unanimously with one abstention. Comments were provided at the meeting and via email which were considered in the Board's recommended to the Committee.

Mr. Bulthuis said on May 19, 2015, there was a presentation of the Plan to the Santa Fe Chamber of Commerce where there was a question and answer session and feedback and more dialogue.

Mr. Bulthuis said we are at the point where we are presenting this information to let you know where we are in the process, and to get further guidance you may have before getting into the final design stage. He introduced John Pate, Consultant. Mr. Bulthuis said after Mr. Pate's presentation, he will talk about the next steps in the process.

John Pate presented information on the Terminal Building Improvements, which is in the Committee packet. Please see this document for specifics of this presentation.

The committee commented and asked questions as follows:

- Chair Dominguez said he saw this presentation at Public Works.
- Councilor Lindell asked Mr. Pate to indicate what part is the addition and what part is existing.

Mr. Pate pointed out the potential additions and proposed expansions on the enlarged drawing.

- Councilor Lindell said it is important to keep the very nice style we have. A lot of visitors walk into the airport and it is really very nice. She doesn't want to walk into a building that looks like a couple of double wide put together. The integrity and style of the building is extremely important.

Mr. Pate said they agree completely and respect the character and history of the building, and they are not planning on making it look different. He said if the expansion happens, they would use the same materials, same flooring and sense of style. They designed the ticket counters so that they could be expandable and there won't be much done in this phase of the renovation. He said, "I appreciate the comment and I promise."

- Councilor Maestas said we are in the throes of updating our master plan and a sense of urgency to spend earmarked money. He asked if we could compromise the ultimate buildout of the terminal by urgently trying to spend \$800,000, and asked how this ties into the ultimate building, the 20 year horizon of the master plan. How does this integrate or complement the 20-year buildout of the terminal.

Mr. Bulthuis said an important point to emphasize is that everything we're talking about today is an emergency fix to solve problems that allow the passenger experience to be improved most immediately. It certainly won't solve all of the issues we have as we are growing commercial service. He said this schematic and improvements won't solve all the problems, so it is Phase 1 of a bigger capital improvement project that needs to happen. He said in all instances they tried to have the improvements made here be as long lasting as they can be. For example, the area of the new arrival gate, probably won't be the arrival gate once phase 2 is completed, because we would like to see expanded car rental space, ground transportation counter space, automated baggage claim area. This will continue to be a gravity feed system based on budget constraints, but that separation is important. The congestion issue right now makes it difficult for passengers, and this will address that problem. In Phases 2 and 3 we would like to have that function happen in a different location.

- Councilor Maestas asked if these improvements will be in place for 5 years.

Mr. Bulthuis said his guess is that they will be, just based on the fact that will need to raise another \$7 million, in addition to the currently budgeted \$1 million. The improvements in Phase 2 will be several million dollars. He said once these improvements are made, they will look to raising those funds.

- Councilor Maestas asked if it is an 80/20 match.

Mr. Bulthuis there is a matching amount of \$200,000 which we were able to get from the State Aviation Division, but he's unsure of the match ratios for this project, but he knows they are covered under the existing budget.

- Councilor Maestas asked if the Aviation match is 95/5, from Federal Airport Improvement Funds.

Mr. Bulthuis said that is true on the airfield side for construction to runways and such, that is the match ratio in place. On the non-airfield side, it is slightly different. The feds aren't funding the terminal improvements, and they are looking to State allocations and Aviation Division funds.

- Councilor Maestas said we are getting the alternatives at the end, and asked the reason we didn't get alternatives at the outset. He said there was a charrette and everyone migrated toward one alternative. He said you are accustomed to choosing from an array of viable alternatives. He said there are some people who don't fully support this who served on the Airport Advisory Board, and is puzzled as to why we didn't consider alternatives at the outset.

Mr. Bulthuis said alternatives were considered, noting they have been in this dialogue for about 8 months in reaching out to the public and the stakeholders and considering ideas for how the limited budget could be spent. He said in terms of the bid alternatives the Architect was talking about, these are somewhat new in the drawing. He said, "They're telling me, Jon you can't everything that you say you need right now, but we can structure the bid in such a way that if you find the extra money, those things can be added. But in my opinion, we really need all of the things that are in this schematic, even though we are structuring it with some alternatives because we don't have the budget in place today."

- Councilor Maestas said so the alternates will require additional funding, and would be enhancements to the current plan.

Mr. Pate said since we haven't done design in earnest, we haven't done detailed cost estimates yet, just an order of magnitude estimate. And based on that, the alternates are in addition to the funding in place today. He said that doesn't mean that couldn't change. However, there is a couple of things that influence that. For one, they are doing quite a bit of plumbing work in an old building, so we are unsure what we will be against to do that, and additionally, modifying old buildings, particularly when we use materials to this level of quality is expensive. He said, "The alternates are beyond the budget at this point in time."

- Councilor Maestas said if you look at the area of construction, trying to stage construction while keeping the terminal in full operation will be a challenge. He asked if that has been thought through, is it feasible to do this.

Mr. Pate said they think it is feasible. He said they went through that the last time the Airport was renovated. He said being able to get arriving passengers and baggage handling for the out of the mix allows us to open space for TSA screening. He said until construction is finished, TSA won't be able to screen more than one plane at a time, and there is still going to be "pandemonium in the lobby, there's no doubt in my mind." He said it is feasible and possible.

- Councilor Maestas said this is an historic building, and asked if we have to go through SHPO. He asked if there will be significant changes to the exterior design we should know about. It would be good to see what changes to the exterior are planned.

Mr. Bulthuis said at this point we are at the schematic design level, but we will be coming back with further briefings as those things come into clear focus. If we have money we can do air locks. He said the exit on the south side is two doors, and it is open and zero degree air is blowing right through the terminal where people are checking in. He said those improvements would have some exterior changes to the current footprint of building, but most would not. It is just those two entrance areas. It would be enclosing the space where the portals currently exist, and some leasable space for airline operations and more passenger comfort space across from the counter, if we can afford to bring the external portal inside. He said, "We definitely will be coming back to share that. We are in consultation with SHPO, so all those things are happening. But, by and large as Mr. Pate said, the majority of the changes will be within the existing footprint of the building."

- Councilor Maestas said we all agree the Airport is a significant asset to the City, and one of our top CIP priorities, and to see this kind of investment is encouraging. He said \$1 million is a lot of money and he would like to see these improvements in place at least 5 years before we go in and implement Phase 2. He said perhaps the design of Phase 2 should try to retain these proposed improvements as best as possible, without totally scuttling them. He thanked staff for the update.

- Chair Dominguez asked the timeline.

Mr. Bulthuis said if we stay on track with the current project schedule, we will be going out for bids in September, and hopefully get notice to proceed in December. He said some of the renovations can occur even during our busy holiday month on the reconstruction of what is the administration part of the building. The full construction in the terminal wouldn't take place until after the holidays when the traffic decreases to the slowest time of the year. He said they are looking to April 2015 as the goal for taking occupancy of the complete project.

- Chair Dominguez said then you don't want a final approval from the Committee or the Governing Body on the final design.

Mr. Bulthuis said that has not been asked of him to date, but that certainly can be done. He said we definitely will be in communication with the Governing Body on the status of the project.

- Chair Dominguez then we probably won't see you again until the contract is awarded.

Mr. Bulthuis said he would expect to come back with another informational item close to the wrap-up of the final design drawings.

- Chair Dominguez thanked Mr. Bulthuis for the information and update.

CONSENT CALENDAR DISCUSSION

9. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – WEBSITE DESIGN AND CONTENT MANAGEMENT SYSTEM (CSM) SERVICES FOR TOURISM SANTA FE; STUDIO X. (RANDY RANDALL)

Councilor Rivera said his question is more for Robert Rodarte than for Randy Randall. He said it is his understanding is the contract was basically renegotiated from \$130,000 to \$140,000, with the \$60,000 now being incorporated into the \$140,000, in essence saving money which is good. He asked if it is okay to renegotiated how the contract is structured in an amendment.

Mr. Rodarte this is basically a renewal, second year. He said in this case, they are asking for an additional year, but they are making a monetary change to \$140,000, which means the terms and conditions won't be the same, so that's an amendment which is perfectly legal. He said in this case there has to be an amendment to renew the second year and increase the compensation to an additional \$10,000. He said there is no escalation clause in the contract for the second year, so it has to be an amendment.

MOTION: Councilor Rivera moved, seconded by Councilor Lindell, to approve this request.

VOTE: The motion was approved unanimously on a voice vote.

19. REQUEST FOR APPROVAL OF A RESOLUTION AUTHORIZING STAFF TO COLLABORATE WITH THE SANTA FE FARMERS MARKET TO STAGE A PLAZA FARMERS MARKET ON SUNDAY, SEPTEMBER 27, 2015 (MAYOR GONZALES AND COUNCILOR LINDELL). (DEBRA GARCIA) Committee Review: Public Works Committee (approved) 06/22/15; and City Council (scheduled) 07/08/15. Fiscal Impact – Yes. (\$1,972 for personnel, fringe and other costs)

Chair Dominguez said this was pulled by Councilor Maestas, noting he [Chair] has a proposed amendment.

Councilor Maestas said he has been getting feedback from the merchants, and they are aware of the Ordinance prohibiting additional events, and this will set a precedent. He isn't opposed to the idea, and asked the advantage of bringing this to the Plaza, noting the Railyard is not very far away, and part of the design was for the Farmer's Market. He said parking is plentiful at the Railyard.

Ms. Garcia said she believes the advantages the sponsors saw were the cultural and historic ties of the Plaza as the center of trading and the capacity to bring the community together at harvest time when there is abundant produce and to have that community celebration. She has talked with a few of the merchants, including the Downtown Merchants Association, and tried to explain that this is not a major commercial event which will shut down the Plaza and City streets, and require tents and port-a-potties and generators. This is from 7:00 a.m. to 1:00 p.m. on a Sunday morning. Additional streets will not be shut down, nor will there be tent rental companies with trucks. There was concern about the impact on the landscape, commenting the farmers are sensitive to issues of trees and grass. She said she is aware of the precedent setting concern, but this is not a major commercial event. It is a small event that is being requested through the Ordinance that allows this body to recommend an additional event. She said it can't happen again without going through this same process.

Councilor Maestas asked if the Farmer's Market is in support of this.

Ms. Garcia said Pablo from the Farmer's Market here, and he is very supportive of the idea of having a 5 hour community celebration at harvest time, and she has been working very closely with them.

Councilor Maestas said it seems to him the Plaza area is much smaller than the designated area at the Railyard. He asked if space is first come, first sell, or how is it to be structured. He unsure you can fit all the Farmer's Market vendors on the Plaza.

Pablo Speirn, Farmer's Market, said, "To speak to your question, Councilor Maestas, we are looking at a curated selection of our vendors, we will have some of the highest quality of each of our agricultural project categories there. So, we will handle a lot internally, but we're certainly not looking at the 100 plus vendors we have on Saturday morning at this time of year. We're thinking more in the range of 18 to 25 vendors, but still representing the full selection of what we have to offering."

Councilor Maestas said he is wondering if there might be some bad feelings with the other vendors.

Mr. Speirn said, "We have, within our organization, numerous systems for ranking folks and seeing who is offering a quality product. For a lot of our vendors, Sunday is the one day not to work. And so there will be a lot of vendors saying I'm already coming Saturday, I'm coming Tuesday morning and Tuesday afternoon on the south side, and I don't need to do a fourth market. So, I don't really envision that being a problem for our membership population."

Councilor Maestas said the setup for farmers is a little more involved, and asked if pre-7:00 a.m. will be the prep time to set up, or will it be set up on Saturday evening.

Mr. Speirn said they will set up the morning before, noting this is the way it is done at the Farmer's Market, and nothing will be in place on Saturday night that will disrupt commerce.

Councilor Maestas said his concern initially was parking, but this is a smaller event. He asked if we're doing anything special about parking.

Ms. Garcia said, "At Public Works we got direction to remind people about the transit connections that exist, particularly from the south side, so that will be part of any marketing campaign, our social media and sorts of messaging that go out – use the transit system. Obviously, it's a Sunday so all the parking meters are free and our parking garages can be use, but there are no plans to do waiving or fees or anything for this event. In reality, we envision a lot of people coming after church or on their way to other things on the Plaza."

Councilor Maestas asked if there are any conflicts with any existing events at the end of September.

Ms. Garcia said there is nothing, and this was one of the very few dates this summer that was available, and they did not identify any conflicts in the area.

Councilor Maestas asked if we have we done any specific outreach to merchants around the plaza, or consulted with the Merchants Association.

Ms. Garcia said, "In some ways, I think this is a little backward, because the Resolution actually directs the Farmer's Market to undertake that outreach after the resolution is passed. But obviously, in response to comments that you've gotten and other Councilors have gotten from constituents, as I did say, I did say I talked to Elizabeth, the President of the Association and said we would happy to come down, along with Pablo Lopez to talk to them. And then we also need to reach out to the pushcart vendors immediately on the Plaza, which I think is almost complete."

Councilor Rivera asked about the 3 amounts in the FIR.

Ms. Garcia said Barbara prepared this estimate. It is her understanding this has to do with her time as the Special Events Coordinator, permits, and time for Parks employees to clean up trash, to fix the yard, all the work that happens around an event of this size. She said Barbara is estimating 4 Parks employees and 4 hours of her time, so it's Parks related.

Councilor Rivera asked out of whose budget will this small amount be paid.

Ms. Garcia said she understands it will come out of the existing budget for managing events on the Plaza, like any other event.

Councilor Rivera asked if that is under Parks, and Ms. Garcia said that is her understanding.

Councilor Rivera asked the fringe costs for employees and all other operating costs.

Ms. Garcia said Barbara put it together, noting she has experience doing events on the Plaza. She assumes it is the employee time and fringe benefits, and various miscellaneous items the Parks employees need to maintain the space.

MOTION: Councilor Lindell moved, seconded by Councilor Maestas, to approve this request.

DISCUSSION: Chair Dominguez asked Ms. Garcia to expand on her remarks about transportation and the promotional plan for that.

Ms. Garcia since the Farmer's Market and the City promote this event, they will use website posting, social media, radio interviews and any kind of email that goes out to encourage people living on the south side to use public transportation to get to the Plaza.

FRIENDLY AMENDMENT: Chair Dominguez said he would like to amend the motion to include language directing staff that specific direction. He would like to articulate that to some of our constituents who do not have access to fresh fruit and vegetables. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND, AND THERE WERE NO OBJECTIONS BY THE OTHER MEMBERS OF THE COMMITTEE.**

VOTE: The motion, as amended, was approved unanimously on a voice vote.

20. **REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING THE PUBLIC CAMPAIGN FINANCE CODE, SECTION 9-3 SFCC 1987, TO MODIFY THE DEFINITIONS OF "CONTRIBUTION" AND "EXPENDITURE;" DELETE THE DEFINITION OF "QUALIFYING CONTRIBUTION" AND CREATE A DEFINITION FOR "COORDINATED EXPENDITURE" AND "QUALIFIED SMALL CONTRIBUTION;" TO MODIFY THE REQUIREMENTS TO QUALIFY AS A PARTICIPATING CANDIDATE; TO DELETE PROVISIONS RELATED TO "SEED MONEY CONTRIBUTIONS" AND "QUALIFYING CONTRIBUTIONS;" TO ESTABLISH PROVISIONS FOR QUALIFIED SMALL CONTRIBUTIONS; TO MODIFY PROVISIONS RELATED TO "REPORTS OF EXPENDITURE" TO EXPAND REPORTING REQUIREMENTS; TO ADD PROVISIONS FOR "ADDITIONAL REPORTING OF QUALIFIED SMALL CONTRIBUTIONS AND ADDITIONAL MATCHING PAYMENTS FROM FUND;" AND TO MAKE SUCH OTHER CHANGES AS ARE NECESSARY TO CLARIFY THE PROVISIONS OF THE PUBLIC CAMPAIGN FINANCE CODE (COUNCILOR IVES). (ZACHARY SHANDLER) Committee Review: City Council (request to publish) (approved) 06/24/15; and City Council (public hearing) 07/29/15. Fiscal Impact – Yes. (If adopted, the City Clerk may have to review the additional workload and determine whether temporary workers need to be hired)**

Items 20 and 21 were combined for purposes of presentation and discussion

A proposed Amendment to Item #21, submitted by Councilor Signe I. Lindell, is incorporated herewith to these minutes as Exhibit "1."

A proposed Amendment to Item #21, submitted by Councilor Peter N. Ives, is incorporated herewith to these minutes as Exhibit "2."

A copy of ECRB Submittal to Finance Committee: June 29, 2015, regarding Items #20 and #21, submitted for the record by Ruth Kovnat, Member, Ethics and Campaign Review Board, is incorporated herewith to these minutes as Exhibit "3."

It was the consensus among the Committee to hear Items #20 and #21 together.

Mr. Shandler reviewed the information in the Committee packet. Please see the Committee packet for specifics of this presentation.

Mr. Shandler said currently to run for office there are qualifying contributions and seed money to get your name out which is capped at \$100. He said there is a form to submit for each person contributing \$5. He said you also may have to submit a Qualifying Contribution Report form. He said the Seed Money Contribution form is for everyone who gave up to \$100. There is also a Seed Money Expenditure Report on how the money was spent. Mr. Shandler used the overhead to provide examples of the forms, noting this the current *status quo* system.

Mr. Shandler said under this proposal brought forward by Councilor Ives and the ECRB, we get rid of the seed money and qualifying contribution distinction and they are merged to become a Qualifying Small Contribution. He said you can raise as much as you want up to \$100, throughout the election cycle.

Chair Dominguez asked where they can find this in the packet.

Mr. Shandler said it begins on page 5 of Bill 2015-27, to the top of page 7.

Councilor Lindell said she believes her pages are not numbered the same as his.

Chair Dominguez said he thinks it is on pages 8 and 9 of the packet.

Mr. Shandler he is now on the same page as the Committee, at the bottom of packet page 8 and top of page 9.

Mr. Shandler said on packet page 9, Paragraph N, Qualifying Period is included in the bill, but there is an amendment Councilor Ives striking paragraph N (Exhibit "2"). He said you should also have a letter from ECRB Member Ruth Kovnat talking about that paragraph (Exhibit "3"). He said the qualifying period is when you get those forms filled out, 183 days before the election and up to 106 days before the election is where you get the \$5 contributions. He said the proposal will allow you to get these small contributions which could be larger than \$5 throughout the election cycle, but at 106 days you have to pause in turn in the forms to Yolanda Vigil, City Clerk, to get qualified. You can continue to raise up to \$100 from people throughout the election cycle.

Mr. Shandler said Councilor Ives wants to strike the 106 days before it's referenced elsewhere in the bill. He also refers to 130 days before the election. So this is kind of the unofficial kickoff to the election cycle. That's when you would start to get the qualifying contributions. However, the existing bill does not have a start date for raising seed money. So right now, you could start with the seed money.

Councilor Lindell said then we don't have seed money anymore.

Mr. Shandler said "Right. So I just thought I would tinker with the reasons Councilor Ives thinks both the end is [inaudible] somewhere else and the 183 days is now unnecessary, because we are going to a seed money approach where when you kick-in the start date, you can start raising money at any point in the election cycle."

Councilor Lindell asked Mr. Shandler to define election cycle.

Mr. Shandler said this is a question they have been researching. He said it appears that in the current code, for privately funded candidates and publicly funded candidates, at the end of the election you have to zero out your campaign fund, so you would have to give donations or give it back to the City. He thinks that is the end of the election cycle, and the new one starts right after the election, so it is a two-year period.

Councilor Lindell said it could be a 4 year period.

Mr. Shandler said one could make that argument. He said you can make another argument that says all candidates, so that is an interesting point that we have not figured out at the staff level. However, under the new proposal, either 2 or 3 years in advance, you could start raising money.

Chair Dominguez said so they could start raising money next month, or after this approved, to run for Mayor.

Mr. Shandler said they could start that next cycle, arguably. Some people say they might have to wait until March 2016, but then they would have a 2 year window to get these \$100 contributions.

Mr. Shandler said the bill changes the language to make sure that it is all in accord with this combined system.

Mr. Shandler said on packet page 19, Section 10 of the Bill, there is a change to 9.2.12, beginning on line 3. He said this is the 4th major change, a matching provision, noting on line 8 it provides, "*..on the sixty-second day preceding the election and the fifteenth day before the election,*" a publicly funded candidate who is raising these small contributions can come into the City Clerk's Office and request a match of the money they have received. It is a four-to-one match, and there is a hard cap that you can't receive more than 200% of your initial grant.

Mr. Shandler said, for example, you've raised about \$1,500, so on the 62nd day before the election so you can request the 4 to 1 match to the \$1,500 he has raised, and they can receive that and keep raising money and 15 days before the election you could submit another similar type form and get another 4 to 1 match. However, you can never receive more than \$30,000 in a supplemental amount. "So you get your \$15,000 initially, and it would be capped at \$30,000 on total matches, so the most you get from public funds would be \$45,000 as a City Council candidate.

Councilor Lindell said she has a number of questions that go all the way through the bill, and asked if Mr. Shandler would like to finish his presentation first.

Chair Dominguez asked Mr. Shandler to complete his presentation, and then we will open for questions.

Mr. Shandler said he will go back to the two major items. He said on packet page 5, Coordinated expenditures. He said Councilor Ives brought in national known expert from New York that tracks these things throughout the country to find the best model from Pennsylvania, Delaware, New Jersey and other cities as well. He said this is the question of a third party group and are they really secretly in cahoots with a publicly funded candidate. He said they have tried to find a definition of Coordinated Expenditure. The reason it is significant, is if you are a publicly funded candidate you can't be in cahoots, and that's why it's important you can't do it. And so they wrote this definition based on their national research and they went so far as to explain examples. It is clearly the candidates and these third party groups, and they talk about substantial discussion and doing things at the suggestion of the candidate or their agent. They talk about people hopping back and forth from the campaign of the third party group. They talk about the candidate raising money for the third party group within a certain time period. So they provided those examples. And they talk about something that came up in the last election about shared services and shared locations. And if a third party and a candidate are sharing locations or vendors, they have to provide a written firewall proving there is no cahoots going on between the parties.

Mr. Shandler continued saying, they also provided examples of what is not coordination, commenting he is on packet page 7. So, if your group is interviewing someone, or endorsing someone to make a speech, that is not impermissible activity. So they have tried to provide a definition of when these two groups shall not meet, and provided examples of what is permissible and what is impermissible, and to put that into the Code so it is clear to all parties.

Mr. Shandler said the second major point is in other the other bill under tab 21, on packet page 21, dealing with third party groups, covering their communication and reporting. He said currently if you spend more than \$250 there are requirements, but this broadens the activity to be more inclusive, and it expands the language to talk about if your expenditure is with the approval of the [inaudible] and defeat of a candidate, you are the subject to this. If I just in my [inaudible] refer to Councilor Rivera as being soft on crime, just that referring to him 60 days before the election will also trigger if I spend more than \$250 to do some reporting. He said the bill also requires a third party group to explain who is behind it, the actual people, which is on packet page 11. It requires you to say the name of the president or the chief executive or equivalent so there is a greater sense of transparency. There is also a media exemption, so *The Santa Fe New Mexican* does not have to worry about that they are considered a third party if they do a favorable editorial or an endorsement.

Mr. Shandler said the final point is that... let's say I set up a cause, Foundation for Free French Fries, and I want to give money to Councilor Maestas, so it's pretty hard for *The New Mexican* to track that down, because they don't say who I am. But let's say I get my money from another group called The Catsup Society and they got their money from the Mustard Society. The group thought a lot about how to track all that money upstream so we really know who is giving that money to Councilor Maestas, named as Mr. Shandler. But that would be an infinite number of sales. So if the group decided there was a third party, noting he is looking at packet page 11, line 11, if I'm giving money from upstream, then on my material I'm going to have to put a disclaimer saying this campaign material is supported in part by

donations from and organization that is not required to disclose its contributors to the Santa Fe City Clerk. And while you have to say who I am, but most people don't, but if I'm going to put out campaign material I have to put that proviso, so the voters know that some money is coming from upstream. Mr. Shandler said these are the four major points and he will now stop for questions.

The Committee asked questions and commented as follows:

- Chair Dominguez thanked Mr. Shandler, the committees and all the individuals who have taken time to work on this, because it's not easy do. He is sure there was lots of debate, and he is sure there will be a lot of discussion and debate tonight as well. He said it seems we are in search of the perfect process and/or system, but we are not there obviously. He said he has lots of questions, but he is going to open it to the Committee. He said, "My questions pertain to how you define some of these things, like how you define a leadership position. I don't know if there is enough definition for some of that stuff in here."
- Councilor Maestas said with regard to the matching provisions, noting in the PRC race that element of the State Public Finance Act was level struck down. He asked since we are home rule, does that mean can we implement our own match provision in public financing, or does that case have nothing to do with this.

Mr. Shandler said, "That case has everything to do with this. In Santa Fe, it is my understanding that they used to have the matching provision based on the behavior of my opponent. If my opponent raised a lot of money, then I would kick in for a match. As cited, the Courts have struck that down, so you can't do a match based on someone else's behavior. But it appears permissible, and the group has researched this thoroughly, that if you do a self liberating match, for lack of a better word, that doesn't depend on what your opponent is doing, then that type of match is permissible. An earned match, yes."

- Councilor Maestas said it seems that the Committee kind of combined the seed money with qualifying contributions. And I think that does simplify it, but when you defined it on packet page 9 at the top an earned match. Also it seems that the committee combined seed money with qualified constrictions. When you defined it on page 9 at top you defined it as '... not to exceed \$100.' But when it was mentioned on packet page 11, under Eligibility as a Participating Candidate, you said 'no less than \$5." He asked the reason he put the maximum when he defined it, he put the minimum elsewhere.

Mr. Shandler thanked him for bringing that to his attention. He said, "And so under this system, let's say I'm running for Council and I want to pursue this, I will still need to get 150 qualified small contributions of not less than \$5 or greater than \$100, from Santa Fe electors. So you still need to find that sweet spot of Santa Fe electors, but now the range is wider. It used to be just 150 Santa Fe electors at \$5. Now it is \$5 dollars to \$100 dollars, so those are various types of people that sign up. But, I'm not prohibited from getting all sorts of other people to give me up to \$100, or \$5 or \$25. Aces won't count for my qualifiers, I think that's the term we're trying to focus on. I will need 150 qualifiers but I can get plenty of other contributors."

- Councilor Maestas said then you are saying we can accept qualified small contributions from non-qualified electors, and they need not reside in the City, because that was the case for the seed money in the current Code.

Mr. Shandler, "You are correct. Both things you said are correct."

- Councilor Maestas said but now it's wide open as long as we meet the minimum of these types of qualified small contributions, we can continue fund-raising from non-qualified electors who resides outside our Council District, if I'm a City Council Candidate, or even outside the City.

Mr. Shandler said, "That's right. So, my parents live in your District, so they could be your qualifiers, but my brother lives in New York. He can be a contributor but he's not a qualifier. You keep me right on track."

- Councilor Maestas asked if the matching provision applies only to the funds raised from qualified electors or is it just a total in aggregate.

Mr. Shandler said, "In aggregate."

- Councilor Maestas asked to discuss what constitutes coordination with outside entities. He is glad Mr. Shandler listed what does not qualify as coordination. He said these third party organizations or PACs, can still obtain information from the candidate's website and use it potentially verbatim in their materials. But to him that would seem innocent if they just got the information and the platform, and maybe regurgitated it and put it in their own materials. He asked if that is a violation of coordination. He said he is unsure the restriction on coordination takes into account the availability of information though the candidate's campaign.

Mr. Shandler said, "That is a hotly contested point. It's called the McConnell Rule. And initially there was some language in there that did prohibit that activity, but it not in the draft now. Let's say I'm an innocent candidate and someone goes to my website and they take the material and I don't know about. So there are some on the Committee that could figure out language that would absolve me as the innocent candidate from being punished if someone took the material and used it. We tried for a variety of different iterations of the language, but we couldn't quite make that work. But if it is still a concern of yours, we have a couple different language changes we could offer to you."

- Councilor Maestas said we are involving vendors and you're asking for a firewall. If a PAC and the candidate use the same vendor, and the vendor has to have this written firewall prior to any expenditure, does the burden of proof of the firewall fall on the candidate, or do we involve the vendor. He asked about the enforceability of this provision as it involves vendors.

Mr. Shandler said, "There was also substantial discussion on that point, in that the ECRB group is committed to do education and outreach. I don't think they have made a final decision as staff as whether there should be a pre-prepared form that is given out to every education session that

helps explain the vendor firewall policy, that they discussed them. I think that Not a decision if there will be a prepared form explaining vendor firewall policy. I think it probably would be prudent for a candidate to take the lead on that type of project to make sure their vendors have that documentation. That, I think is the idea of the education process, whether there should be a model form or just some type of education."

- Councilor Maestas said it could be part of the required documentation by the candidate, if that coincidence happens.
- Councilor Maestas said, regarding reporting, Section 9-3.14 on packet pages 20 and 21, it seems like there is a hard stop on reporting. He said in the current Finance Code, the regular Code as it pertains to reporting, there is a lag factored in the final Campaign Finance Report which is due two weeks after the election. He said we know there is a lag, and if you make the expenditure and you don't get the product, do you have to report it, or is there some consideration for a lag in the delivery of the service or product. There was a hard stop on the seed money or qualifying contributions, and asked if there was discussion about considering some kind of lag, instead of a hard stop.

Mr. Shandler said, "I believe we talked about that in detail. I know internally we have discussed that, and I'm pointing to the City Clerk behind me. And you don't have that in your packet now because we're not even sure the direction of today's meeting. But that might be something we can work on some language in advance of the final vote."

- Councilor Maestas said he would like some consideration to be given to the lag in the delivery of products and services, if that report is to be totally inclusive of a certain category of funding. In this case, it's the separate account from qualified small contributions. He said, "You know where I'm going on this, so I guess that would kind of be my input and my advice on reporting."

Mr. Shandler said, "I think that under the proposed system, we get rid of the hard stop on seed money, and so it may be less of an issue under the proposal."

- Councilor Maestas said with enforceability, this is going to be on the honor system. There will need to be a lot of public education. He asked if there still will be candidate self-certification – each candidate has to sign. He believes the Treasurer has to sign as well. He asked if this will continue under the new legislation, and Mr. Shandler said yes.
- Councilor Maestas said the last issue is unused campaign materials, and asked if that was discussed. He thinks there should be some parameters where we don't have to mess with a book of stamps or envelopes left over, noting he had to turn in both. He said perhaps staff could provide recommendations about how best to treat unused campaign materials. He isn't talking about signs, but there are office supplies, clipboards and such. He said there should be some minimum amount where these don't have to be turned in. He asked staff to take that under advisement and address how best to do this.

Mr. Shandler said he will do so.

- Councilor Maestas thanked the Committee and staff, noting it is a lot of work, commenting it seems you did consider a lot of the lessons learned from the last election cycle.
- Councilor Lindell asked what happens with a group that doesn't come in and file at all, and they carry on campaign activities.

Mr. Shandler said, "Somebody would have to file a written complaint. I think if they made expenditures over \$250, they are within the jurisdiction of the ECRB and subject to their penalties."

- Councilor Lindell she is unsure of what those penalties are. She said if a group raises money, but doesn't file and participate in the election, and someone files a complaint on them and they say so what.

Mr. Shandler said, "Enforcement is under chapter 6. The ECRB has supreme authority and fining authority, so I think that's how those cases would be resolved."

- Councilor Lindell, referring to packet page 5, line 21, where it says, "*The cost of an event held in honor of or on behalf of a candidate when the total cost of the event amounts to no more than \$200.*" She asked what happens if we hold an event and it costs \$1,000, but 5 people pay \$200 apiece."

Mr. Shandler said, "I believe the City Attorney's Office probably should issue a memo about this. It is \$200 composite. People can't chip in \$200 and get a \$1,000 event."

- Councilor Lindell asked if this would be one of those things where someone would have to file a complaint against whatever group of people put on the event.

Mr. Shandler said, "Correct."

- Councilor Lindell asked if they would have to be subpoenaed if they didn't feel like filing or coming in, and Mr. Shandler said this is correct.
- Councilor Lindell asked the timeframe on something like this.

Mr. Shandler said, "I don't know if there is a specific timeframe. The way I'll answer your question is the ECRB wanted to get the Code changes, which the Council controls, during the summer, and then they have their own regulations to deal with enforcement. In the Fall they are going to meet and I will add that to the list of enforcement issues in terms of the public timing of these complaints."

- Councilor Lindell said she is saying is that this is a very tough thing. She said she knows the Committee spent a lot of time on it. She said we are dealing with a lot of intangible things. We want people to do the right thing, and it's very hard to put this together to make them do the right thing if they are inclined not to do the right thing. She said this is the chosen path for some people.
- Councilor Lindell said she is troubled with the part about physical space, and allowing physical space sharing. It seems as if we're going to clean this up, that such things as sharing physical space lends itself to think logically that you have some kind of coordination. She said, "These are just comments. I'm not asking you to defend any of this Zach."
- Councilor Lindell said on packet page 7, line 24, it provides, "... has invited the candidate to make an appearance before the groups members..." She said it doesn't strike her as right that some group doesn't have coordination with a candidate if they have a hall they've rented or owned, and a candidate comes in and speaks to 500 or 1,000 people. She said that doesn't seem very independent, and to her it feels like some coordination.
- Councilor Lindell said on packet page 9, she has stricken lines 4-7, the definition of Qualified Small Contribution, and asked if this is correct, and Mr. Shandler said yes.
- Councilor Lindell said on packet page 11, line 11, candidates running, 150 qualified contributions of no less than \$5. She is not sure why \$5. Why not \$1, why not \$10. She doesn't know the where or why of that. She is not sure how we came up with the \$150, although she thinks it is a fair number after we have redistricted.
- Councilor Lindell said she is unsure about the language at the bottom of packet page 11, line 23. She asked what happens when you start out and you are committed to doing public financing of your campaign, but part way through you decide you don't want to do public financing any more – how do you get out of it.

Mr. Shandler asked, "Is this going to happen before December 9, 2015, the qualifying day, the use of the hypothetical."

- Councilor Lindell said, "Let's do before and let's do after."

Mr. Shandler said, "I would think before, you don't have to do anything further. You haven't provided any notice to the City Clerk, so there is nothing to revoke in that status, so you just start collecting other \$100 amounts. I think afterwards, there is a provision in there that says you can keep the money you raised so far and go on as a privately funded candidate."

- Councilor Lindell asked him to repeat that, and Mr. Shandler asked to come back to that so his team can find an exact citation.
- Councilor Lindell asked how much money is in the campaign fund right now.

Mr. Shandler said, "That is in the FIR that is provided, which is on packet page 25. The current balance in the Public Campaign Finance Funds at the end of fiscal year 2015, which is now, is \$493,000. The other distribution from the General Fund is \$150,000, and it's distributed to the fund on a proportional quarterly basis, at \$37,500 per quarter. This means the balance of the funds at the end of this calendar year should be \$568,000."

- Councilor Lindell, referring to packet page 12, asked if money can be electronically donated.

Mr. Shandler said, "I think the intent of this sentence is to allow the ECRB to set up a regulation to explain how the PayPal text system would put things in an electronic signature. They would begin to probably write that regulation."

- Councilor Lindell asked if that a yes.

Mr. Shandler said, "The ECRB I believe, would be given the power to clarify that issue. I believe the City Attorney's Office issued a memo last year on that topic, which was not as modern as some computer people are. I will get that memo for you in just a second, but I think that language was drafted to allow the ECRB to write a rule that would modernize that process."

- Councilor Lindell said this is something she would like to have clarification on.

- Councilor Lindell, referring to packet page 15, Certification as a Participating Candidate, said that is 3 months prior to the election, which in her opinion is too late. If you're running for election and you are a serious candidate, you need to be able to make real expenditures prior to 90 days before the election. This is her opinion, and she believes others who have run for office would tell you the same thing, that there are problems with that. She said up to that point, you can't make any expenditures.

Mr. Shandler said, "You can make limited expenditures for Council, I think \$1,500 is the cap."

- Councilor Lindell said she thinks that is extremely late to be able to make expenditures. She said the other part of that is the matching funds are at two distribution times – 62 days prior to the election and 15 days prior to the election.
- Councilor Lindell continued, saying if you are a very serious candidate, running for office is a tremendous, huge amount of work, and all of the candidates she knows are very serious about running for office. She said to undertake a campaign, and not know what your budget is going to be is a very very risky thing to do. She said, for example, on the 62nd day people come in and some have raised the maximum amount of money and others have not, and the funds are disbursed and the fund is absolutely drained and there is a zero balance. She asked what happens when a candidate gets a lot of \$100 contributions between the 62nd day and the 15th day, and someone wants matching funds, but the fund has been drained.

Mr. Shandler said the candidates could raise funds but could not get matching funds.

- Councilor Lindell said some people may or may not be able to raise money quickly. She questioned whether the City could afford a four-times match under the current budget, commenting that the amount we contribute annually to this fund just won't generate that much money.
- Councilor Lindell said she saw an amendment for receipts for expenditures.
- Councilor Rivera said most all of the questions he had have been asked and answered. He asked if any consideration was given to separating the process for electing the Mayor and the City Councilors.

Mr. Shandler asked if he is saying to have one system for the mayor and a different one for the City Council.

- Councilor Rivera said yes.

Mr. Shandler said no consideration was given to changing that process.

- Councilor Rivera said this takes what was once a level playing field which now is more in favor of the more wealthy person or the person who knows wealthier people. He said, "To me, this is not where we want to take this." He said we are seeing a lot more changes trying to address the mayoral part of it, and he thinks we are taking the fairness out of the Council part of it. He said these aren't questions, just comments.

Mr. Shandler said one of the options would be to split effective dates. He said staff may be able to brainstorm on different types of options.

- Councilor Rivera said the fairness issue is his biggest concern. He was somewhat surprised during his campaign with some literature being put out without anyone knowing who it was from, without anybody registered with the Clerk's Office as being affiliated with anybody. He said even though he was affected by that, he still thinks the process was pretty good overall.
- Councilor Rivera continued, saying he is very concerned about the fund, as is Councilor Lindell, and especially for the next mayoral election when the Mayor becomes a paid position. He said there might be more people running, and he is concerned as to whether we will have the funds to do this. He said these are just comments for us to think about, and asked if we really want to take the fairness out of the Council races. He said initially, the seed money was capped at \$1,500, and then the contributions to qualify for the \$15,000, and that was all you could do. You couldn't earn any more, and you had what you had and that was it, and everybody was on a level playing field. He thinks this removes the level playing field, allowing potentially popular people, wealthier people to gain a very distinct advantage, and he is unsure if this is where we want to go.

- Chair Dominguez thanked everyone for their work on this. He said, "I often wonder if we don't allow paranoia to kind of take over in some of our political process. And I tend to think that sometimes some of that is creeping into some of this as well, because we can dice it and slice it in so many ways. But I think, as Councilor Lindell said, you are going to find people who are not going to be honest and will do whatever they are going to do and find a way to work around the law. And when we try to cast too wide of a net or get to that perfect solution I think we sometimes find trouble."
- Chair Dominguez said one of the things he wants to follow up on, is in terms of empowerment and engagement for people, commenting this does not help, especially in some of the more impoverished parts of the community.
- Chair Dominguez continued, "And I want to get in the political process or a political campaign, and I look at this, it's scary. I'm going to want to do something and it's against the law, and it's an innocent maneuver. He said you get a small group of people who are just trying to get involved in the political process and support a candidate, they have to jump through all these hoops. And they have to understand what it means to potentially be indicted, and just all this stuff that comes with this kind of law, it does not, in his opinion, speak to engagement and empowerment, especially for folks who are not as affluent as those who have worked on campaigns and in this environment for many many many years. Especially if you are a candidate who has good intentions but you're not politically motivated, or haven't been involved in the political process for a long time, this could look scary. This could look like, man I'm afraid to do anything, because the one thing that I might do would be wrong."
- Chair Dominguez continued, "I guess what I'm trying to say is if there is a way to simplify this, it would be helpful, especially if this is being written out of paranoia."
- Chair Dominguez continued saying one of the things he wanted to talk specifically about is on packet pages 6 and 7, Coordinated Expenditures. He said there is a whole list of examples. He said he doesn't know if he would want to put in examples, because that opens the door for a number of things. For example, someone who could come in and say how do you identify a leadership position. He said Section d provides, "*If the individual or entity has employed, has in a leadership position or has accepted a donation of the campaign related professional services...*" He asked how to define leadership position in talking about coordinated expenditures. He understands the intent and likes that we are trying to define coordination between groups, but doesn't know if that is the right avenue to take to give examples.
- Chair Dominguez continued, saying, regarding a firewall system, "If I hire a cousin of mine or a friend of mine who does something on a website, they may not have the ability to identify or recognize what it means to have a firewall system in place to prohibit them from working for my opponent. Maybe I don't mind them working for my opponent. What I'm saying is we may have organizations not sophisticated enough to identify and understand what a firewall system is. That's something I think that needs work."

- Councilor Dominguez continued, "Again, we're under this idea that everyone who is involved every aspect of political work and campaigns understand some of these not so well intended things that have happened that have led to this."
- Councilor Dominguez said, "The last thing, to bring this to some kind of closure, is I have a concern with the finances as well, especially if we are in the dire straits that we are in financially. First of all, I don't know why anyone would want to run for political to run for office, so I don't know if I'm going to get 15 or 20 people to break the bank. But we have to be fair for everyone and make sure there are systems in place for that to happen. I guess I would just be a little bit concerned about the finances and making sure that we have things in place for that."
- Chair Dominguez continued, "And I guess the last thing is, public financing in my opinion, favors incumbents, because the incumbents have the name identification and don't necessarily need the kind of money who people who aren't incumbents need. And it forces people to focus more on the grass roots thing which is good. But in the very beginning, it's not fair for some of the people who don't have that name ID. I'm not going to say that I've always been against publicly financed campaign, so I did participate this last time. I think the intent is good. I think it's a good thing, but we have to be very careful and very deliberate about exactly what it is we're doing, and we shouldn't be trying to anticipate all the other things that could come across."
- Chair Dominguez continued, "And with that. Great job. It's definitely a lot of work I know. And I think we're going to have to get somewhere soon."
- Councilor Maestas said he wants to focus on the match provision. He likes the streamlining overall of what's been done, but really thinks the match provision really swings the pendulum in the opposite direction, and accelerates the privatization of public finance. Any candidate wants to know their budget at the outset of the campaign and plan the campaign around the budget. If there is uncertainty in terms of how well they campaign, he doesn't think any candidate wants to run their campaign that way. It turns into a fundraising race, and loses the focus of the grassroots campaign. He likes the concept, but suggests we scale back the matching provisions and take one bite of the apple at a time, reducing the match to two to one. He said if we leave it up to the 15th day they keep fund-raising and then dump the money. He thinks the match provision is swinging too far to the other side. He believes we need to scale this back and use it as a pilot.
- Chair Dominguez asked if any of the people involved in writing this legislation, have ever managed a campaign or run for office.

Mr. Shandler said he believes Tara Luján has.

- Chair Dominguez asked if Ms. Luján is the only one, and Mr. Shandler yes.
- Chair Dominguez let's try to give some direction.

- Councilor Lindell said she doesn't want to reject this legislation and would like to send this back to the Committee. She said 3 members of the Committee are here today and heard our comments. She doesn't want to out and out reject this, but to postpone it and have it come back to us in a different form. She would like to postpone Items #21 and #22 and have them come back to us in a different form. She said it seems if we voted now, we would not approve this legislation.
- Councilor Maestas agreed saying it would be great if staff would make some recommendations. He said the legislation needs significant changes before are ready to adopt the bills.
- Chair Dominguez asked the timing on the legislation.

Mr. Shandler said it can be postponed to the next meeting and we can bring back a scaled down version.

- Councilor Rivera agrees with Councilor Lindell in that he would hate to throw this out completely. He said it is important to get this right.
- Chair Dominguez asked if there would be an opportunity to separate the processes between the Mayoral race and the Council races.
- Councilor Rivera asked in the first publicly financed election how many publicly financed candidates turned money back at the end.

Ms. Vigil said she doesn't recall, but she can get that information for the Committee at the next meeting.

- Councilor Rivera said he turned back several thousand dollars, and to have an additional \$45,000 seems to be too much.
- Councilor Maestas agrees with Councilor Lindell, and believes we should take action on some version that is acceptable. He appreciate the Committee's efforts, commenting this took quite a bit. His only concern is that when we come back the changes won't be material. He said we advertised for the public hearing under this caption. He hopes that we would not significantly gut or remove sections altogether for public hearing. He thinks we should keep it within the scope of the caption and the advertising to make sure we don't have to readvertise and further delay the process. He would like to see this go forward.

MOTION: Councilor Maestas moved, seconded by Councilor Lindell, to postpone Items #20 and #21 to the next meeting of the Committee, and that our feedback be taken into consideration by staff in coordination with the Committee, and propose amendments consistent with that, and come back to us with a new version.

DISCUSSION: Chair Dominguez said if it's not ready to move forward, we shouldn't feel pressured to get it in force by the next election.

VOTE: The motion was approved unanimously on a voice vote.

Ms. Vigil said, in response to Councilor Rivera's question, regarding what monies came back for the 2014 election – Mayoral candidate \$2,500, and a number of Council candidates that returned some money one of which was close to \$1,000

- 21. **REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING THE CAMPAIGN CODE, SECTION 9.2 SFCC 1987, TO MODIFY THE DEFINITIONS OF "CONTRIBUTION" AND EXPENDITURE" AND CREATE A DEFINITION FOR "COORDINATED EXPENDITURE;" TO MODIFY PROVISIONS RELATED TO INDEPENDENTLY SPONSORED CAMPAIGN COMMUNICATIONS AND REPORTING; TO MODIFY PROVISIONS RELATED TO THE CONTENTS OF CAMPAIGN FINANCE STATEMENTS; AND TO MAKE SUCH OTHER CHANGES AS ARE NECESSARY TO CLARIFY THE PROVISIONS OF THE CAMPAIGN CODE (COUNCILOR IVES). (ZACHARY SHANDLER) Committee Review: City Council (request to publish) (approved) 06/24/15; and City Council (public hearing) 07/29/15. Fiscal Impact – No.**

Items #20 and #21 were combined for purposes of presentation and discussion

This item was postponed to the next meeting of the Committee. See action on Item #20 above.

END OF CONSENT CALENDAR DISCUSSION

- 22. **DISCUSSION ON CAPITAL IMPROVEMENT PLAN (2015-2020) (OSCAR RODRIGUEZ)**

Oscar Rodriguez said this is the second time we have talked about this. A the last meeting we talked about structure where the Finance Committee that sets a basic format the timelines for the departments to work with the respective oversight committees to do service level. And then apply that, and come back with prioritized list of proposed capital improvements which then comes back to this Committee, and you approve it or pass it to the Council as you would a budget – the projects for the next 5 years, and the resources that are available. He said he would like to continue that discussion.

Oscar Rodriguez, Finance Director and Kate Noble, Acting Director, Community Services, reviewed the information that is in the Committee packet. Please see this information for specifics of this presentation.

The Committee commented and asked questions as follows:

- Councilor Maestas said he likes the consistency with the General Plan, but he would like to see us meld the existing infrastructure funding gaps with the general plan. We have an infinite amount of funding needs, and the infrastructure systems don't have dedicated funding sources. Once we look at the real needs that carry over year after year and the gap keeps growing, that could be one of our priorities, noting it will be staff identified, staff recommended through the existing data. We definitely need to integrate the funding gap for infrastructure systems without dedicated funding.
- Councilor Maestas continued, saying there were comments at the meeting regarding the general plan, that the plan has not quite incorporated the charter amendment that speaks to neighborhood preservation and cultural preservation. He doesn't know if these can be incorporated without a full blown general plan amendment process. He said we should incorporate what is in the Charter.
- Councilor Maestas noted the City has adopted a street improvement program with a context sensitive design. He is unsure that has cascaded into other areas other than spot improvement streets. He said he has read about context sensitive solutions and he likes it and would like to see it applied on a broader scale. He said Councilor Lindell has been promoting sector plans. He wants to see us implement context sensitive in everything we do.
- Councilor Rivera said this process is designed to look at City ideas, City values, that we as a collective feel is important. He said there are so many things on the CIP list that are put there specifically so groups can lobby the legislature for funding. He asked if this would separate out the two process.

Mr. Rodriguez said it is his recommendation not to separate. He said in the last presentation, he laid out a lot of guidelines we can follow. For example, if the project comes with funding, we can consider that a priority. He said projects on the wish list for the Legislature could be dealt with the same way – it would be done only if it receives funding from the Legislature.

- Councilor Rivera, referring to the visual of the two groups coming together, asked if that would involve public input at some point.

Ms. Noble said public input is important on priorities and values, but is unsure it is something we would want to do every year. She said a number of surveys have done around priority, and it important to update that periodically – new developments and such. She said we could go through this project on a 5-year schedule, or as we have a more robust community envisioning.

Mr. Rodriguez said you don't want to have a long range planning effort every year. However, the idea is that the plan stays in front of you and you see progress on it or not as you look at, for example investments. He said it is the smart thing to do, or you risk a general plan going the way of most plans – they're done, put aside, and people go in different directions.

- Councilor Lindell said we do have a CIP committee, correct.

Mr. Rodriguez said he asked and apparently this is the Committee that decides the expenditure of impact fees.

- Councilor Lindell said some very capable people sit on that committee, and suggested that we might take a look at how this Committee would fit in the front end of this process.

Ms. Noble said that is a very nice idea, noting it is a very capable Committee represented directly by Councilors, and at this stage they look only at impact fees and do not look at our CIP bonding list of projects of our ICIP which is the State wish list.

- Councilor Lindell asked if the Code provides that is all this Committee is allowed to consider.

Ms. Noble said she isn't familiar with the Code that created the Capital Improvement Advisory Committee, but she believes that is correct.

- Councilor Lindell would like to look at that legislation and see if we can bring them into this process, noting it is a capable committee.

- Chair Dominguez this is a good point. He said the last time the general plan was updated, development was something that was happening in the community which generated a lot of revenue. A lot of improvements were mandated to be made by developers, but that kind of activity doesn't happen any more. He said, given that, one of the things he would like to see is a sense of equity in how this is implemented and how we prioritize, especially given the fact that we don't have that kind of construction anymore. He said we can't depend on a developer to subsidize some capital improvement with their project, and we need to look at that.

- Chair Dominguez continued saying, one of the things that needs to be a priority is to move operations out of CIP. He said we're going to do a 5-year plan, and doesn't know if that needs to happen in year 2 or 3, but at some point we need to move operations out of CIP.

- Councilor Dominguez continued saying, the way he looks at this is that we have these 14 themes, and CIP is the way to implement the plan. He said in looking at transportation alternatives, it's too broad. However, saying something like, promoting walkability or every sidewalk in our community will be safe, or passable. He said he is looking at these kinds of things. He asked Councilor Maestas if he talked about the needs assessment.

- Councilor Maestas said he did and believes that has to be first and foremost.

- Chair Dominguez asked Mr. Pino if we have a number of our needs right now to get us to zero.

Mr. Pino said not in a detailed way *[most of Mr. Pino's remarks here are inaudible because the microphone was not turned on]*.

Chair Dominguez said we have leaking roofs, things that are outdated, noting he's looking for a ballpark figure to use as some kind of starting point.

Mr. Pino said we are "just around the corner" from getting one of the escrow companies signed up to help us with that evaluation, noting he will be bringing that forward in the next cycle of Public Works and Finance Committees. He said they will be able to help us get a much firmer handle on where we are facility-wise with the leaking roofs, replacement costs, life-cycle costs and such things we've never had to work with before. He said once we get those priorities settled and get a good understanding of our obligations in terms of repairs and maintenance, we can go to the land structures, streets, storm drains, curbs, gutters, sidewalks, the water and sewer system and see what those are. He said generally we are pushing "hundreds of millions at that point." He reiterated that we are right around the corner from the very first phase which is the horizontal infrastructure.

Chair Dominguez said he wants to understand the process a little better. He said Mr. Pino can give us a dollar figure. He said the general plan is a huge endeavor, and can be controversial and takes a lot of time to get done. He asked Ms. Noble, "Am I hearing you correctly in saying that this CIP plan somehow should be reflective of the general plan update. Or that they're going to kind of converge, the timing is going to work."

Ms. Noble said "Our hope is that they converge over the next few years, we're looking sort of 3 years out."

Chair Dominguez said Planning is hoping that they converge.

Ms. Noble continued, "Or the two at least start to occupy the same space in your mind and the community mind. For example, a way to start mild, would be to look at the existing themes. As you're identifying them, I think we have to hear that high level priority to think of those statements in the context of making the CIP spending decisions that probably will need layers of criteria to be applied. For instance, we've heard a number tonight as to how long it will take, but the infrastructure gaps, moving operations out, that that would be sort of the next level down from the themes and community values as we start to apply layers of criteria to the CIP decision-making process."

Ms. Noble continued, "As we work on an update of the general plan which, if I may say, I hope isn't long, I hope it's not controversial, painful, and that we can find some agreements that this can be a moment of coming together and consensus, because much of the community can agree around neighborhood character, water, etc. These are positive things that can co-exist, although some seem to end up with conflict with each other, it doesn't have to be, at least at the value setting levels they don't have to be. But to apply criteria which, as Oscar mentioned, a number of criteria might be already in place for some things. There can be a number of filters provided through the decision-making process, and the first one, is just for now, considering those as the values and looking at that update as something parallel to the CIP decisions."

Chair Dominguez said perhaps he has become too cynical in all of his years. He said, "I just have two more questions. Let me get to the first and then to close out with you Oscar. As we've talked about this process of the general plan update, and you talked about your process with the asset review, or whatever it's called, do you see those two things coming together."

Mr. Pino said, "No. The reason I don't is that we have gotten so far behind on the deferred maintenance. We're years and years and years and going further every year on deferred maintenance, which, unless a group of citizens got together and decided that deferred maintenance is the priority for Santa Fe and the general plan, I don't see that happening. The general plan defines what's going to happen over the next period. The choice you're going to have to make is do we use it for that, or do we use it for a deteriorating Plaza."

Chair Dominguez then it's going to have to be pretty clear as we go through the general plan. He said, "I wanted to say, and I'm breaking my own rule, I wanted to say in the beginning that we shouldn't be debating the general plan, right. But, having said that, I think that when we do go through the process of updating the general plan, we need to make sure that's very clear. People are going to have to understand we're not going to be able to implement a lot of these things in the general plan with this kind of maintenance we've been neglecting for years and years and years."

Chair Dominguez said the final question for Oscar is in terms of process – what do you want from the Committee, what kind of timeline are you expecting from this Committee.

Mr. Rodriguez said the timeline goes to a November 10, 2014, vote by the Council approving the CIP. This means that this summer the departments will be working with their respective oversight committees to identify minimum service levels, and once those are approved by this Committee, then they apply them come up with a prioritized list of capital improvement needs which will come to the Committee in the May/September timeframe, and then goes from this Committee to the Governing Body for approval on December 10, 2015. He said we are going to get lots of lists, especially where there are a lot of needs, and we can apply all kinds of things there – cost savings, cost benefit analysis in looking at service level considerations. However, after that, you will have to "decide between moving these together." He said you might want to consider in making your decision is the general plan.

Chair Dominguez said you're talking about priority based budgeting, and asked how we can do that without going to the stakeholders.

Mr. Rodriguez said you could ask that there be public engagement along the way in the other Committees. Also, when the CIP plan is put on your desk, you could ask for public hearings, public engagements, and even doing those in different locations. This is the first year we're doing this,"

Chair Dominguez said he has staff working on a public engagement process which is intended to be four our next operating budget. He asked if we can dovetail this into that process as well.

Mr. Rodriguez said that is a good idea.

Mr. Rodriguez said, "The one thing that I would ask this body to say is launch or not, or shall I come back to you one last time."

Chair Dominguez said, "Bring us something next time that looks like a CIP plan. It doesn't have to be complete or detailed or ready for approval, just so we can start looking at it."

Councilor Maestas believes our needs are fundamental. He said, "If I were to prioritize inputs, I would say that the general plan would be at the bottom, and one of the top priorities would be existing infrastructure funding gaps, and ending deferred maintenance. Right now, the only priority with respect to the business plan that I would like to see is maybe assessing the infrastructure in areas currently zoned as high density. I think we saw a glaring infrastructure gap when we heard the Blue Buffalo development. My suggestion, if you want further input, is to start integrating asset management, we're on that tract, with facilities and with the water infrastructure. I think we need to end deferred maintenance. We've got to start somewhere, and I think the CIP is where we should start. If we're going to look at any kind of general plan aspects, it could be infrastructure assessment of currently zoned high density areas that are undeveloped. That would be my recommendation, but I don't think we should choose. I see it as a combination, but I would like to see more fundamentals, the backlog of all that deferred maintenance be addressed, get them back to basic instead of getting tied up in a lot of the themes in the general plan.

Chair Dominguez said before we make the decision on doing that, let's at least get a number and see what it looks like, because he doesn't want to hold progress off, and we have to be able to prioritize all of that.

Mr. Rodriguez said when we launch, the next thing you will see is correspondence on these.

23. OTHER FINANCIAL INFORMATION

Mr. Rodriguez said we hope to launch the iPad meetings next month. It will come to this Committee first. He said we've seen a lot of staff dealing with iPads and we're setting up to launch that first. He said what it means is, with your permission, we will stop printing the big agendas.

Councilor Lindell asked if we have come up with a program we intend to use for making notes.

Mr. Rodriguez said he has made his recommendations, but it still has to be vetted by the City Manager. It will make it easier for you.

Chair Dominguez said he has been talking about going paperless since he came on the Council.

Mr. Rodriguez said he isn't assuming the chapter is closed on that yet.

Chair Dominguez asked what is software.

Mr. Rodriguez said he is recommending is Granite, a basic version, which can be viewed on line and is searchable, noting this is just the first steps – preparing the agenda and being able to provide you and the public that searchable view. He said you will be seeing this in the next couple of meetings.

24. MATTERS FROM THE COMMITTEE

There were no matters from the Committee.

25. ADJOURN

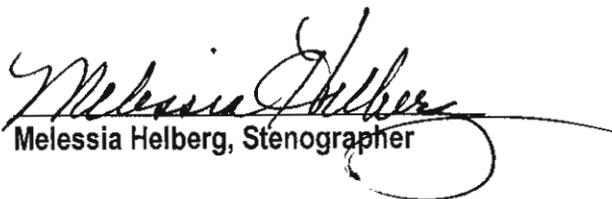
There was no further business to come before the Committee, and the meeting was adjourned at approximately 7:50 p.m.

Carmichael A. Dominguez, Chair

Reviewed by:



Oscar S. Rodriguez, Finance Director
Department of Finance



Melessia Helberg, Stenographer

**SUMMARY OF ACTION
FINANCE COMMITTEE MEETING
Monday, July 13, 2015**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved [amended]	2
APPROVAL OF CONSENT AGENDA	Approved [amended]	2
CONSENT AGENDA LISTING		2-4
APPROVAL OF MINUTES: REGULAR FINANCE COMMITTEE MEETING – JUNE 1, 2015	Approved	4
<u>INFORMATION ITEM</u>		
UPDATE ON TOURNAMENT AND ADULT LEAGUE FEE CHANGES PER ORDINANCE 2014-18	Information/discussion	4-5
<u>CONSENT CALENDAR DISCUSSION</u>		
REQUEST FOR APPROVAL OF COOPERATIVE PROJECT AGREEMENT – ST. FRANCIS CROSSING FROM ACEQUIA TRAIL TO RAILYARD PROJECT – CONSTRUCTION OF MULTI-PATH GRADE CROSSING UNDERPASS (US 84/285); NEW MEXICO DEPARTMENT OF TRANSPORTATION	Approved	5
REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – ENGINEERING SERVICES FOR FEASIBILITY STUDY TO OPTIMIZE THE USE OF REGIONAL RECLAIMED WASTEWATER FOR WATER DIVISION (RFP #15/34/P) AND APPROVAL OF BUDGET INCREASE IN THE AMOUNT OF \$382,500; CAROLLO ENGINEERS, INC.	Approved	5-6

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE CITY OF SANTA FE ARTS COMMISSION TO DEVELOP A LONG-TERM CULTURAL PLAN, THE PURPOSE OF WHICH IS TO INVENTORY CULTURAL ASSETS, ASSESS NEEDS, DRAFT SPECIFIC RECOMMENDATIONS TO SUPPORT THE CURRENT AND LONG-TERM HEALTH OF OUR CULTURAL COMMUNITY, AND IDENTIFY WAYS THE CITY OF SANTA FE CAN SUPPORT AND DEVELOP ITS UNIQUE CULTURAL BRAND; DIRECTING THE ARTS COMMISSION TO PROVIDE A SIX (6) MONTH UPDATE AND PRESENT A FINAL REPORT ONE YEAR FROM ADOPTION OF THIS RESOLUTION	Approved	15-16
REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SUBSECTION 23-6.2 SFCC 1987, TO PERMIT THE SALE AND CONSUMPTION OF ALCOHOL AT FORT MARCY BALLPARK FOR THE FIESTA COUNCIL MARIACHI EXTRAVAGANZA CONCERT	Approved with conditions	16-21
***** END OF CONSENT CALENDAR DISCUSSION *****		
<u>2008 PARKS BOND UPDATE</u>		
FINAL ACCOUNTING REPORT PURSUANT TO RESOLUTION 2015-50 – 2008 PARK BOND PUBLIC HEARING	Postponed to 08/17/15	21
2008 PARKS BOND PROGRAM	Postponed to 08/17/15	21
PRESENTATION BY THE STATE AUDITOR'S OFFICE REGARDING SCOPE OF WORK FOR NEW AUDIT OF 2008 PARKS BOND PROGRAM	Postponed to 08/17/15	21
RECOMMENDATIONS AND DRAFT of 2017-2021 INFRASTRUCTURE CAPITAL IMPROVEMENTS PLAN (ICIP)	Information/discussion	21-26
OTHER FINANCIAL INFORMATION	None	26
MATTERS FROM THE COMMITTEE	Introduction	26
ADJOURN		26

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE
Monday, July 13, 2015**

1. CALL TO ORDER

A meeting of the City of Santa Fe Finance Committee was called to order by Acting Chair Christopher M. Rivera, at approximately 5:00 p.m., on Monday, July 13, 2015, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Councilor Christopher M. Rivera, Acting Chair
Councilor Joseph M. Maestas
Councilor Ronald S. Trujillo

MEMBERS EXCUSED:

Carmichael A. Dominguez, Chair
Councilor Signe I. Lindell

OTHER GOVERNING BODY MEMBERS ATTENDING:

Councilor Peter N. Ives

OTHERS ATTENDING:

Oscar S. Rodriguez, Director, Finance Department
Kelley Brennan, City Attorney
Zachary Shandler, Assistant City Attorney
Teresita Garcia, Finance Department
Yolanda Green, Finance Department
Melessia Helberg, Stenographer.

There was a quorum of the membership in attendance for the conducting of official business.

NOTE: All items in the Committee packets for all agenda items are incorporated herewith to these minutes by reference. The original Committee packet is on file in the Finance Department.

3. APPROVAL OF AGENDA

Acting Chair Rivera said Item #25 is postponed per direction of staff to August 17, 2015, and the public has been notified on the website and on the sign on the door outside.

MOTION: Councilor Trujillo moved, seconded by Councilor Maestas, to approve the agenda, as amended.

VOTE: The motion was approved unanimously on a voice vote.

4. APPROVAL OF CONSENT AGENDA

MOTION: Councilor Trujillo moved, seconded by Councilor Rivera, to approve the following Consent Agenda, as amended.

VOTE: The motion was approved unanimously on a voice vote.

CONSENT AGENDA

A letter dated July 13, 2015, to Cindy Padilla, Director, Environmental Services Division, from Karen Bandhauer, Project Director, The Recycling Partnership, regarding Item #14, is incorporated herewith to these minutes as Exhibit "1."

A copy of a Substitute Resolution regarding Item #20, is incorporated herewith to these minutes as Exhibit "2."

7. [Removed for discussion by Councilor Trujillo]

8. REQUEST FOR APPROVAL OF BUDGET INCREASE FROM FIRE PROJECT FUND TO ON-CALL ROADWAYS & TRAILS CONSTRUCTION (BID NO. 14/10/B) FUND (32215) FOR FIRE STATION 1 PARKING LOT RESURFACING PROJECT IN THE AMOUNT OF \$62,700. (JAN SNYDER)

9. REQUEST FOR APPROVAL OF MEMORANDUM OF UNDERSTANDING – PARKING PERMITS AND ON-STREET PARKING SPACES FOR USE OF VARIOUS PARKING FACILITIES FOR COUNTY EMPLOYEES; SANTA FE COUNTY. (NOEL CORREIA)

10. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 8 – SANTA FE RESERVOIRS INFRASTRUCTURE IMPROVEMENTS PROJECT; RMCI, INC. (ROBERT JORGENSEN)

11. REQUEST FOR APPROVAL OF WATER RIGHTS PURCHASE AGREEMENT – UP TO 18.417 ACRE FEET OF 1907 MIDDLE RIO GRANDE WATER RIGHTS; LUIS J. LUNA AND MARTHA LUNA. (ANDREW ERDMANN)

12. *[Removed for discussion by Councilor Maestas]*
13. REQUEST FOR APPROVAL OF BUDGET INCREASE IN THE AMOUNT OF \$45,808 IN ORDER TO FULFILL AN AGREEMENT OBLIGATION THE CITY OF SANTA FE HAS WITH SAM AND JOSIE MONTOYA. (KELLEY BRENNAN AND BRYAN ROMERO)
14. REQUEST FOR APPROVAL OF GRANT AWARD AND AGREEMENT – EDUCATION AND TECHNICAL ASSISTANCE SERVICES FOR ENVIRONMENTAL SERVICES DIVISION; THE RECYCLING PARTNERSHIP, INC., AND BUDGET INCREASE IN THE AMOUNT OF \$125,000. (CINDY PADILLA AND LAWRENCE GARCIA)
15. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – KSFR BROADCASTING SERVICES FOR CITY COUNCIL AND SPECIAL MEETINGS; NORTHERN NEW MEXICO RADIO FOUNDATION, INC. (JOE ABEYTA)
16. REQUEST FOR APPROVAL OF A RESOLUTION RELATING TO A REQUEST FOR APPROVAL OF THIRD AND FOURTH QUARTER (YEAR-END) BUDGET ADJUSTMENTS FOR FISCAL YEAR 2014/2015. (CAL PROBASCO)
17. *[Removed for discussion by Councilor Trujillo and Councilor Maestas]*
18. *[Removed for discussion by Councilor Rivera]*
19. *[Removed for discussion by Councilor Rivera]*
20. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO SEEK SOLUTIONS TO SANTA FE'S HOUSING AFFORDABILITY CRISIS, SPECIFICALLY AS IT RELATES TO GENTRIFICATION, INEQUITY AND THE WIDENING GAP BETWEEN RICH AND POOR IN SANTA FE; PROVIDING A FRAMEWORK FOR HOUSING AND URBAN PLANNING POLICY (COUNCILORS MAESTAS, DOMINGUEZ, BUSHEE AND, TRUJILLO AND RIVERA). (ALEXANDRA LADD) Committee Review: Public Works Committee (postponed) 07/06/15; City Business Quality of Life Committee (scheduled) 07/22/15; Public Works Committee (scheduled) 07/27/15; and City Council (scheduled) 07/29/15. Fiscal Impact – No.
21. *[Removed for discussion by Councilor Maestas]*
22. REQUEST FOR APPROVAL OF A RESOLUTION REQUESTING THE GOVERNING BODY CONSIDER AND APPROVE A GRANT AGREEMENT FROM THE STATE TOURISM DEPARTMENT, LITTER CONTROL BEAUTIFICATION SECTION, FOR KEEP SANTA FE BEAUTIFUL (COUNCILOR TRUJILLO). (GILDA MONTANO) Committee Review: Public Utilities Committee (approved) 07/01/15; and City Council (scheduled) 07/29/15. Fiscal Impact – Yes (Expenditures = \$78,000; Revenues = \$78,000)
23. *[Removed for discussion by Councilor Trujillo]*

24. REQUEST FOR APPROVAL OF A RESOLUTION RECOMMENDING THE GOVERNING BODY OPPOSE ANY LEGISLATION THAT WOULD ALTER THE METHOD BY WHICH MUNICIPAL GROSS RECEIPTS TAXES ARE DISTRIBUTED TO MUNICIPALITIES (COUNCILOR MAESTAS). (OSCAR RODRIGUEZ) Committee Review: City Council (scheduled) 07/29/15. Fiscal Impact – No.

END OF CONSENT AGENDA

5. APPROVAL OF MINUTES: REGULAR FINANCE COMMITTEE – JUNE 1, 2015

MOTION: Councilor Trujillo moved, seconded by Councilor Maestas, to approve the minutes of the Regular Finance Committee meeting of June 1, 2015, as presented.

VOTE: The motion was approved unanimously on a voice vote.

INFORMATION ITEM

6. UPDATE ON TOURNAMENT AND ADULT LEAGUE FEE CHANGES PER ORDINANCE 2014-18. (JENNIFER ROMERO)

Jennifer Romero, MRC Manager, presented information from her Memorandum of June 30, 2015, which is in the Committee packet. Please see this memorandum for specifics of this presentation.

Councilor Trujillo asked if there has been an increase in play with the new fees.

Ms. Romero said there has been an increase in tournament and league play. She said she believes there are now 75 teams, noting that they are working with the soccer board, and looking to have tournament play at the sports complex.

Councilor Trujillo noted we received \$13,220 in 13/14, but only \$12,391 in 14/15, which is a difference of minus \$829.

Ms. Romero said the increase was from youth activity at the sports complex.

Councilor Trujillo asked if all leagues are in compliance with finance reports.

Ms. Romero said for the MRC yes, they are on file. She said she can't answer for the other facilities, but Barbara Lopez can provide that answer, but she believes they are in compliance as well.

Acting Chair Rivera asked Ms. Romero to provide that information for the Committee, and she said she will do so.

Acting Chair Rivera said he wants to revisit the impact of the fee changes in a year, commenting that he wants to do that to be sure the changes have had a positive impact.

Councilor Trujillo said he wants a written report on compliance with the reporting requirement for all leagues for all sports fields, including the MRC.

CONSENT CALENDAR DISCUSSION

7. REQUEST FOR APPROVAL OF COOPERATIVE PROJECT AGREEMENT – ST. FRANCIS CROSSING FROM ACEQUIA TRAIL TO RAILYARD PROJECT – CONSTRUCTION OF MULTI-PATH GRADE CROSSING UNDERPASS (US 84/285); NEW MEXICO DEPARTMENT OF TRANSPORTATION. (MELISSA MacDONALD)

Disclosure: Councilor Trujillo said, "The reason I pulled this item is to state I am an employee of the New Mexico Department of Transportation. I used to oversee the Cooperative Project Agreement projects for the District. I no longer do that. There is no conflict of interest, and I move for approval."

MOTION: Councilor Trujillo moved, seconded by Councilor Maestas, to approve this request.

VOTE: The motion was approved unanimously on a voice vote.

12. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – ENGINEERING SERVICES FOR FEASIBILITY STUDY TO OPTIMIZE THE USE OF REGIONAL RECLAIMED WASTEWATER FOR WATER DIVISION (RFP #15/34/P) AND APPROVAL OF BUDGET INCREASE IN THE AMOUNT OF \$382,500; CAROLLO ENGINEERS, INC (BILL SCHNEIDER)

Councilor Maestas said, "I work with the Bureau of Reclamation, and I have nothing to do with the award of the program, but the funding still comes from the Bureau of Reclamation, and so I have recused myself on this, and I will recuse for this vote, but I don't think we have a quorum. I just wanted to state for the record that I will be recusing myself on this vote."

Councilor Trujillo asked if we can move it forward without a recommendation, and asked how this works.

Acting Chair Rivera asked if this has passed another committee.

Mr. Schneider said yes, it was passed by the Public Utilities Committee.

Acting Chair Rivera said because it passed one of the committees it can move forward to Council. He asked Mr. Schneider if there are time constraints.

Mr. Schneider said yes, we have to complete the project in mid-2016, so there is.

Acting Chair Rivera asked Ms. Brennan to comment.

Kelley Brennan, City Attorney said, "Chair Rivera I believe that you can use a recusal to count for the quorum. So that would be 3 members present which constitute a quorum even though recused."

MOTION: Councilor Trujillo moved, seconded by Acting Chair Rivera, to approve this request.

VOTE: The motion was approved on a voice vote, with Councilor Trujillo and Chair Rivera voting in favor of the motion, no one voting against, and Councilor Maestas recused from the vote.

17. **REQUEST FOR APPROVAL OF A RESOLUTION IN SUPPORT OF DEFOURI AND GUADALUPE STREET BRIDGE IMPROVEMENTS FUNDED THROUGH A MUNICIPAL ARTERIAL PROGRAM COOPERATIVE AGREEMENT WITH THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (COUNCILOR TRUJILLO). (DESIREE LUJAN)**
- A. **REQUEST FOR APPROVAL OF COOPERATIVE PROJECT AGREEMENT FOR CONSTRUCTION WORK – ST. FRANCIS CROSSING FROM ACEQUIA TRAIL TO RAILYARD PROJECT; NEW MEXICO DEPARTMENT OF TRANSPORTATION AND APPROVAL OF BUDGET INCREASE IN THE AMOUNT OF \$80,000. (DESIREE LUJAN)**

Committee Review: Public Works Committee (approved) 07/06/15; and City Council (scheduled) 07/29/15. Fiscal impact – Expenditures = \$106,667; Revenues = \$106,667.

Disclosure: Councilor Trujillo said, "I am an employee of the New Mexico Department of Transportation. I used to oversee the Cooperative Project Agreement projects for the District. I no longer do that. There is no conflict of interest."

Councilor Maestas said on packet page 9 there is a breakdown of the total cost of the project. He said he didn't know we had difficulties coming up with the construction funding.

Ms. Lujan said this was funded through all City funds, and it is a compilation of several projects phasing along the way, and they pieced together funding, noting there were shortfalls when they got the last construction estimates. She said in the early part of year we applied for MAP funding, and this year we actually were awarded \$80,000.

Councilor Maestas asked about the previous projects savings, and if that has been realized and secured for the \$380,000 project.

Ms. Lujan said yes, noting that came to Committee last year, and it has been set forth and it's in the right business unit and ready to be utilized for construction.

Councilor Maestas said then the \$80,000 is additional MAP funds.

Ms. Lujan said yes, it is an additional funding supplement.

Councilor Maestas noted it is pending, but he understands the State DOT won't grant the funding until the Resolution has been adopted.

Ms. Lujan said yes, until the Resolution is passed and the contract is executed, the State will hold the funding.

Councilor Maestas said now it's fully funded and we're ready to go to construction.

Ms. Lujan said yes.

MOTION: Councilor Maestas moved, seconded by Councilor Trujillo, to approve this request.

VOTE: The motion was approved unanimously on a voice vote.

- 18. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING THE CAMPAIGN FINANCE CODE, SECTION 9-3 SFCC 1987, TO MODIFY THE DEFINITIONS OF "CONTRIBUTION" AND "EXPENDITURE;" AND CREATE A DEFINITION FOR "COORDINATED EXPENDITURE;" TO MODIFY PROVISIONS RELATED TO INDEPENDENTLY SPONSORED CAMPAIGN COMMUNICATIONS AND REPORTING; TO MODIFY PROVISIONS RELATED TO THE CONTENTS OF CAMPAIGN FINANCE STATEMENTS; AND TO MAKE SUCH OTHER CHANGES AS ARE NECESSARY TO CLARIFY THE PROVISIONS OF THE CAMPAIGN FINANCE CODE (COUNCILOR IVES). (ZACHARY SHANDLER) Committee Review: City Council (request to publish) (approved) 06/24/15; Finance Committee (postponed) 06/29/15 and City Council (public hearing) 07/29/15. Fiscal Impact – No.**

A proposed amendment to Item #18 submitted by City staff is incorporated herewith to these minutes as Exhibit "3."

An *Election Amendment Matrix* for Items #18 and #19, prepared by staff is incorporated herewith to these minutes as Exhibit "4."

Items #18 and #19 were combined for purposes of discussion, but were voted upon separately.

Acting Chair Rivera said he pulled Items#18 and #19 to be discussed together. He said he will make some of the same comments he made at the last meeting. He said in his opinion, the changes recommended to be made by the Ethics and Campaign Review Board seem to make things slightly unfair for Council candidates. He said as an incumbent it would seem he would be in favor of this, because as an incumbent who can collect as many donations up to \$100 as he would, it would be in his favor to do this and to continue matching funds close to the end. However, for somebody new who didn't have name recognition or the ability to collect that money, it would be an extremely unfair advantage. He said in his opinion, keeping it a level playing field, especially at the Council level, is important to him. He said as an

incumbent, if someone wants to run against him, we should be on an equal playing field if we choose to do public campaign finance. This is his main concern. He asked for comments or questions from the Committee before we hear from the bill sponsor.

Councilors Maestas and Trujillo said they will wait, and let the sponsor speak first.

Councilor Ives said this measure represents 6 months of work by the Ethics and Campaign Review Board to try and address some of the issues highlighted in the last election cycle. He said what you see before you really is some of the best thinking of national organizations that have tried to address the influx of money. The bills represent an effort to find an appropriate balance against the dictates of a number of cases decided by the U.S. Supreme Court, including the Citizens United case which allowed for a certain unlimited capacity of money to come into elections. This is an effort to combat that kind of influence in elections. He said it is a valid point to ask whether or not that is happening here at this point in time. He said his response would be that there is a perception that people who have money to spend on elections are moving out of the federal election cycles and into more state cycles, both governor's office, judicial, and there is reason to anticipate that the same process will continue to a more local level.

Councilor Ives continued saying, the efforts here are to try and bring in the good thinking that's happening nationally to try and address the issues that everybody is perceiving exist in our election cycles in a way that allows a not Constitutionally impermissible means of trying to ensure that all candidates in elections have a capacity to raise funds and have funds in their campaign endeavors. He said that's a broad statement and asked Mr. Shandler to review the specifics, noting there is one member of the ECRB who he thinks would be happy to talk about the work done by that Board.

Chair Rivera said he is okay with Mr. Biderman addressing this issue.

Paul Biderman, 829 Allendale, said he was on the subcommittee of the ECRB that proposed this legislation. They spent many months looking into this issue. He said there was concern on their part about the very limited scope of remedies we have to deal with, because the Supreme Court has imposed this limitation on any kind of restriction any government can impose on the collection and use of funds by these independent organizations. He said they sought advice from the Brennan Center for Social Justice out of the New York University Law School, Common Cause New Mexico and then looked to the State Legislature and the bills introduced to deal with the problem. He said we have two opportunities we're allowed under the Citizens United Case and other cases coming out of the federal system. One is the ability to require disclosure by these independent organizations of its funding sources so we know who is behind the funding coming in to the support of the candidate. He said we also have the ability to put some limits, not how much they collect or spend, but at least to define more strictly the coordination of a contribution that would count against the campaign limits directly to the candidate.

Mr. Biderman continued, saying the Supreme Court has acknowledged that a direct contribution to a candidate is something that can be regulated because of the likelihood of a *quid pro quo*. If the campaign is coordinated with an outside source, then the coordinated expenditure can be part of a campaign limit. And they have tried to tighten up the definitions of coordinated campaigns, because if we

didn't, we would be left with a lot of ambiguity and problems that arose for the board, which really was the heart of what they have been trying to do.

Mr. Biderman continued saying, there was an effort to provide for candidates to raise money to match contributions coming from an independent source which isn't allowed under federal case law. What you can do is allow everybody in the public financing sector to go ahead and raise more money, and they figured putting a \$100 limit on what can be contributed isn't enough to influence anybody's vote or who they want to go to bat for. They can accept those contributions to match the outpouring of support that might come from an independent group, and at the same they suggested a match and they used the legislative analysis of four to one match from the City campaign funds to try to help balance that. He said as Councilor Rivera pointed out, perhaps the incumbent has an advantage, but there is a fighting chance for the candidate who doesn't have an outside source to match the contributions coming in from an independent source. He said this is the best they could do, and wished they could limit the contributions from an independent source, but they can't do it.

Acting Chair Rivera said both he and Councilor Ives qualified for public financing in the last election, and it wasn't until after the mayoral election where we see these significant changes. He asked if any thought was given to separating the Mayoral and Council elections.

Mr. Biderman said they heard you "loud and clear," at the last Finance Committee, and they understand there may be a justification for that. However, they would be cautious that just because it hasn't happened so far doesn't rule it out. He said he was the judicial educator for the State and recalls a Supreme Court Justice saying, 'I just had the last cheap Supreme Court election.' He said previously nobody was interested in those elections it was a low budget, but not any more, and this could be true for Council candidates as well.

Acting Chair Rivera asked if we have the additional monies that need to be put aside for the match.

Mr. Rodriguez said what is in the budget this year is the same amount as for the last election, because this recommendation wasn't in hand at the time of the budget, and it will take a budget amendment to increase those funds.

Acting Chair Rivera asked the additional amount we would have to put into the fund in order to have the four to one match.

Yolanda Vigil, City Clerk, said she doesn't have figures, but right now there is \$550,000 in the fund. She said in the FIR on page 26 of the packet for Item #19, if we did the match it would cost \$540,000 for 3 mayoral candidates – \$180,000 up front for 3 candidates at \$60,000 each, and the balance of \$360,000 would be the matching funds for 3 mayoral candidates. She said on page 27 at the top it talks about the Council candidates. There were 7 candidates in 2014, so it would be \$315,000 – \$105,000 up front at \$15,000 each, and then \$210 in matching funds.

Acting Rivera said that's the cost if all 7 decided to qualify for public campaign funds.

Ms. Vigil said that was the amount used by those who actually qualified for public funding for the 2014 election, and they based the projections off that election.

Acting Chair Rivera the next Mayor elected will be a paid position, receiving significantly more pay than currently, and asked Ms. Vigil if she thinks there would be more candidates for Mayor in 2016.

Ms. Vigil said she believes so.

Acting Chair Rivera asked Ms. Vigil what concerns she has with administering the election under this bill.

Ms. Vigil said originally one of the dates for applying for the additional matching funds, was the 62nd day before the election. She said Councilor Maestas has said we possibly could amend that to the 50th day before the election and only having one date. She said the 62nd day fell on either New Year's Eve or December 30, and a lot of time there isn't finance staff and people are taking vacations, and she didn't think it would be doable during that time frame to process additional small qualifying contributions. So there would be a recommendation for that change to the 50th day if we were to go forward with this plan.

Acting Chair Rivera asked the source of the additional funding.

Mr. Rodriguez said it would have to come from the ending balance. He said you can make these decisions now, or on the deadline where you would know exactly how much money would be available. He would recommend no funds be moved until that time.

Councilor Maestas said he agrees a lot of work has gone into reviewing the Public Finance Code and he likes many of the recommendations to the Code. He said the City is a progressive city, especially pertaining to elections, the conduct of elections and influence of money in political campaigns. He read a section of the City Charter, "*The escalating cost of campaigning for elective office provides an opportunity for monied interest to control the electoral process of City government. Candidates may be encouraged to put the interest of their campaign contributors ahead of the needs and concerns of their constituents and the passage or defeat of a measure may be skewed by monied interests to the detriment of public interests, in order to eliminate financing inequities, conflicts of interest and the potential for corruption inherent in this situation. The Governing Body shall enact such ordinances and may appoint any such commissions and take such other actions as may be necessary to make campaigns for elective office more democratic.*" He said this is only a portion of the text.

Councilor Maestas continued saying we have made great strides with our Public Finance Code. He feels the Ethics Board took the opportunity in terms of lessons learned after the last election cycle to suggest substantive amendments to the Public Finance Code and the Campaign Code. For example, he supports the elimination of the seed money and consolidating it with the qualifying contribution into one category – small qualifying contributions – ranging from \$5 to \$100. He supports the change of specifying coordinated expenditures and coordination, which was badly needed.

Councilor Maestas continued saying he has issues with the match provision. He thinks it escalates the costs of campaigning, and incentivizes a fundraising race by a publicly financed candidate. He said to a certain degree it almost privatizes public financing by creating escalating costs of a campaign which is contrary to our Charter. He likes the progressive nature of the match provision as a means to level the playing field for publicly and privately financed candidates. He would support the match provision, which would be triggered if there is a privately financed candidate running against a publicly financed candidate. He questioned the need for a match provision if all of the candidates are publicly financed, because the playing field is already level.

Councilor Maestas said this wasn't his position when this was first discussed, but he feels the match provision is a double edged sword. He would like to factor in a trigger for the match provision. He said the amendments to the bill provide for two match opportunities, and he thinks the second is allowed 15 days prior to the election. He said that is in the final throes of a campaign and you are near the end of your campaign, and feels providing for additional money that late is a waste of public money. It would be basically a money dump. He totally disagrees with the late match opportunity. He suggested striking "62nd day preceding the election and the 15th day preceding the election" for the match opportunity, and replaced it with "the 50th day preceding the election." He said that doesn't interfere with holidays and doesn't present problems for staff, and gives the candidate one opportunity, and is done early enough in the campaign. He said providing more than one match opportunity creates a fundraising race, and undermines the entire intent of public financing.

Councilor Maestas said he thinks the ratio of four to one is too high, and he would like to lower that to a two to one ratio. He likes the progressive nature of the match. He said there was a match previously which was dependent on your opponent's ability to raise funds, which was ruled unconstitutional. So this is basically an earned match and it is up to the candidate to determine whether or not you get a match based on your ability to fund-raise. He reiterated there should be triggers for the match if there is a privately financed candidate in that race. He asked Mr. Shandler if he has comments on his feedback.

Mr. Shandler said, "There was a thorough discussion on all these matters before, so let me try to bottom-line it. These bills have 4 main provisions. One, changing the definition of reported expenditure; two, a greater regulation of independent expenditures; three, creates a hybrid system where you can raise money, up to \$100, as a publicly funded candidate; and four, a matching provision. Each item is probably an hours worth of discussion. The first two items, there were a lot of questions last time, but not a lot of reservation. The third and fourth points, there were a lot of reservations, questions raised to Mr. Rodriguez. I think Councilor Lindell, if she had been here, she would probably make a motion saying parts three and four should not be discussed at the full Council meeting on July 29th. We already have a full agenda of 10 public hearings that night. Those two items require additional discussion beyond maybe what you can do. But she's not here to make that motion, and so I don't know if anyone is going to be willing to make that motion, even if the numbers are here to get that motion through. So some topic of this will be discussed on the 29th. The question is, are the votes here to have half of it on the 29th, should you just send it along with the other business and allow Councilors to put a variety of amends on the 29th. Otherwise, we're just going to rehash all the discussions you had at your previous meeting. And there are other people behind me that have other agenda items."

Councilor Ives said as an aside, the Arizona case dealing with the issue of leveling the playing field might, we might afoul of that prohibition if we had a trigger in a campaign where there were public and private candidates. He is unsure that provision would pass constitutional scrutiny in the event some of these provisions were triggered by that type of circumstance, because it seems to be playing to a level playing field, which the Supreme Court has said specifically is the restriction on speech that was prohibited in the Arizona case. He apologized for not remembering the name of the Arizona case.

Councilor Maestas said he talked about creating a trigger, if all candidates are publicly funded and there are no privately financed candidate in that the match provision wouldn't apply. He said if that doesn't pass legal muster, perhaps we can reduce the match if there are no privately financed candidates in the race among publicly financed candidate. We're lowering the disbursement for an uncontested race, so perhaps we could consider reducing the match if there are no privately financed candidates – if creating this trigger doesn't pass legal muster.

Councilor Ives said because of the complexity of these issues, having additional feedback as our meetings progress or when it goes to the Council would make sense and we can then act on all those issues. He said regarding the financing component of our existing provisions, he read from 9-3.4 Public Campaign Finance Fund, Subsection C, provides, "*Beginning with the election of 2014, the Governing Body shall appropriate and deposit in the fund such additional sums, if any, as may be necessary, to ensure, 1. That the balance in the fund 119 days preceding each election for Mayor and 4 Council seats is at least \$600,000, and 2. That the balance in the fund 119 days preceding each election for Municipal Judge and 4 Council seats is at least \$300,000.*" He said this will allocate \$300,000 toward each of the Council races, plus \$300,000 for the mayoral race.

Councilor Ives continued, "Nothing in the law would require us to exceed those amounts in any elective cycle as the additional distributions from the fund up to these limits on a *pro rata* availability basis, as opposed to requiring any continual additional monies to be added to the fund. So these act as an *[inaudible]* on the spending associated with campaigns. So there was never an intent to open this up to unlimited public finds. Clearly we do have an obligation under existing Ordinance to fund the campaign fund in those amounts, depending on the cycle, at least 119 days out before any election."

Councilor Maestas said he doesn't know if you are seeking an up or down vote on the legislation that's presented, noting we haven't voted on any amendments. He said we have a subset of the Finance Committee and one of the sponsors of significant amendments not in attendance. He doesn't want to scuttle the whole bill, but he can't support it entirely as presented, and would like to propose some amendments. He said this is where all of the work is supposed to occur – in Committee versus Council. However, this is a significant issue for the entire Council, and it seems to him that the entire Council should take this on, however messy it could be. He is unsure we could arrive on a representative piece of legislation tonight. He said perhaps we can give it a Do Pass, and simply refer full robust debate before the Council, and we could consider formal amendments. He said he would like to submit amendments in a more formal fashion than including them in a staff generated matrix table. He understands you have heartburn as some of the amendments and would like to leave it as is.

Acting Chair Rivera said he likes Councilor Maestas's idea about the trigger and would like to see if something like that could happen, or if we could work it out to happen somehow through one of his suggestions. He likes the idea of reducing the match to two to one. He said perhaps there could be a four to one match for the mayoral race and a two to one match for Council. He would have to think about it more to decide which way would be fair. He said, "You are right, I think it deserves, because of all the work that's been done, due consideration by the entire Governing Body, and would be in favor of moving in forward in however manner the Committee wishes it to move forward."

Councilor Maestas said, "It sounds like we are converging. But maybe in terms of staff direction, Mr. Chair, maybe Zach, you can determine for sure if we could create this trigger of the match provision under the circumstances where in a race there was a privately financed candidate or candidates, that would trigger the match provision. But if there were none, it would not be available. And then maybe if it's not legally acceptable that we look into a reduced match provision, if we can't put that trigger in, is reduce it if there are no privately funded candidates in a race among all publicly financed candidates. Certainly the reduction, the match reduction, I think Councilor Rivera is amenable to reducing that, at least for the Council race. I think we're getting close. So procedurally, Mr. Chair, just give it a do pass."

MOTION: Councilor Trujillo moved, seconded by Councilor Maestas, to move this forward to the Council without recommendation.

DISCUSSION: Councilor Trujillo says he sees this getting very expensive for a Mayor's race. He said this could be significantly expense, and that is his concern for Yolanda about how to disburse all this money within the timeframes. He said does have questions. He said he sought public financing in the last election and he was collecting \$5 donations from people, however, when he found he didn't have an opponent, he scrapped it. He thinks candidates without an opponent shouldn't take public financing. He said he wanted to give the money he collected back to the constituents, but he wasn't allowed to do so. He would like to work something out in this regard in this bill.

Councilor Maestas said another portion of the Campaign Practices provides, "*Provide methods of voter education that will enhance the possibility for an open, accountable and responsive campaign process, encourage broad based contributions from the public, and require that each candidate and campaign committee.....*" He said, in terms of "encourage broad based contributions," we went from \$5 to \$100, and reading this makes him want to lower the maximum on the proposed small qualifying contribution to perhaps to \$50 to broaden the contribution consistent with the Charter. He said the higher the contribution, the smaller the population of those contributors, which he thinks is contrary to the intent. He said he may have to think more about the maximum, and lower that to \$50 to be consistent and honor the City Charter. He is okay for now with the \$100 maximum, but thinks we need to "think about that one passage in there."

Councilor Ives said he appreciates the Committee considering this avenue. He said when it comes before the Governing Body, all will have the opportunity for public comment and is hoping for many people turn out for that as well. He said he was thinking of the Arizona Free Enterprise case, and the notion of drawing a distinction on the basis of the nature of campaign is slightly different. That case simply sought to increase the public campaign financing for candidates vis a vis privately funded candidates who were

receiving additional funds. He said it is a distinction with a difference. He said that is something we would ask our Legal, as well as the ECRB members which he thinks have focused on that issue as well. He thanks the members for moving this forward to the Governing Body so it can be considered fully and all the well considered amendments taken up at that point in time.

Councilor Maestas asked if the motion is for both Items #18 and #19.

Acting Chair Rivera said we have been discussing them together, but we need to vote on them individually, and the motion is for Item #18.

VOTE: The motion was approved unanimously on a voice vote.

- 19. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING THE CAMPAIGN CODE, SECTION 9.2 SFCC 1987, TO MODIFY THE DEFINITIONS OF "CONTRIBUTION" AND EXPENDITURE;" DELETE THE DEFINITION OF "QUALIFYING CONTRIBUTION AND CREATE DEFINITION FOR "COORDINATED EXPENDITURE AND "QUALIFIED SMALL CONTRIBUTION;" TO MODIFY PROVISIONS RELATED TO "REPORTS OF EXPENDITURE" TO EXPAND REPORTING REQUIREMENTS; TO ADD PROVISIONS FOR "ADDITIONAL REPORTING OF QUALIFIED SMALL CONTRIBUTIONS AND ADDITIONAL MATCHING PAYMENTS FROM FUND;" AND TO MAKE SUCH OTHER CHANGES AS ARE NECESSARY TO CLARIFY THE PROVISIONS OF THE CAMPAIGN CODE (COUNCILOR IVES). (ZACHARY SHANDLER) Committee Review: City Council (request to publish) (approved) 06/24/15; Finance Committee (postponed) 06/29/15 and City Council (public hearing) 07/29/15. Fiscal Impact – Possibly. (If the bill is adopted in its entirety, the City Clerk may have to review the additional workload and determine whether temporary workers need to be hired)**

Ms. Vigil said at the last meeting, Acting Chair Rivera had asked her what was returned for the March 2012 election by the publicly financed candidates. She said \$75,000 was disbursed, and \$12,127 was returned by the candidates. One Councilor candidate returned \$6,000, one \$2,3000, Councilor Rivera returned \$3,500, and the others were small amounts.

Acting Chair Rivera said his point was that most candidates didn't use the full allotment of what they had, which goes back to his initial argument.

MOTION: Councilor Trujillo moved, seconded by Councilor Maestas, to move this forward to the Council without recommendation.

VOTE: The motion was approved unanimously on a voice vote.

21. **REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE CITY OF SANTA FE ARTS COMMISSION TO DEVELOP A LONG-TERM CULTURAL PLAN, THE PURPOSE OF WHICH IS TO INVENTORY CULTURAL ASSETS, ASSESS NEEDS, DRAFT SPECIFIC RECOMMENDATIONS TO SUPPORT THE CURRENT AND LONG-TERM HEALTH OF OUR CULTURAL COMMUNITY, AND IDENTIFY WAYS THE CITY OF SANTA FE CAN SUPPORT AND DEVELOP ITS UNIQUE CULTURAL BRAND; DIRECTING THE ARTS COMMISSION TO PROVIDE A SIX (6) MONTH UPDATE AND PRESENT A FINAL REPORT ONE YEAR FROM ADOPTION OF THIS RESOLUTION (MAYOR GONZALES AND COUNCILOR IVES). (DEBRA GARCIA) Committee Review: Arts Commission (scheduled) 07/13/15; and City Council (scheduled) 07/29/15. Fiscal Impact – Yes (Expenditures = \$30,000; Revenues = \$30,000)**

Councilor Maestas said this is a good idea. His question is that we allocated \$5,000 for a City Historian, and as we all know our City's history is intertwined with our culture and heritage, but he sees no specific efforts where this effort would be coordinated with the City Historian. He said on packet page 4, there is a general reference that the "*The Arts Commission will work with appropriate Santa Fe offices and outside constituencies.*" However, that is a general references, and the City Historian is working for the City. He doesn't have specific language, but he would like to get feedback from Anna Pacheco. He supports the concept. He asked if the plan will come with projects and needed funding and resources.

[Ms. Garcia's response here is inaudible because her microphone was not turned on]

Councilor Maestas Major said this doesn't represent an expansion and would be integrated into the existing budget, because we don't have the means to be expanding.

Ms. Garcia said one of the major outcomes would be that the Arts Commission would make more strategic decisions. She said as they look to tweak their funding, they can help to lay a roadmap while still doing important work and how the funds are allocated.

Councilor Maestas said he wants this effort to be coordinated with all the stakeholders in the arts community, noting his District includes Canyon Road. He knows the recession has been very very hard on the galleries. He said a couple of gallery owners approached him and said the 2% set aside for the arts in our capital projects has kept them afloat. He would like this effort to look into that and assess whether our own set-aside is sufficient, and if that needs to be increased to bolster and support this cultural plan. He has no amending language. He doesn't think this is broad enough, so he is happy to provide some staff feedback. However, he wants to make sure that the struggling arts can weigh-in on this, and Ms. Garcia said she will definitely do that.

Councilor Maestas said he would like this to take on an infrastructure element as well. He talked about how New Orleans rehabilitated and refurbished the primary pedestrian corridors between the major hotels and the French Quarter after Katrina, which he thought was brilliant. He said people want the corridors between the Plaza and Canyon Road, and the Railyard, as it relates to arts and culture. He wants this effort to start identifying what kinds of corridor improvements we can make – wayfinding signs, lighting, expansion of events, street closures and such, and have an infrastructure element to it so we start connecting all these areas.

MOTION: Councilor Maestas moved, seconded by Councilor Trujillo, to approve this request.

VOTE: The motion was approved unanimously on a voice vote.

- 23. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SUBSECTION 23-6.2 SFCC 1987, TO PERMIT THE SALE AND CONSUMPTION OF ALCOHOL AT FORT MARCY BALLPARK FOR THE FIESTA COUNCIL MARIACHI EXTRAVAGANZA CONCERT (COUNCILOR TRUJILLO). (JESSE GUILLEN) Committee Review: Public Works Committee (postponed) 07/06/15; City Business Quality of Life Committee (scheduled) 07/22/15; City Council (request to publish) 07/08/15; and City Council (public hearing) 08/12/15. Fiscal Impact – No.**

Councilor Trujillo said there has been some concern, because part of the amendment is to serve Margaritas. He said he would like to hear from the Fiesta Council President, David Ortiz about his plans in this regard.

David Ortiz Santa Fe Fiesta Council, Mr. Ortiz said the Fiesta Council currently is conducting an RFP, with the deadline at the end of the week. He said they have strict guidelines in the RFP, one of which is that the alcohol must be contained in the beergarden and no closer than 150 feet to the entertainment, and poured in glasses and the beer and wine is measured. They also requested that the margarita be pre-mixed so no one is making alcoholic drinks on the premises and that everybody receives the established volume level, which is than 6-8 ounces in a margarita, a pre-drink maximum allowed in the beer garden, and that there is an entrance and exit required, with a 3 drink maximum. There will be security in place both in the beer garden, on the field and they will be doing a search of backpacks so people don't come into the event with alcohol that is detrimental to the public.

Councilor Trujillo said that's what he wanted and asked Ms. Mann-Lev to comment.

Shelley Mann-Lev, Director, Santa Fe Prevention Alliance, said she appreciates the Committee's attention to this issue, and she respects the detailed respect and consideration given by the Fiesta Council. She has information about standard drinks. She said she wants to remind City Councilors in 2009, in response to a concert at Ft. Marcy where there were alcohol sales, the Council gave tremendous deliberation to whether they wanted to allow the service of alcohol at events on public property. An Ordinance was adopted banning the sale of alcohol at public events, with the exception of the Convention Center, long term leases on public property, the golf course and one other place – all parks, ballfields, recreational facilities.

Ms. Mann-Lev continued saying since 2009, two exemptions have been granted, one to Fuego games and the other for Bike and Brew which is an adult event, following best practices. She said it seems the Fiesta Council has familiarized itself with best practices, and it sounds as if they are willing to follow those. She said if the Council chooses to grant the waiver following best practices in the Ordinance, a critical piece is that each drink be no more than a standard drink, that the 3 drink limit. She said it is possible to measure 1.5 ounces of alcohol of 80 proof in one drink. She said margaritas can range from 2-

3 standard drinks in one drink. It's not so much the ounces of the margarita as the ounces of alcohol in the margarita and what kinds of alcohol. She said it is possible to create a recipe for a margarita that is 8 ounces that is one standard drink. She said the Ordinance talks about 12 ounces of regular beer, a craft beer is 8-9 ounces.

Ms. Mann-Lev continued saying, the Prevention Alliance feels strongly that for family events for mixed ages in public settings the City maintain its ban. She said this event has been primarily an adult event when it was held at the opera and the Convention Center. In the change, it's not clear what kind of event because the ticket prices are much less than in the past, and it's in a setting that may invite a larger community of participation which would be a wonderful thing. They also would like the Council to consider the intent behind the existing Ordinance and whether a waiver should be granted.

Councilor Maestas said it sounds like there is a lot of variability in margaritas. He said all of the previous waivers have been for beer and wine, and now we're allowing margaritas. He asked what three 12-ounce beers are equal to how many margaritas.

Ms. Mann-Lev said it depends on how the margaritas are made. Generally, 1 margarita is 2-3 standard drinks – three 12-ounces of regular beer. She would not recommend that margaritas and other drinks be served. It isn't possible to make a margarita that is one standard drink, but it is challenging.

Councilor Maestas said perhaps we should identify the volume of the margarita, noting we did so for the beer.

Ms. Mann-Lev said the reason for the volume of beer is because that is a standard drink – 12 ounces of regular beer. She reiterated that craft beer tends to be 7-8% alcohol, so one 12-ounce of many of the craft beers is equal to 1.5 standard drinks.

Councilor Maestas said we have an Ordinance, and we keep amending it and adding events that could become dated and that is his concern with amending the ordinance. He supports the waiver, but he is uncomfortable with introducing a non-beer alcoholic beverage. He said there are so many variables and doesn't think we should grant 3 margaritas which has a higher alcohol content, regardless of how it's fixed and how much alcohol is in the mix. He said we should designate the volume of the margarita as a best practice. He can't support 3 margaritas, and wants the volume to be set.

Mr. Ortiz said he said he neglected to say that they aren't allowing 3 margaritas in the venue, and 2 was the maximum. He said they have a band system with 3 beers and 2 margaritas, and they can have only 3 drinks maximum. He said they will have a ticker tape system where they can be notified if people need a safe ride home, or such.

Councilor Trujillo said there is a way to make a one-drink margarita and he would recommend that whoever gets the contract that they make the mix in large containers.

Mr. Ortiz said he is asking for the standard margarita mix.

Councilor Trujillo said he would ask him to make sure.

Councilor Maestas asked if only one drink can be sold at a time.

Mr. Ortiz said yes, and by law they can have only one drink at a time, and they can't purchase two drinks, one for their buddy. It is a buy band, one per person. The drinks have to be consumed on premises in the beer garden.

Councilor Maestas said what if people want to start with a beer and then have a margarita.

Mr. Ortiz said there is a time frame between the purchase of drinks.

Councilor Maestas asked what happens if people buy a beer for someone else after they are maxed out – will there be spotters.

Mr. Ortiz said the business has its security and we have our own security.

Councilor Maestas would like to limit the margaritas to two each, and asked the volume that will be served.

Mr. Ortiz said it is a 6 oz. cup with ice.

Councilor Maestas would like to specify that it is a 6 ounce drink for a margarita.

Acting Chair Rivera said then Councilor Maestas, you are recommending two 6-ounce margaritas.

Mr. Ortiz noted all drinks must be poured in a glass.

Ms. Mann-Lev said it's helpful to have a common language. It doesn't matter whether a margarita is 12 ounces or 6 ounces, what matters is how much liquor is in it, because a margarita isn't straight alcohol. If you say a margarita that contains 1 standard drink serving of alcohol, would be 1 or 1 ½ ounces of 80 proof. But if you specify one standard serving of alcohol in the margarita, the 6 or 8 ounces doesn't matter, the alcohol content that matters.

Councilor Trujillo asked if a margarita could be 12 ounces.

Ms. Mann-Lev said it could be if they only use an ounce of 100 proof hard liquor or 1½ ounces of 80 proof.

Mr. Ortiz said this isn't a rock concert, this is a mariachi concert and the demographic of patrons are people over 30 years of age. He said he has no problem in dictating the amount of alcohol delivered in each drinks.

Councilor Trujillo asked that once the RFP is issued, the vendor attend the Council meeting when we vote on this, because we definitely will have questions regarding their "mixology."

Mr. Ortiz said that will be done.

Councilor Maestas asked if the Committee can look at the RFP.

Mr. Ortiz said the RFP has been issued and he will provide a copy of that RFP.

Councilor Maestas said there is no designated termination of the sale of alcohol at this event, but there is for the Fuego games. He would like to see a termination.

Mr. Ortiz said the gates open at 4:00 p.m., the event is from 6:00 p.m. to 10:00 p.m., and his understands that they must cease sales of alcohol an hour before the end of the event, which would be 9:00 p.m.

Councilor Maestas asked Ms. Mann-Lev about the termination of sales one hour before the end of the event.

Ms. Mann-Lev said that is a minimum, and is an acceptable practice, noting sales are ceased in the 6th inning of the Fuego games. She said 1½ hours would be better to avoid liability issues for the licensee and the City since this is on public property.

Councilor Maestas would like that to be specified.

Jesse Guillen, City Legal, said 23-6.3 specifies that alcohol service shall cease at least one hour before the end of the permitted event, so that covers all events, and sees no need to add that provision.

Councilor Maestas said the Ordinance provides that water should be provided at no cost, and he would like it to be explicit that water shall be made available throughout the event.

Responding to Councilor Maestas, Mr. Guillen said the specific provision is just for Fuego games, but that can be added to this specifically, so it is applicable to all events – water shall be made available at no cost throughout the entire event. He said it can be added to 23-6.2, so it is a blanket provision for any current and future revisions to the Ordinance. He said on page 1 it can be inserted as a new A. It would apply to all events.

Mr. Guillen said Ms. Vigil pointed out that in 23-6.3, that says, "In addition to alcoholic beverages, food and non-alcoholic beverages, water shall be provided at no cost." So that covers that.

Acting Chair Rivera said Ms. Mann-Lev said one standard drink of alcohol equals a 12-ounce beer. He said his concern is being able to have 2 margaritas and 1 beer as well. Should we be specific to 3 beers, 3 glasses of wine or two 6-ounce glasses of margaritas. He said this may the cleanest to avoid mixing and make sure you can have only two margaritas.

Councilor Maestas said he agrees.

Responding to Councilor Maestas, Mr. Ortiz said it is a 12 ounce beer and a 4 ounce glass of wine. He said if the margarita is made with the standard amount of alcohol, everything contains the same amount of alcohol. He doesn't think you need to do 3 margaritas, 3 beers, and you can do 3-3-3, because it will all contain the same amount of alcohol no matter what they are consuming.

The Committee continued its discussion on how many drinks and the alcohol content.

Councilor Maestas said he can't agree to 3 margaritas.

Ms. Mann-Lev said she wishes they would just do beer and wine, because it's difficult to measure the alcohol content of margaritas and other mixed drinks and it's where a lot of people get into trouble. She said it is your prerogative and opportunity make that decision to limit drinks to beer and wine as you make this exemption.

MOTION: Councilor Trujillo moved, seconded by Acting Chair Rivera, to approve this request with a limit of two 6-ounce margaritas, with best practices, and that the bartender be advised on the composition of alcohol in the margaritas.

Councilor Maestas said and this would allow the mixing of beer and margaritas, but the overall limit on margaritas would be 2, with the 3 drink maximum. He doesn't like the idea of mixing the drinks. He said the neighborhood is concerned about the additional event in terms of alcohol and the noise.

Councilor Trujillo asked Mr. Ortiz to comment on whether the Fiesta Council would compromise on other things.

Mr. Ortiz said he wants to maintain the best practices. He said he is amenable to whatever the Council decides. He said he has been in the neighborhood, and the neighborhood are very happy that it is an early event and being cut-off at 10:00 p.m., so the noise won't bother them, and we're not blocking the streets. He has met with the neighborhoods and they seem to like it. He said they are looking at a maximum of 5,000 people, probably about 2,000, noting this is the first year.

MOTION TO AMEND: Councilor Maestas moved to amend the motion to provide that we not allow the mixing and that we limit margaritas to 2, and if they commit to margaritas, they stay on margaritas. **THE MOTION DIED FOR LACK OF A SECOND.**

Responding to Councilor Trujillo, Ms. Mann-Lev said, "Generally, the way margaritas are made, one margarita is equivalent to 2-3 standard drinks as they are currently made. You would have to adjust the recipe, so I think you're wise to have smaller containers, because people like to insert more alcohol. So I think it's easier with 6-ounces to make it equivalent to one standard drink. I think it may still be challenging for the bartenders."

VOTE: The motion failed on the following Roll Call vote:

For: Councilor Trujillo.

Against: Councilor Maestas and Acting Chair Rivera.

Explaining his vote: Councilor Rivera said, "I think it's not an easy decision. These are the days like the Mayor said when you wonder why you ran for Council. I'm going to vote no, because it doesn't follow the best practices as recommended by Shelley and her group. I'm not opposed to this. I'm not opposed to the beer and the wine. The margaritas throws a whole different element into it, and I think if it was just two margaritas, or 3 beers or 3 glasses of wine I would be probably a little more comfortable with that. So that's my vote."

MOTION: Councilor Maestas moved, seconded by Councilor Trujillo, to approve this request and allow the serving of margaritas in addition to beer and wine, and that the beer and wine be subject to the established best practices, but there be a limit of two margaritas and that there be no mixing of beer or wine with the margaritas.

DISCUSSION: Councilor Trujillo said he will second the motion because he wants this to move forward.

VOTE: The motion was approved unanimously on a voice vote.

END OF CONSENT CALENDAR DISCUSSION

- 25. **2008 PARKS BOND UPDATE. (OSCAR RODRIGUEZ)**
 - A. **FINAL ACCOUNTING REPORT PURSUANT TO RESOLUTION 2015-50 – 2008 PARK BOND.**
PUBLIC HEARING
 - B. **2008 PARKS BOND PROGRAM**
 - C. **PRESENTATION BY THE STATE AUDITOR'S OFFICE REGARDING SCOPE OF WORK FOR NEW AUDIT OF 2008 PARKS BOND PROGRAM.**

Items 25(A), (B) and (C) are postponed to the Finance Committee meeting of August 17, 2015.

- 26. **RECOMMENDATIONS AND DRAFT of 2017-2021 INFRASTRUCTURE CAPITAL IMPROVEMENTS PLAN (ICIP). (ISAAC PINO)**

A copy of *Projects Funded to Date*, prepared and distributed by staff, is incorporated herewith to these minutes as Exhibit "5."

VOTE: The motion failed on the following Roll Call vote:

For: Councilor Trujillo.

Against: Councilor Maestas and Acting Chair Rivera.

Explaining his vote: Councilor Rivera said, "I think it's not an easy decision. These are the days like the Mayor said when you wonder why you ran for Council. I'm going to vote no, because it doesn't follow the best practices as recommended by Shelley and her group. I'm not opposed to this. I'm not opposed to the beer and the wine. The margaritas throws a whole different element into it, and I think if it was just two margaritas, or 3 beers or 3 glasses of wine I would be probably a little more comfortable with that. So that's my vote."

MOTION: Councilor Maestas moved, seconded by Councilor Trujillo, to approve this request and allow the serving of margaritas in addition to beer and wine, and that the beer and wine be subject to the established best practices, but there be a limit of two margaritas and that there be no mixing of beer or wine with the margaritas.

DISCUSSION: Councilor Trujillo said he will second the motion because he wants this to move forward.

VOTE: The motion was approved unanimously on a voice vote.

END OF CONSENT CALENDAR DISCUSSION

25. 2008 PARKS BOND UPDATE. (OSCAR RODRIGUEZ)

- A. **FINAL ACCOUNTING REPORT PURSUANT TO RESOLUTION 2015-50 – 2008 PARK BOND.
PUBLIC HEARING**
- B. **2008 PARKS BOND PROGRAM**
- C. **PRESENTATION BY THE STATE AUDITOR'S OFFICE REGARDING SCOPE OF WORK FOR NEW AUDIT OF 2008 PARKS BOND PROGRAM.**

Items 25(A), (B) and (C) are postponed to the Finance Committee meeting of August 17, 2015.

26. RECOMMENDATIONS AND DRAFT of 2017-2021 INFRASTRUCTURE CAPITAL IMPROVEMENTS PLAN (ICIP). (ISAAC PINO)

A copy of *Projects Funded to Date*, prepared and distributed by staff, is incorporated herewith to these minutes as Exhibit "5."

A copy of *Categorized by Prior Funding and Category*, prepared and distributed by staff, is incorporated herewith to these minutes as Exhibit "6."

Isaac Pino, Director, Public Works Department, explained the handouts [Exhibits "5" and "6"]. He said this is the kick-off to the ICIP subject to the rules of DFA. He said this year's process is similar to last year's and includes the requirement to pick the top 5 projects, which is really inconsequential at the end of the day because Legislators can sponsor any project on the list, but we are required by DFA to submit the top 5. He said these projects were put together by department directors. He said in the packet is the list which is very similar to last year's, but with this year's priority. Mr. Pino said at the next discussion staff is asking that the Committee choose the top 5 priorities.

Acting Chair Rivera asked if this process started at another Committee.

Mr. Pino said it was presented to Public Works last week.

Chair Rivera asked the wishes of the Committee – to start whittling this down to 10 or so, or look it over and have that discussion at another time.

Mr. Pino said he would recommend that the Committee start the whittling process at the next Finance Committee meeting.

Councilor Maestas said criteria to use as guidance would help. He said Mr. Pino provided a sheet with capital projects with some secured funding, but he didn't include the total funding needed and if it is a multi-phase project.

Mr. Pino said that information is in the packet. He said the full information is in the notebook and he can provide that, they just spared the paper. He said there is full information on each of the project on the main list. He said he can provide notebooks for each member.

Councilor Maestas said a good criteria would be to continue to fund a phased project which still requires additional funding such as the Airport.

Mr. Pino the only criteria for the Legislature is that the project be on the list. Unsure why the top 5 priority.

Councilor Maestas believes the primary focus should be on General Fund improvements, and asked if it would be possible to separate that, and Mr. Pino said yes. He would like to see the projects per district, and enterprise versus non-enterprise, and any criteria that is used by staff and how those metrics are applied. He said we also need to be familiar with the State's process.

Responding to Councilor Maestas, Mr. Pino said he is unsure why DFA asks for the top 5 priorities, reiterating that the only criteria that counts for DFA and Legislative Finance is that it be on this list to be introduced at the Legislature.

Councilor Maestas asked for a copy of the State Legislative Capital Outlay form for our information only.

Mr. Pino said it is necessary to fill one of those out for all the requests that go forward, noting that LFC has its own form which isn't filled out until the session starts.

Councilor Maestas asked if we will be asked to identify a project in our District we would like to have considered, and Mr. Pino said yes, that's typical.

Mr. Pino asked how many Committee members would like a copy of the full notebook, and members indicated they will advise him by email.

Councilor Maestas asked if the estimates are refined every year.

Mr. Pino said that is the primary reason for updating the list every year – to get updated numbers.

Acting Chair Rivera noted the number one project on the list, the Downtown Bridge Improvements, appears to go through several years and assumes we're still seeking legislative funding.

Mr. Pino said yes.

Acting Chair Rivera noted the Airport Terminal Building is still in preliminary design phase, noting Mr. Bulthuis has brought it to us for review a couple of times. He asked if it needs to remain in the top 5 since they won't be spending the money before the next Legislative Session.

Mr. Pino said that is one of the criteria we look at and it was applied last year to the Airport at the outset to try to get more funding, but we didn't get the appropriation until September, so there was no way to answer the question as to whether we had spent or obligated any of the funds. He said that needs to be a criteria you need to look at carefully for any amount of money – could it possibly be spent in the next 1-2 years. He said the Airport is at a stage now where any additional funds would be left sitting for at least a year.

Acting Chair Rivera said, regarding Item #3, the GCCC, it appears we asked for quite a bit and didn't get as much as we had hoped for. He asked if we found other ways to fund what we needed to get done there, or is that something that needs to remain in the top 5.

Mr. Pino is unsure it needs to remain in the top 5, but the GCCC needs continual maintenance and renovation work, so it should be kept on the list for sure.

Acting Chair Rivera said he has the same question for the Ft. Marcy Complex, and Mr. Pino said it is the same thing.

Acting Chair Rivera would like to move item #33 Municipal Recreation Soccer Complex into the top 5. He said he has several reasons, one of which is to be able to convince you to put a bond before the voters at the March election to help fund a soccer complex to attract Leagues from all over the area to play in soccer tournaments. There is also a possibility of using Santa Fe as a high altitude training center which we've discussed. He said the Economic Development Division has done work, and Randy Randall and staff have done work, and looked at a tournament in Durango which brought in 114 teams, with a spending estimate to bring \$600,000 in GRTs. He thinks the yield of such a facility could be significant if we do it right. He said it's important to show how committed we are to the project by getting it into the top 5 for funds in addition what we would get from the voters for a G.O. bond. He would like for us to get into this at the next meeting. He said this is a great opportunity for us, noting soccer is the fastest growing sport in America today – a state of the art facility that would allow us to compete with other tournaments in the area.

Acting Chair Rivera said they used the funds from the Legislature to develop a draft master plan for that complex, and there was an ENN at Frenchy's Field two weeks ago. He said the plan is on the website, noting it is a magnificent project. He is looking to move that to the top 5.

Mr. Pino said David Chapman does the legislative tracking on appropriations. He said we just got a listing of things that had been funded, which included a number of senior projects, noting we get these every year. However, there were 5 non-profit projects that they didn't know about where we were listed as a pass-through. He said that ties our hands with project administrators and managers who have to track the work on those projects. He said we might discuss that with our Legislators later in the year, that we want to be careful about getting too top-heavy on administering projects that are not City projects. He said in a couple of cases, some of those should have gone to the DOT, and they will be working to get those changed. He said they will have more information in this regard at the next meeting. He said we do have our non-profit category which are on the list.

Councilor Maestas said we're not the fiscal agent, just a funding pass-through, and the non-profit manages the project.

Mr. Pino said the City has a fairly significant role as well in all of the reporting.

Councilor Maestas asked if the fiscal agent fee can be assessed, based on the total.

Mr. Pino said that's not possible now, but that probably will have to be done legislatively. He said he is more concerned about having adequate staff moreso than the fee. He said they are administering more than 160 projects just in Public Projects from very small to the Dectron units. It becomes a burden after a while to keep adding projects, especially those we didn't know were coming.

Acting Chair Rivera said then you're going to compile a list of those you didn't know about.

Mr. Pino said yes, he will ask Mr. Chapman to put that list together.

Councilor Maestas asked, under City-wide Streets there is no City-wide street improvements, and all are specific improvements. He asked why there isn't a general category such as pavement resurfacing and rehabilitation City-wide.

Mr. Pino that is because we use CIP project money every year.

Councilor Maestas asked if that is sufficient.

Mr. Pino said no, it will never be enough.

Acting Chair Rivera said he remembers Mark Duran saying that it is easier to sell to the Legislature if there were specific projects with which Legislators can identify for their districts.

Mr. Pino said that is correct.

Councilor Maestas said what happened in this Capital Outlay is that we did have City-wide improvements and the whole delegation supported those, because we did get some City-wide capital outlay.

Mr. Pino said we had identified 5-6 projects and during the session, instead of introducing 5-6 different projects want to introduce one bill, and we put them all together and they were funded. So now, we have to check them individually, but we can do that administratively.

Councilor Maestas said we heard the presentation on the public banking feasibility study, and one session talked about our practice of bonding capital projects. The gist was that we're paying a premium because the project development timeframe is so much longer than the construction timeframe and we're paying a lot of unnecessary bond financing fees. They recommended that for bonding for construction that the projects be shovel ready. He asked if there is a way we can separate the project development phase from the construction phase, so if we sell a CIP bond we can say this is a project development bond to get our project shovel ready which would exclude construction costs. Or we use another revenue source to pay for that, and fund construction separately.

Mr. Pino said he is unsure about what the appetite would be for funding the non-construction part of things separately. He understands the Legislators like to see some brick and mortar come out of the grounds, so we combined planning, design and construction. He said planning and design are necessary anyway, so he is unsure separating those from construction gives an advantage, and thinks in fact it would be more of a disadvantage because they would be less likely to fund that because nothing vertical happens. He said once the plans are on the shelf it becomes an advantage. However, for Legislative funding, it seems to him that keeping these together makes more sense.

Councilor Maestas said we could continue to have the hybrids with a set aside for project development for a bunch of project and exclude construction and get the shovel ready to start issuing bonds. He thinks we should look at that because he thinks it has merit, to see if we can change the way we bond some of the projects to reduce the fees.

Acting Chair Rivera asked if we have done this in the past and then got to one point and then the construction wasn't funded. So you use a lot of money to do certain things and the final phase wasn't funded.

Mr. Pino said there is nothing he can think of "off the top of my head." He the one we separated that worked well, but the numbers were huge, was SWAN Park.

Mr. Rodriguez said the last time the City did something like that, apart from SWAN Park, was the 2008 Park Bond. The City kicked it off even before the bonds were sold, with the idea those costs would be reimbursed later and it was a small amount of about \$200,000.

27. OTHER FINANCIAL INFORMATION

There was no other financial information.

28. MATTERS FROM THE COMMITTEE

A copy of *Bills and Resolutions Scheduled for introduction by members of the Governing Body* at the Finance Committee meeting of July 13, 2015, is incorporated herewith to these minutes as Exhibit "7."

Councilor Maestas said there was a Substitute Resolution for Item #20 on the desk, and he didn't make that clarification before the agenda was approved. He asked if it is approved on consent is it implied that the substitute is adopted versus what was in the packet. He said there was no change in the caption, but there were so many small amendments it was decided to do a Substitute Resolution.

Acting Chair Rivera said we voted on what was in the packet. His suggestion is that the Substitute Resolution go to Council, or speak to the Chair to see if it will come back to Finance with the original that we just passed.

Councilor Trujillo introduced a Resolution adopting the 2017-2021 Infrastructure Capital Improvements Plan (ICIP).

29. ADJOURN

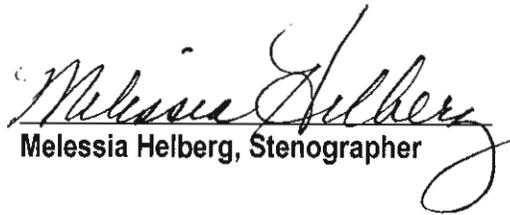
There was no further business to come before the Committee, and the meeting was adjourned at approximately 7:30 p.m.

Carmichael A. Dominguez, Chair

Reviewed by:



Oscar S. Rodriguez, Finance Director
Department of Finance



Melessia Helberg, Stenographer