

City of Santa Fe, New Mexico

LEGISLATIVE SUMMARY

Bill No. 2015-46

Municipal Gas Tax

SPONSOR(S): Councilors Maestas, Ives and Trujillo

SUMMARY: The proposed bill creates a new Article 18-19 SFCC 1987 to establish a municipal gasoline tax pursuant to NMSA 1978, § 7-24A-10.

PREPARED BY: Rebecca Seligman, Legislative Liaison Assistant

FISCAL IMPACT: Yes

DATE: December 28, 2015

ATTACHMENTS: Substitute Bill
FIR
Attachment

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CITY OF SANTA FE, NEW MEXICO

BILL NO. 2015-46

INTRODUCED BY:

Councilor Joseph M. Maestas

Councilor Peter Ives

Councilor Ron Trujillo

AN ORDINANCE

CREATING A NEW ARTICLE 18-19 SFCC 1987 TO ESTABLISH A MUNICIPAL GASOLINE TAX PURSUANT TO § 7-24A-10 NMSA 1978 [~~TO BECOME EFFECTIVE NINETY (90) DAYS FROM APPROVAL BY THE VOTERS OF THE CITY OF SANTA FE AT THE NEXT REGULAR MUNICIPAL ELECTION~~].

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

Section 1. A new Article 18-19 SFCC 1987 is ordained to read:

18-19 [NEW MATERIAL] MUNICIPAL GASOLINE TAX.

18-19.1 [NEW MATERIAL] Short Title. This article may be cited as the Municipal Gasoline Tax Ordinance.

18-19.2 [NEW MATERIAL] Legislative Findings. The governing body of the city of Santa Fe finds:

A. The city of Santa Fe continues to be negatively impacted by the economic downturn of 2008 which has resulted in significant declines in revenue that is available for the city of Santa Fe.

1 B. Gross receipts taxes are an unstable funding source whose levels are dependent
2 on the health of the economy.

3 D. New Mexico state law was amended in 2013 to repeal the hold harmless
4 distribution made by the state to municipalities that have a population of over ten thousand to
5 compensate those municipalities for revenues lost as the result of the state's elimination of gross
6 receipts taxes on food and certain medical services.

7 E. The state's elimination of these gross receipts taxes represent up to thirty percent
8 of a municipality's total gross receipts tax revenue.

9 F. The city of Santa Fe is facing a total estimated loss of over eighty million dollars
10 (\$80,000,000) of hold harmless distribution funds over the phase-out period ending in 2030.

11 G. The state's elimination of this source of gross receipts tax revenue will certainly
12 cause a major decrease in vital city services, jeopardize current and future infrastructure and
13 seriously impact the city workforce and local economy.

14 H. Currently, the city annually repaves right to ten lane miles of streets at a cost of
15 approximately two million dollars (\$2,000,000) including provisions for compliance with
16 Americans with Disabilities Act (ADA) access requirements including all associated costs.

17 I. With a total of approximately one thousand and four lane miles of city streets, it
18 will take more than fifty years to repave all city streets at the current levels of maintenance and
19 funding.

20 J. The July 2015 State of the City Streets – Condition Assessment has estimated a
21 grand total of two hundred and thirty-seven million dollars (\$237,000,000) of street and sidewalk
22 improvement needs.

23 K. The fiscal year 2017-2021 city Infrastructure Capital Improvement Plan has
24 estimated a total of nine million two hundred thousand dollars (\$9,200,000) of bridge
25 improvement needs.

1 [H]L. Paragraph D. of Article X, Section 6 of the Constitution of New Mexico states
2 that “No tax imposed by the governing body of a charter municipality, except a tax authorized by
3 general law, shall become effective until approved by a majority vote in the charter municipality.”

4 I. Section 7-24A-1 NMSA 1978 authorizes municipalities to impose a municipal
5 gasoline tax of up to two cents (\$.02) a gallon on all gasoline sold at retail within the
6 municipality.

7 **18-19.3 [NEW MATERIAL] Authority.** Section 18-19 SFCC 1987 establishes a
8 municipal gasoline tax and is adopted pursuant to the powers granted to the city of Santa Fe in
9 Article X, § 6 of the Constitution of New Mexico; §3-17-1 et seq. NMSA 1978, §3-18-1 et seq.
10 NMSA 1978, §7-24A-10 NMSA 1978.

11 **18-9.4 [NEW MATERIAL] Purpose.** The purpose of this Section is to establish a
12 municipal gasoline tax in the amount of two cents (\$.02) per gallon to finance, directly or through
13 the issuance of bonds, road and related sidewalk projects and bridge projects within the municipal
14 boundaries of the city of Santa Fe. [an ongoing source of funding for the city of Santa Fe to
15 maintain vital city services, current and future infrastructure and a stable city workforce.] The
16 receipts of the tax shall be used for eligible [infrastructure] projects[,] and payment of bonds
17 issued pursuant to the County and Municipal Gasoline Tax Act, Section 7-24A-1, et seq. NMSA
18 1978) [, and the acquisition of land and construction of buildings for all needs related to public
19 transportation including purchasing, maintaining, operating, modifying, repairing and storing any
20 required equipment.]

21 **18-19.5 [NEW MATERIAL] Imposition of Municipal Gasoline Tax.** There is
22 hereby imposed a municipal gasoline tax of two cents (\$.02) a gallon on all gasoline sold at retail
23 within the municipal boundaries of the city of Santa Fe and upon which gasoline taxes are
24 imposed in accordance with the Gasoline Tax Act, NMSA 1978, § 7-13-1 et seq.

25 **18-19.6 [NEW MATERIAL.] Effective Date.** The provisions of Section 18-19 SFCC

1 1987 shall go into effect [~~ninety (90) days~~] after an election is held and a simple majority of the
2 qualified electors of the city of Santa Fe voting on the question vote in favor of imposing the
3 municipal gasoline tax.

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5 APPROVED AS TO FORM:

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8 KELLEY A. BRENNAN, CITY ATTORNEY

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**City of Santa Fe
Fiscal Impact Report (FIR)**

This Fiscal Impact Report (FIR) shall be completed for each proposed bill or resolution as to its direct impact upon the City's operating budget and is intended for use by any of the standing committees of and the Governing Body of the City of Santa Fe. Bills or resolutions with no fiscal impact still require a completed FIR. Bills or resolutions with a fiscal impact must be reviewed by the Finance Committee. Bills or resolutions without a fiscal impact generally do not require review by the Finance Committee unless the subject of the bill or resolution is financial in nature.

Section A. General Information

(Check) Bill: X Resolution: _____

(A single FIR may be used for related bills and/or resolutions)

Short Title(s): AN ORDINANCE CREATING A NEW ARTICLE 18-19 SFCC 1987 TO ESTABLISH A MUNICIPAL GASOLINE TAX PURSUANT TO § 7-24A-10, NMSA 1978.

Sponsor(s): Councilor Maestas

Reviewing Department(s): Finance Department

Persons Completing FIR: Oscar Rodriguez Date: 12/28/15/15 Phone: 955-6530

Reviewed by City Attorney: Kelly A. Blumman Date: 12/29/15
(Signature)

Reviewed by Finance Director: _____ Date: _____
(Signature)

Section B. Summary

Briefly explain the purpose and major provisions of the bill/resolution:

This bill, if approved by the voters, would implement a two cent (\$.02) per gallon gas tax on all gasoline sold within city limits. Revenue from this tax would be dedicated solely for road and bridge infrastructure projects. Implementation of this gas tax is pursuant to 7-24A-10 NMSA 1978, with two cents being the maximum tax allowed. The ordinance shall not go into effect until after voters have approved the tax at the election on March 1, 2016.

Section C. Fiscal Impact

Note: Financial information on this FIR does not directly translate into a City of Santa Fe budget increase. For a budget increase, the following are required:

- a. The item must be on the agenda at the Finance Committee and City Council as a "Request for Approval of a City of Santa Fe Budget Increase" with a definitive funding source (could be same item and same time as bill/resolution)
- b. Detailed budget information must be attached as to fund, business units, and line item, amounts, and explanations (similar to annual requests for budget)
- c. Detailed personnel forms must be attached as to range, salary, and benefit allocation and signed by Human Resource Department for each new position(s) requested (prorated for period to be employed by fiscal year)*

1. Projected Expenditures:

- a. Indicate Fiscal Year(s) affected – usually current fiscal year and following fiscal year (i.e., FY 03/04 and FY 04/05)
- b. Indicate: "A" if current budget and level of staffing will absorb the costs
"N" if new, additional, or increased budget or staffing will be required
- c. Indicate: "R" – if recurring annual costs
"NR" if one-time, non-recurring costs, such as start-up, contract or equipment costs
- d. Attach additional projection schedules if two years does not adequately project revenue and cost patterns
- e. Costs may be netted or shown as an offset if some cost savings are projected (explain in Section 3 Narrative)

Finance Director: OR

_____ Check here if no fiscal impact

Column #:	1	2	3	4	5	6	7	8
Expenditure Classification	FY _____	"A" Costs Absorbed or "N" New Budget Required	"R" Costs Recurring or "NR" Non-recurring	FY _____	"A" Costs Absorbed or "N" New Budget Required	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected	
Personnel*	\$ _____	_____	_____	\$ _____	_____	_____	_____	
Fringe**	\$ _____	_____	_____	\$ _____	_____	_____	_____	
Capital Outlay	\$ _____	_____	_____	\$ _____	_____	_____	_____	
Land/ Building	\$ _____	_____	_____	\$ _____	_____	_____	_____	
Professional Services	\$ _____	_____	_____	\$ _____	_____	_____	_____	
All Other Operating Costs	\$ _____	_____	_____	\$ _____	_____	_____	_____	
Total:	\$ _____			\$ _____				

* Any indication that additional staffing would be required must be reviewed and approved in advance by the City Manager by attached memo before release of FIR to committees. **For fringe benefits contact the Finance Dept.

2. Revenue Sources:

- a. To indicate new revenues and/or
- b. Required for costs for which new expenditure budget is proposed above in item 1.

Column #:	1	2	3	4	5	6
Type of Revenue	FY 2016-17	"R" Costs Recurring or "NR" Non-recurring	FY _____	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected	
<u>\$1.02/gal</u>	<u>\$950,000</u>	<u>R</u>	<u>\$950,000</u>	<u>R</u>	<u>Gas Tax</u>	
_____	\$ _____	_____	\$ _____	_____	_____	
_____	\$ _____	_____	\$ _____	_____	_____	
Total:	<u>\$950,000</u>		<u>\$950,000</u>			

3. Expenditure/Revenue Narrative:

Explain revenue source(s). Include revenue calculations, grant(s) available, anticipated date of receipt of revenues/grants, etc. Explain expenditures, grant match(s), justify personnel increase(s), detail capital and operating uses, etc. (Attach supplemental page, if necessary.)

NM Tax and Revenue estimates that a new \$0.02/Gallon gasoline tax for the City of Santa Fe will generate \$950,000 per year, assuming that the referendum is approved in March and the City Council immediately enacts it so the State can implement it starting July 1. This revenue stream will be enough to support a \$6-9 million bond issue depending on the repayment period (10-20 years). See attached correspondence from the City's Financial Advisor.

Section D. General Narrative

1. Conflicts: Does this proposed bill/resolution duplicate/conflict with/companion to/relate to any City code, approved ordinance or resolution, other adopted policies or proposed legislation? Include details of city adopted laws/ordinance/resolutions and dates. Summarize the relationships, conflicts or overlaps.

None.

2. Consequences of Not Enacting This Bill/Resolution:

Are there consequences of not enacting this bill/resolution? If so, describe.

The tax question will not go before the voters on March 1, 2016. If approved by the voters, the tax revenue would be used to close the gap in road and bridge infrastructure spending in the city.

3. Technical Issues:

Are there incorrect citations of law, drafting errors or other problems? Are there any amendments that should be considered? Are there any other alternatives which should be considered? If so, describe.

None identified.

4. Community Impact:

Briefly describe the major positive or negative effects the Bill/Resolution might have on the community including, but not limited to, businesses, neighborhoods, families, children and youth, social service providers and other institutions such as schools, churches, etc.

Implementation of this tax would provide the City with additional revenue to address the many road, sidewalk and bridge projects that are in need of repair.

Infrastructure Capital Improvement Plan FY 2017-2021

Santa Fe Project Summary

ID	Year	Rank	Project Title	Category	Funded to date	2017	2018	2019	2020	2021	Total	Amount	Phases?
											Project Cost	Not Yet Funded	
12062	2017	001	Municipal Recreation Soccer Complex	Public Parks (local)	225,000	250,000	9,550,000	0	0	0	10,025,000	9,800,000	Yes
31267	2017	002	Fiber Optics	Economic Development	1,400,000	1,000,000	0	0	0	0	2,400,000	1,000,000	No
20257	2017	003	Facilities Citywide	Adm/Service Facilities (local)	975,000	1,000,000	1,000,000	1,000,000	1,000,000	0	4,975,000	4,000,000	Yes
29993	2017	004	West Alameda St. Drainage	Hiways/Roads/Streets/Bridges	0	500,000	3,000,000	0	0	0	3,500,000	3,500,000	Yes
23272	2017	005	Southwest Activity Node Park (SWAN)	Public Parks (local)	6,035,000	5,000,000	0	0	0	0	11,035,000	5,000,000	Yes
25974	2017	006	Ft. Marcy Complex	Adm/Service Facilities (local)	0	378,000	0	0	0	0	378,000	378,000	No
25924	2017	007	Southside Library Lightning Protection	Libraries	0	50,000	0	0	0	0	50,000	50,000	No
27962	2017	008	Carlos Ortega Teen Center Improvements	Adm/Service Facilities (local)	0	200,000	500,000	0	0	0	700,000	700,000	Yes
11914	2017	009	Senior Services	Senior Facilities	0	200,000	0	0	0	0	200,000	200,000	No
29762	2017	010	Calle Po Ae Pi Extension	Hiways/Roads/Streets/Bridges	0	250,000	600,000	0	0	0	850,000	850,000	Yes
11800	2017	011	Bicentennial Pool Improvements	Adm/Service Facilities (local)	0	170,000	0	0	0	0	170,000	170,000	No
22928	2017	012	Fire Station 1 (200 Murales)	Fire	0	300,000	1,200,000	0	0	0	1,500,000	1,500,000	Yes
27560	2017	013	Municipal Court - Office Expansion	Adm/Service Facilities (local)	0	125,000	0	0	0	0	125,000	125,000	Yes
27561	2017	014	Municipal Court - Building Renovations	Adm/Service Facilities (local)	0	300,000	330,000	0	0	0	630,000	630,000	Yes
25973	2017	015	Salvador Perez Park	Public Parks (local)	0	250,000	0	0	0	0	250,000	250,000	No
22943	2017	016	Main Library Rewire	Libraries	0	260,000	0	0	0	0	260,000	260,000	No
27569	2017	017	Senior Center Improvements	Senior Facilities	146,000	98,000	0	0	0	0	244,000	98,000	No

Infrastructure Capital Improvement Plan FY 2017-2021

25230	2017 018	Fire Training Facility (1130 Siler Road)	Fire	0	50,000	1,450,000	0	0	0	1,500,000	1,500,000	Yes
26128	2017 019	Public Safety Improvements	Public Safety Equipment/Bldgs	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	5,000,000	Yes
27963	2017 020	La Farge Library New Building	Libraries	0	1,250,000	7,600,000	800,000	0	0	9,650,000	9,650,000	Yes
29612	2017 021	Police Substations Improvements	Public Safety Equipment/Bldgs	0	700,000	2,600,000	0	0	0	3,300,000	3,300,000	Yes
14041	2017 022	Traffic Signing and Pavement Marking Maintenance	Hiways/Roads/Streets/Bridges	0	150,000	150,000	0	0	0	300,000	300,000	Yes
24017	2017 023	Aqua Fria/South Meadows Intersection Improvements	Hiways/Roads/Streets/Bridges	0	100,000	1,300,000	0	0	0	1,400,000	1,400,000	Yes
24018	2017 024	Sandoval /Montezuma Intersection Improvements	Hiways/Roads/Streets/Bridges	0	75,000	750,000	0	0	0	825,000	825,000	No
24020	2017 025	Cerrillos Rd./Sandoval Intersection Improvements	Hiways/Roads/Streets/Bridges	0	150,000	1,100,000	0	0	0	1,250,000	1,250,000	No
13943	2017 026	Traffic Signals Comm. Design & Install	Hiways/Roads/Streets/Bridges	0	370,000	300,000	300,000	300,000	300,000	1,570,000	1,570,000	Yes
14172	2017 027	Traffic Signal Cabinet Project	Hiways/Roads/Streets/Bridges	0	414,000	0	0	0	0	414,000	414,000	Yes
28025	2017 028	Old Taos Hwy Pedestrian Improvements	Hiways/Roads/Streets/Bridges	0	220,000	0	0	0	0	220,000	220,000	No
29679	2017 029	Canyon Road Street Lighting	Hiways/Roads/Streets/Bridges	0	350,000	0	0	0	0	350,000	350,000	No
16685	2017 030	Airport Terminal Building Expansion Phase II	Airports	890,000	3,000,000	0	0	0	0	3,890,000	3,000,000	Yes
13836	2017 031	Downtown Bridge Improvements	Hiways/Roads/Streets/Bridges	0	1,500,000	2,200,000	2,200,000	1,100,000	2,200,000	9,200,000	9,200,000	Yes
27557	2017 032	Rufina St. Sewer Line Rehabilitation	Wastewater	0	750,000	750,000	0	0	0	1,500,000	1,500,000	Yes
13944	2017 033	Bus Stop Amenities	Transit	0	500,000	500,000	500,000	500,000	500,000	2,500,000	2,500,000	No
27556	2017 034	Waste Water Belt Press for Solids Handling	Wastewater	0	700,000	0	0	0	0	700,000	700,000	No
28083	2017 035	Bus Replacement Purchase	Transit	3,500,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	9,750,000	6,250,000	No

Infrastructure Capital Improvement Plan FY 2017-2021

29537	2017 036	Parking Access Revenue Control System	Adm/Service Facilities (local)	0	1,250,000	0	0	0	0	1,250,000	1,250,000	No
29680	2017 037	City of Santa Fe Gateways	Hiways/Roads/Streets/Bridges	0	100,000	0	0	0	0	100,000	100,000	No
29682	2017 038	Transit Yard Roof Structure	Transit	0	275,000	0	0	0	0	275,000	275,000	No
21226	2017 039	Waste Water Sludge Digester	Wastewater	0	500,000	3,500,000	0	0	0	4,000,000	4,000,000	Yes
22927	2017 040	Fire Station (SW sector/Agua Fria)	Fire	0	200,000	3,300,000	0	0	0	3,500,000	3,500,000	Yes
25970	2017 041	Ft. Marcy Ball Park	Public Parks (local)	0	6,600,000	0	0	0	0	6,600,000	6,600,000	Yes
27572	2017 042	Senior Center Outdoor Recreation	Senior Facilities	0	100,000	0	0	0	0	100,000	100,000	No
27608	2017 043	Traffic Calming Improvements	Hiways/Roads/Streets/Bridges	0	200,000	1,000,000	1,000,000	1,000,000	1,000,000	4,200,000	4,200,000	Yes
25925	2017 044	Main Library	Libraries	0	980,000	0	0	0	0	980,000	980,000	No
13418	2017 045	Southside Boys and Girls Club	Adm/Service Facilities (local)	0	200,000	7,000,000	300,000	0	0	7,500,000	7,500,000	Yes
10026	2017 046	Community Center for Addictions Program	Health-Related Cap Infra	0	200,000	0	0	0	0	200,000	200,000	No
21368	2017 047	Warehouse 21 Teen Center	Adm/Service Facilities (local)	0	100,000	0	0	0	0	100,000	100,000	No
27964	2017 048	Heroes Housing	Housing-Related Cap Infra	50,000	100,000	150,000	0	0	0	300,000	250,000	Yes
29526	2017 049	Tierra Contenta Phase Project	Housing-Related Cap Infra	200,000	2,500,000	4,390,000	0	0	0	7,090,000	6,890,000	Yes
25971	2017 050	Salvador Perez Pool	Adm/Service Facilities (local)	0	70,000	0	0	0	0	70,000	70,000	No
29995	2017 051	City Hall Improvements	Adm/Service Facilities (local)	0	38,000	400,000	0	0	0	438,000	438,000	Yes
27589	2017 052	Genoveva Chavez Community Center	Adm/Service Facilities (local)	0	800,000	2,400,000	0	0	0	3,200,000	3,200,000	Yes
30750	2017 053	Raw Water Pipeline Replacement	Water Supply	0	1,750,000	0	0	0	0	1,750,000	1,750,000	No
30752	2017 054	4 MG Water Tank at BDD	Water Supply	0	2,000,000	0	0	0	0	2,000,000	2,000,000	No
30754	2017 055	Public Safety Radio System Upgrade	Public Safety Equipment/Bldgs	0	1,250,000	2,000,000	0	0	0	3,250,000	3,250,000	No
30757	2017 056	City of Santa Fe Wireless Networks	Other	0	245,000	175,000	0	0	0	420,000	420,000	No

Infrastructure Capital Improvement Plan FY 2017-2021

30758	2017 057	Senior Center Improvement/Parking Lot Access Road	Senior Facilities	153,150	294,998	0	0	0	0	448,148	294,998	No
30761	2017 058	Senior Center Warehouse Project	Senior Facilities	300,000	200,000	0	0	0	0	500,000	200,000	No
30766	2017 059	Ft. Marcy Recreation Center HVAC Replacement	Adm/Service Facilities (local)	0	400,000	0	0	0	0	400,000	400,000	No
30767	2017 060	Swimming Pool Improvements	Adm/Service Facilities (local)	0	60,000	600,000	0	0	0	660,000	660,000	No
30769	2017 061	Siler Road Complex	Adm/Service Facilities (local)	0	80,000	800,000	0	0	0	880,000	880,000	Yes
30771	2017 062	ESD Heavy Equipment Mechanical Shop	Solid Waste	0	250,000	90,000	2,000,000	0	0	2,340,000	2,340,000	Yes
30804	2017 063	Southside Library Data Room HVAC	Libraries	0	11,000	0	0	0	0	11,000	11,000	No
30808	2017 064	Salvador Perez Expansion	Adm/Service Facilities (local)	0	150,000	1,850,000	0	0	0	2,000,000	2,000,000	No
30809	2017 065	Airport Parking Lot Expansion	Airports	0	2,000,000	0	0	0	0	2,000,000	2,000,000	Yes
30810	2017 066	ARFF Truck - Airport	Airports	0	1,000,000	0	0	0	0	1,000,000	1,000,000	No
30812	2017 067	Resurface Transit Yard	Transit	0	350,000	0	0	0	0	350,000	350,000	No
30811	2017 068	Civil Air Patrol Hanger	Airports	0	675,000	0	0	0	0	675,000	675,000	No
30813	2017 069	Public Access CNG Station	Transit	30,000	275,000	0	0	0	0	305,000	275,000	No
30856	2017 070	Arts and Creativity Center	Housing-Related Cap Infra	0	500,000	1,500,000	12,000,000	0	0	14,000,000	14,000,000	Yes
22909	2017 071	Southside Transit Center	Transit	735,000	890,000	0	0	0	0	1,625,000	890,000	No
29536	2018 001	Market Station Tenant Improvements - Land Use	Adm/Service Facilities (local)	0	0	1,000,000	0	0	0	1,000,000	1,000,000	Yes

Number of projects: 72

	Funded to date:	Year 1:	Year 2:	Year 3:	Year 4:	Year 5:	Total Project Cost:	Total Not Yet Funded:
Grand Totals	14,639,150	49,454,000	67,285,000	22,350,000	6,150,000	6,250,000	166,128,128	151,489,008

Infrastructure Capital Improvement Plan FY 2017-2021

ICIP Capital Project Description

Year/Rank 2017 031

ID:13836

Project Title: Downtown Bridge Improvements

Project Type: Renovate/Repair

Category: Hiways/Roads/Streets/Bridges

Contact Name: John Romero

Contact Phone: 505-955-6638

Contact E-mail: jjromero1@ci.santa-fe.nm.us

Project Location: Alameda Street Santa Fe NM 87501

Latitude: 35 40 '

Longitude: -105 57'

Legislative Language: To plan, design, and construct improvements to Downtown Bridge to include archaeological and environmental clearances for the City of Santa Fe, New Mexico.

Description/Scope of Work: To design, construct and acquire archaeological and environmental clearances for Downtown Bridge improvements to include replacement, reconstruction or rehabilitation of various bridges in the downtown area.

Previous and Potential Funding Budget:

Has this project received previous legislative or other funding? No

Please explain.

State Grant Funding should only be requested when all other funding sources have been exhausted if entity is providing matching funds, i.e. Federal, Local Taxes, Fees, NM Finance Authority Loans (NMFA), Tribal Infrastructure Fund (TIF), Water Trust Board (WTB), Public School Facility Authority (PSFA), Colonia's Infrastructure Board (CIB), etc.

Please complete table below with funding source, etc. (No commas, decimals or \$ signs)

Funding Sources:	Potential Funding Amt applied for or to be applied for	Applied for?	Matching Funds?	Funded to Date Amt Previously Spent / Secured	Date Received
	0	Yes	No	0	
	0	Yes	No	0	
	0	Yes	No	0	
	0	Yes	No	0	
TOTALS	0			0	

Project Budget - Complete the Budget below. Only include unfunded or unsecured funds under each project year. Note: Funded to Date column must equal the amounts listed above here.

	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2017	2018	2019	2020	2021	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0
Acquisition	N/A	0	0	0	0	0	0	0
Archaeological Studies	No	0	250,000	0	0	0	0	250,000

Infrastructure Capital Improvement Plan FY 2017-2021

Environmental Studies	No	0	250,000	0	0	0	0	250,000
Planning	N/A	0	0	0	0	0	0	0
Design (Engr./Arch.)	No	0	1,000,000	0	0	0	0	1,000,000
Construction	No	0	0	2,200,000	2,200,000	1,100,000	2,200,000	7,700,000
Furnishing/Equipment	N/A	0	0	0	0	0	0	0
TOTALS		0	1,500,000	2,200,000	2,200,000	1,100,000	2,200,000	9,200,000
Amount Not Yet Funded		9,200,000						

Can this project be phased? **Yes**

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	1,500,000	Yes	Yes	No	No	No	12
2	2,200,000	No	No	Yes	No	No	12
3	2,200,000	No	No	Yes	No	No	12
4	1,100,000	No	No	Yes	No	No	12
5	2,200,000	No	No	Yes	No	No	12
TOTAL	9,200,000						

Has your local government/agency budgeted for operating expenses for the project when it is completed? **Yes**

If no, please explain why:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	100,000	100,000	100,000	100,000	100,000	500,000
Annual Operating Revenues	0	0	0	0	0	0

Does the project lower out-year operating costs? **No**

If yes, please explain and provide estimates of operating costs

Infrastructure Capital Improvement Plan FY 2017-2021

Entities who will assume the following responsibilities for this project:

Own:	Operate:	Fiscal Agent:	Own Land:	Own Asset:
City of Santa Fe	City of Santa Fe	City of Santa Fe		Santa Fe Metropolitan Planning Area

- Does the project have life expectancy of 10 or more years? Yes
- Has the project had public input and buy-in? Yes
- Is the project necessary to address population or client growth? Yes
- Has the land and all necessary easement or rights of way been acquired to complete the project? Yes

Legislators affected by this project:

House:	Senate:
48-Varela	25-Wirth

- Is this project a regional priority? For example, is it supported by more than one legislator or by more than one local government entity? Yes
- If yes, please explain. This project is vital to the infrastructure of downtown Santa Fe transit and tourism.
- Are there oversight mechanisms built in that would ensure timely construction and completion of the project on budget? Yes
- If yes, please explain. City staff and Public Work Project Administrators will be utilized to oversee project management and budget allocations
- Do the requested funds complete a fully functional phase of the project or complete a project previously funded by a legislative appropriation? No
- If yes, please explain.
- Other than the temporary construction jobs associated with the project, does the project maintain or advance the region's economy? Yes
- If yes, please explain. By providing safe, accessible, historically restored access points in and out of the downtown Santa Fe area, tourism can be maintained and increased as well as enticing business to locate to the area.
- Does the project benefit all citizens within a recognized region, district or political subdivision? No

Infrastructure Capital Improvement Plan FY 2017-2021

If yes, please explain and describe the population benefiting from the project.

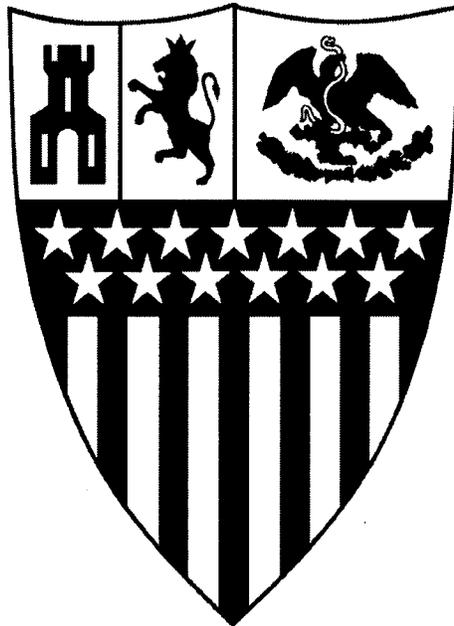
Does the project eliminate a risk or hazard to public health and/or safety that immediately endangers occupants of the premises such that corrective action is urgent and unavoidable? Yes
Emergencies must be documented by a Subject Matter Expert.

If yes, please explain. (If mandatory, provide Summary Page of the Federal, State or Judiciary Agency who issued the mandate.)

State of City Streets

Condition Assessment

**CITY OF SANTA FE
NEW MEXICO**



PUBLIC WORKS DEPARTMENT
Streets and Drainage Maintenance Division
Street Condition Assessment

July 2015

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I. EXECUTIVE SUMMARY

The current “State of Santa Fe Streets” is generally regarded as in fair condition. This would indicate that the streets are in a condition of significant distress with potential to deteriorate rapidly. Based on City’s rating system, the conditions of the streets range from a low of 0.0 which is failing condition up to a rating of 4.0 which is excellent condition (which is the rating for newly constructed roads). Within that system then, the city streets average rating is 2.24.

These conditions are seen over the 1,004 lane miles of streets in the City. As shown herein, the amount of funding available for the City to address these conditions is extremely small when compared to estimated cost to bring the streets up to good condition which would still leave the streets in a condition of moderate distress. The amount of funding available for pavement rehabilitation must also be used for ADA required modification to ramps within the project area as well as other related project costs.

Pavements in Santa Fe range from over 75 years of age to one year. The older pavements tend to be the concrete streets that were built in the 1920’s. The pavements that came along in later years are asphalt surface roads built over an engineered subgrades and base courses. This has been the norm for at least over 50 years.

Also to be considered are the conditions of the curbs, gutter and sidewalks along these roads. Over the past 30 years, pavement rehabilitation projects generally have not addressed replacement of curbs and gutters, resulting in drainage issues, particularly with storm drains.

Moreover, the City has over 43 miles of gravel roads. The maintenance of these roads competes for funding with paved streets. Also competing for funding are the recently annexed roads that were previously maintained by Santa Fe County. As per a Roads Agreement associated with the Phase 2 Annexation, these roads will come under the City of Santa Fe’s jurisdiction after they have been rehabilitated to the City standards described in that agreement

In summary, the City roads are in fair condition but deteriorating rapidly and the funding available for rehabilitation is insufficient.

II. INTRODUCTION

The State of the Streets condition assessment includes current road conditions and rehabilitation cost estimations to maintain and/or bring roads to a very good condition for all City of Santa Fe and NMDOT maintained roadways within the Santa Fe City limits. We have included the NMDOT roadways because they are principle urban arterials within the City limits. In addition, road exchange agreements are in place between the City and NMDOT to share various road maintenance responsibilities.

The assessment will evaluate and/or review:

- Pavement condition considerations.
- Estimated costs for:
 - Maintaining and/or bring roads to a very good condition.
 - Mandatory ADA and pedestrian considerations for rehabilitation/maintenance projects.
 - Sidewalk and pedestrian considerations for rehabilitation/maintenance projects.
 - Curb and gutter considerations for rehabilitation/maintenance projects.
- Drainage considerations will not be included with this assessment but should be reviewed at a later date.

III. CITY OF SANTA FE / NMDOT, ROAD EXCHANGE AGREEMENT

A road exchange agreement is in place between the City and NMDOT to share various road maintenance responsibilities. A summary of agreement is as follows;

Streets under NMDOT Jurisdiction

- **Cerrillos Rd** - St Francis Dr. to City Limits (West End)
- **St. Michael's Dr.** - Cerrillos Rd to Old Pecos Trail
- **St. Francis Dr.** - I 25 to US 285
- **Paseo De Peralta** - St Francis Dr. to Bishops Lodge
- **Old Pecos Trail** - St. Michaels Dr. to Rodeo Rd
- **Hyde Park Rd** - Bishops Lodge to City Limits
- **Bishops Lodge (Washington Ave)** – Paseo De Peralta to Hyde Park Rd
- **North Guadalupe** - Paseo De Peralta to US 285

NMDOT Responsibility

- General Street Maintenance, pot holes, curb & gutter, etc.
- Snow Removal

City of Santa Fe Responsibility

- Oversight of Utility Cuts within the Right-Of-Way
- Street Sweeping
- Median Maintenance
- Traffic Lights
- Traffic Stripes

IV. PAVEMENT CONDITION RATING

A typical failure mode of the existing pavement system is a highly oxidized, raveled, with transverse and longitudinal cracking with utility cuts and/or isolated failed locations throughout many of the segments. The most recent pavement assessment (January 2015) indicated that the average road is in fair condition with a rating of 2.24 (4 New Road, 0 Failed). Below is a general assessment scale used to rate the City's streets;

Pavement Condition Rating:

- 4.0 (A) Excellent - Little distress. New or nearly new pavement.
- 3.0 (B) Good - Moderate distresses. Treatable with sealing and patching.
- 2.0 (C) Fair - Significant distress. Deteriorating rapidly.
- 1.0 (D) Poor - Extensive distress. Thin overlay may be ineffective.
- 0.0 (F) Failures - Dangerous. Requires constant repairs and attention

V. COST AND RATING SUMMARY

Below is a Cost and Rating Summary for the individual Council Districts and the Street Totals with estimated costs for ADA Improvements, Sidewalks, and Curb and Gutter. A detailed breakdown of the individual Council Districts is included on the last page of this report.

Rating	Condition	Est. Cost per Yd. ²
0	Failed	\$100.00
0.5	Very Poor	\$75.00
1	Poor	\$60.00
2	Fair	\$20.00
3	Good	\$10.00
4	New	\$2.50

	Count of Street Segments	Average of January 2015 Rating	Sum of Estimated Pavement Rehab Cost	Sum of Approx Square Yards	Approximate Lane Miles
Council District 1 Total	328.00	2.21	\$41,290,764	1,845,016	263.6
Council District 2 Total	300.00	2.14	\$53,317,119	2,002,558	286.1
Council District 3 Total	226.00	2.33	\$33,059,494	1,550,720	221.5
Council District 4 Total	281.00	2.32	\$41,651,113	1,629,529	232.8
Streets Total	1135	2.24	\$169,318,491	7,027,822	1,004
ADA Improvements - Estimated @ 20% of Streets Total -->			\$33,863,698		
Sidewalks - Estimated @ 10% of Streets Total -->			\$16,931,849		
Curb & Gutter - Estimated @ 10% of Streets Total -->			\$16,931,849		
Estimated Grand Total --->			<u>\$237,045,888</u>		

VI. FUNDING LEVELS FOR ROADS

Current funding level for repaving is at \$4 million per CIP bond which currently cycles every 2 to 3 years with occasional small Local Government Road Fund grants (approximately \$30,000 per year) via NMDOT. However, the funding that is actually spent on resurfacing pavements is approximately half of the funding total. The remainder of the money goes towards other items such as ADA ramps, curb & gutter repair, sidewalk repair, traffic striping, traffic loops, speed humps, manhole collars, crack and fog seals etc.

Funding level for unpaved roads is at \$100,000-\$150,000 per CIP bond which currently cycles every 2 to 3 years? The city maintains approximately 43 miles of unpaved roads.

Over the last eight years, the City has acquired approximately 150 roads via new subdivisions and/or annexations from Santa Fe County (141 lane miles this year alone with more to come over the next year). On a yearly basis, the city repaves approximately 8 to 10 lane miles at a cost of approximately \$1 million per year. At this rate it would take the City well over 100 years to repave the existing road inventory. Below is cost estimate for the on-going 2014-2015 street maintenance projects.

2014/2015 Proposed Street Maintenance Projects

Pavement Items (estimated costs include placement, material, traffic control, mobilization, trucking, etc., pertaining to pavement)

BREAK-DOWN BY CONSTRUCTION TYPE

	Square Yards	Cost per Square Yard	Cost
Total Repave Square Yards	114,733.33	\$17.60	\$2,019,306.67
Total Crack Seal Square Yards	120,000.00	\$2.50	\$300,000.00
Total Fog Seal Square Yards	60,000.00	\$2.50	\$150,000.00
			\$2,469,306.67
		SUBTOTAL - PAVEMENT ITEMS	\$2,469,306.67

Miscellaneous Items

	Unit	Estimated Amount	Cost Per Unit	Cost
Manhole Adjustments	EACH	10	\$1,800.00	\$18,000.00
Speed Hump Removal/Replacement	EACH	1	\$1,000.00	\$1,000.00
Temporary Center Striping	LIN. FT.	50000	\$1.18	\$59,000.00
ADA Improvements		Estimated @ 18% of Pavement Items		\$444,475.20
Replacement of traffic signal loops		Estimated @ 4% of Pavement Items		\$98,772.27
Replacement of damaged concrete items		Estimated @ 6% of Pavement Items		\$148,158.40
Temporary Employees		Estimated @ 13% of Pavement Items		\$321,009.87
Replacement of pavement markings		Estimated @ 4.00% of Pavement Items		\$98,772.27
SUB TOTAL MISCELLANEOUS ITEMS				\$1,189,188.00
SUB TOTAL - PAVEMENT ITEMS				\$2,469,306.67
SUB TOTAL - MISCELLANEOUS ITEMS				\$1,189,188.00
			Total Before Tax	\$3,658,494.67
		NMGRT (8.175 %)	0.08175	\$299,081.94

Total Cost of Projects > **\$3,957,576.61**

VII. SUMMARY - CITY OF SANTA FE - 2015 STATE OF THE STREETS

		Count of Street Segments	Average of January 2015 Rating	Sum of Estimated Pavement Rehab Cost	Sum of Approx Square Yards	Approximate Lane Miles
Council District 1						
City		323	2.20	\$40,364,953	1,797,466	256.8
	Very Poor	1	0.50	\$106,600	1,421	0.2
	Poor	32	1.50	\$7,680,133	128,002	18.3
	Fair	278	2.25	\$31,795,598	1,589,780	227.1
	Good	12	3.00	\$782,622	78,262	11.2
NMDOT		5	2.60	\$925,811	47,550	6.8
	Fair	4	2.50	\$900,613	45,031	6.4
	Good	1	3.00	\$25,198	2,520	0.4
District 1 Total		328.00	2.21	\$41,290,764	1,845,016	263.6
Council District 2						
City		295	2.14	\$36,557,377	1,548,508	221.2
	Very Poor	3	0.50	\$470,033	6,267	0.9
	Poor	29	1.50	\$8,344,207	139,070	19.9
	Fair	256	2.21	\$27,422,851	1,371,143	195.9
	Good	7	3.00	\$320,286	32,029	4.6
NMDOT		5	2.00	\$16,759,742	454,049	64.9
	Poor	2	1.50	\$11,518,133	191,969	27.4
	Fair	3	2.33	\$5,241,609	262,080	37.4
District 2 Total		300.00	2.14	\$53,317,119	2,002,558	286.1
Council District 3						
City		224	2.34	\$27,964,661	1,370,295	195.8
	Poor	8	1.50	\$2,227,367	37,123	5.3
	Fair	207	2.34	\$24,811,149	1,240,557	177.2
	Good	9	3.00	\$926,146	92,615	13.2
NMDOT		2	1.75	\$5,094,833	180,425	25.8
	Poor	1	1.00	\$2,229,500	37,158	5.3
	Fair	1	2.50	\$2,865,333	143,267	20.5
District 3 Total		226.00	2.33	\$33,059,494	1,550,720	221.5
Council District 4						
City		280	2.32	\$38,832,447	1,488,595	212.7
	Poor	12	1.50	\$13,772,147	229,536	32.8
	Fair	267	2.36	\$24,939,411	1,246,971	178.1
	Good	1	3.00	\$120,889	12,089	1.7
NMDOT		1	2.50	\$2,818,667	140,933	20.1
	Fair	1	2.50	\$2,818,667	140,933	20.1
District 4 Total		281.00	2.32	\$41,651,113	1,629,529	232.8
Streets Total		1135	2.24	\$169,318,491	7,027,822	1,004
ADA Improvements - Estimated @ 20% of Streets Total -->				\$33,863,698		
Sidewalks - Estimated @ 10% of Streets Total -->				\$16,931,849		
Curb & Gutter - Estimated @ 10% of Streets Total -->				\$16,931,849		
Estimated Grand Total -->				\$237,045,888		

RODRIGUEZ, OSCAR S.

From: George Williford <George.Williford@firstsw.com>
Sent: Wednesday, November 11, 2015 9:54 AM
To: RODRIGUEZ, OSCAR S.
Subject: Gas Tax Bonding Capacity
Attachments: Santa Fe, NM- Gas Tax Schedules.pdf

Oscar:

As requested, attached is a schedule illustrating potential financing capacity secured by and payable from gas tax distributions. Schedules are included showing 10 year, 15 year or 20 year repayment.

I spoke with NMFA, which has purchased several gas tax financings. For financing secured solely by a limited special tax, financing through the NMFA PPRF program is the best economic alternative, as compared to attempting to sell such an issue in the public market. The determinant of the allowable length of repayment term which will be considered by NMFA will be the useful life of the improvements: for example, construction of new streets vs. asphalt overlay.

For each of the attached scenarios, the interest rate was based on rates approximately 40 basis points above current rates for PPRF issues. The total size included applicable costs of issuance and NMFA costs, and also included a debt service reserve fund, as would be required.

In each case, the issue was structured so that annual debt service was approximately \$720,000. That would have 1.25x coverage of annual gas revenues of \$900,000 and 1.3x coverage of annual revenues of \$940,000. 1.25x coverage would be the minimum allowable level. Based upon this coverage requirement, the City would continue to have \$180,000 to over \$200,000 excess gas tax receipts each year for cash expenditures.

As shown at the bottom of each schedule, the net proceeds for project costs which would be financeable for each repayment term would be approximately: \$5.88 million – 10 year repayment, \$7.92 million – 15 year repayment, or \$9.34 million – 20 year repayment.

Hopefully, this is helpful in consideration of possible financing based on the gas tax receipts. Please call on me with any questions, and as we can provide additional information.

Thanks,

George

George Williford
Managing Director
FirstSouthwest

direct 214.953.8705 fax 214.953.4050
325 North St. Paul Street, Suite 800, Dallas, TX 75201-3852

City of Santa Fe, NM
Gasoline Tax Revenue Financing
 Issue Size to Maintain \$720,000 Annual Debt Service

A	B	C	D	E	F	G	H	I	J	K	L	M	N
	\$6,650,000 - Series 2016 10 year - 2/1/2016 - 2.75%				\$8,765,000 - Series 2016 15 year - 2/1/2016 - 3.25%				\$10,200,000 - Series 2016 20 year - 2/1/2016 - 3.75%				
Year	Principal	Interest	DSRF	Debt Service	Principal	Interest	DSRF	Debt Service	Principal	Interest	DSRF	Debt Service	Year
2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2016
2017	475,000	243,833		718,833	335,000	379,817		714,817	210,000	510,000		720,000	2017
2018	550,000	169,813		719,813	445,000	273,975		718,975	345,000	374,625		719,625	2018
2019	565,000	154,688		719,688	460,000	259,513		719,513	355,000	361,688		716,688	2019
2020	580,000	139,150		719,150	475,000	244,563		719,563	370,000	348,375		718,375	2020
2021	595,000	123,200		718,200	490,000	229,125		719,125	385,000	334,500		719,500	2021
2022	610,000	106,838		716,838	505,000	213,200		718,200	395,000	320,063		715,063	2022
2023	625,000	90,063		715,063	520,000	196,788		716,788	410,000	305,250		715,250	2023
2024	645,000	72,875		717,875	535,000	179,888		714,888	430,000	289,875		719,875	2024
2025	660,000	55,138		715,138	555,000	162,500		717,500	445,000	273,750		718,750	2025
2026	1,345,000	36,988	(665,000)	716,988	575,000	144,463		719,463	460,000	257,063		717,063	2026
2027					590,000	125,775		715,775	480,000	239,813		719,813	2027
2028					610,000	106,600		716,600	495,000	221,813		716,813	2028
2029					630,000	86,775		716,775	515,000	203,250		718,250	2029
2030					650,000	66,300		716,300	535,000	183,938		718,938	2030
2031					1,390,000	45,175	(719,563)	715,613	555,000	163,875		718,875	2031
2032									575,000	143,063		718,063	2032
2033									595,000	121,500		716,500	2033
2034									620,000	99,188		719,188	2034
2035									640,000	75,938		715,938	2035
2036									1,385,000	51,938	(720,000)	716,938	2036
	\$ 6,650,000	\$ 1,192,583	\$ (665,000)	\$ 7,177,583	\$ 8,765,000	\$ 2,714,454	\$ (719,563)	\$ 10,759,892	\$ 10,200,000	\$ 4,879,500	\$ (720,000)	\$ 14,359,500	

Estimated Proceeds: \$ 5,881,225

Estimated Proceeds: \$ 7,916,020

Estimated Proceeds: \$ 9,338,000

**ACTION SHEET
ITEM FROM THE
PUBLIC WORKS/CIP AND LAND USE COMMITTEE MEETING
OF
MONDAY, DECEMBER 7, 2015**

ITEM 17

REQUEST FOR APPROVAL OF AN ORDINANCE CREATING A NEW ARTICLE 18-19 SFCC 1987 TO ESTABLISH A MUNICIPAL GASOLINE TAX PURSUANT TO NMSA 1978, §7-24A-10, TO BECOME EFFECTIVE NINETY (90) DAYS FROM APPROVAL BY THE VOTERS OF THE CITY OF SANTA FE AT THE NEXT REGULAR MUNICIPAL ELECTION (**COUNCILORS MAESTAS, IVES AND TRUJILLO**) (**OSCAR RODRIGUEZ**)

PUBLIC WORKS COMMITTEE ACTION: Approved

FUNDING SOURCE:

SPECIAL CONDITIONS / AMENDMENTS / STAFF FOLLOW UP:

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON TRUJILLO	X		
COUNCILOR BUSHEE			X
COUNCILOR DIMAS	Excused		
COUNCILOR DOMINGUEZ	Excused		
COUNCILOR IVES	X		

Mr. Rodriguez offered to provide that for her. It does go to the voters and he anticipated a packet would be shared with the voters.

Chair Trujillo agreed there are restrictions from the State so we just need clarification from the State and it will be voted on this Wednesday by Council.

Mr. Rodriguez agreed to make a copy of that for Council and provide that clarification for the voters.

Mr. Guillen said a resolution will be introduced at Council.

Councilor Maestas said it is broad enough to allow us to specify it. His interest is for road improvements. There is a credibility gap but we shouldn't wait for another two years. He was trying to get it on the ballot with the March election.

Councilor Ives moved for approval. Chair Trujillo seconded and it passed with both voting in favor and an abstention by Councilor Bushee.

DISCUSSION AGENDA

23. SECURITY GUARD SERVICES FOR MUNICIPAL FACILITIES

- a. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT B EXTENSION OF SECURITY SERVICES AT SANTA FE MUNICIPAL AIRPORT WITH BLACKSTONE SECURITY SERVICES, INC.
- b. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT B EXTENSION OF SECURITY SERVICES FOR CITY-WIDE SANTA FE MUNICIPAL FACILITIES WITH BLACKSTONE SECURITY SERVICES INC.
- c. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT B SECURITY GUARD SERVICES FOR MUNICIPAL PARKING FACILITIES, SANTA FE COMMUNITY CONVENTION CENTER, CITY HALL, PUBLIC LIBRARIES, MUNICIPAL COURT, SANTA FE TRAILS AND MUNICIPAL AIRPORT (RFP #16/06/P) WITH G4S SECURE SOLUTIONS, INC. (POSTPONED AT NOVEMBER 10, 2015 CITY COUNCIL MEETING) (ROBERT RODARTE)

Committee Review:

Finance Committee (Approved)	11/30/15
Council (Scheduled)	12/09/15

Mr. Rodarte said the contract was heard at Council and it was requested to hear it here today. There are three items to vote on.

Councilor Ives said he asked it to come back because there were recitations of new requirements in these contracts - specifically one reference on page 6 of the Council packet in November where it said direction given to purchasing officer by Council and also a memorandum which is page 44 in the packet from Mr. Rodarte to the City Manager on October 22 as a result of Councilor=s request for financial information from Mr. Correia about ASI, who pulled out of their contract because they were not making enough money on it. He could not find any other reference to the audited financial statement.

He pointed out that at the meeting, we disqualified our one local person who submitted a bid on it. They have been providing services to the City for a decade or more without reference to their finances. We are creating new obligations that eliminate local prospective contractors. He hoped the Committee understood

his issues on this process. It is a question of our procurement process. He could not find any place where Council imposed such restrictions.

Councilor Ives moved for approval of part a. Councilor Bushee seconded the motion and it passed by unanimous voice vote.

Councilor Ives moved for approval of part b. Councilor Bushee seconded the motion and it passed by unanimous voice vote.

Councilor Ives moved for approval of part c. Councilor Bushee seconded the motion and it passed by unanimous voice vote.

24. REQUEST FOR DISCUSSION AND POSSIBLE APPROVAL OF THE FY 2015/2016 B 2019/2020 CAPITAL BUDGET (OSCAR RODRIGUEZ)

Committee Review:

Finance Committee (No action)
Council (Scheduled)

11/30/15
12/09/15

Mr. Rodriguez announced that this is the first ever capital plan for Santa Fe. It was hard to do. A lot of blood sweat and tears went into it. This year it is a capital budget of \$62 million. Next year, that will go down to about \$25 million and thereafter will be around \$30 million for the next five years. At the end of the plan are the unfunded needs Council identified. So we don't have a plan for them. The Southside Transit Center is not there because we have not shaped it up fully at least on the transit side. The Transit Department's needs are there and shows that we recommend using the excess to replace buses - about \$1.4 million per year. It recommends taking cash to replace the Enterprise platform to do financial statements (upgrading the system). It includes a \$30,000 study to identify drainage projects so we can have a clear picture of drainage needs. Next year, it has a \$30,000 study to put all city facilities on one campus, which he recommended. Hardly any of our facilities are energy efficient. We just need to see if there is a way to operate less expensively.

He pointed out that the plan is notable for blank spaces in the years to come. The plan also addresses questions about bond issues. You will be seeing this every year. And from now on, when a department has a project to do, you will see an amendment.

Councilor Ives moved to approve the FY 2015/2016 B 2019/2020 Capital Budget. Councilor Bushee seconded the motion.

Councilor Bushee would like the trail section to go through BTAC since they have been dealing with bits and pieces of it. She pointed out that there will be lots of changes, depending on whether the gas tax passes. She asked if he would update it.

Mr. Rodriguez agreed and said they need to be clear with what voters see.

Councilor Bushee said the City has funded employees out of the bond in the past. If that is shifted around, she asked if the capital needs will add to our deficit.

Mr. Rodriguez disagreed. Rather, it makes clear the benefits. He shared an example with Parks.

THE GOVERNING BODY THEN RETURNED TO THE AFTERNOON AGENDA

13. **REQUEST TO PUBLISH NOTICE OF PUBLIC HEARING AT A SPECIAL CITY COUNCIL MEETING ON MONDAY, JANUARY 4, 2016; BILL NO. 2015-46: AN ORDINANCE CREATING A NEW ARTICLE 18-19 SFCC 1987 TO ESTABLISH A MUNICIPAL GASOLINE TAX PURSUANT TO NMSA 1978, §7-24A-10, TO BECOME EFFECTIVE NINETY (90) DAYS FROM APPROVAL BY THE VOTERS OF THE CITY OF SANTA FE AT THE NEXT REGULAR MUNICIPAL ELECTION (COUNCILOR MAESTAS, COUNCILOR IVES AND COUNCILOR TRUJILLO). (OSCAR RODRIGUEZ)**

An Action Sheet from the Public Works/CIP and Land Use Committee meeting of Monday, December 7, 2015, in this matter, is incorporated herewith to these minutes as Exhibit "14."

An amendment sheet with proposed amendments to this bill, proposed by staff, is incorporated herewith to these minutes as Exhibit "15."

A copy of *State of City Streets Condition Assessment*, dated July 2015, prepared by the Public Works Department, Streets and Drainage Maintenance Division, is incorporated herewith to these minutes as Exhibit "16."

Councilor Maestas said this is a Request to Publish. He said if we agree to publish this, we can actually have the real debate when it comes before the Council. He said he doesn't know if his colleagues want to debate this issue now, or if they at least agree with it in principle and allow it to go to Council.

Mayor Gonzales asked Councilor Maestas to propose a motion and see if he gets a second.

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

VOTE: The motion was approved on the following roll call vote.

For: Councilor Bushee, Councilor Dimas, Councilor Dominguez, Councilor Ives, Councilor Lindell, Councilor Maestas, Councilor Rivera and Councilor Trujillo.

Against: Mayor Gonzales.

Explaining her vote: Councilor Bushee said, "I still haven't seen the specific language, for the language to be sent to the voters. So if this is to be published, I want the specific language as to how this will go to the voters, so... You're going to publish this as an Ordinance and have that debate, or are you going to publish it, so when we will hear it. Ms. Vigil said it will be heard at a Special Meeting on January 4, 2016, after Finance. Councilor Bushee said, "I'm for publishing it, but I want that language soon, because I don't think it's restrictive enough as to how we would use that money. And I think we'll get into what we did with our buses. So yes to publish, but I want that language."

Explaining his vote: Mayor Gonzales said, "No. I think it's too soon for us to be considering any type of tax at this point, until we solve our budget issues."

THE GOVERNING BODY THEN RETURNED TO THE EVENING AGENDA

H. PUBLIC HEARINGS

- 7) **CONSIDERATION OF BILL NO. 2015-43; ADOPTION OF ORDINANCE NO. 2015-35 (COUNCILOR IVES). AN ORDINANCE AMENDING SECTION 21-2.1 SFCC 1987, TO AMEND EXISTING DEFINITIONS; AMENDING SECTION 21-3 TO DELETE SANTA FE HOMES PROGRAM APPLICABILITY; AMENDING SECTION 21-4.3 TO CLARIFY THE CONDITIONS OF SERVICE FOR RESIDENTIAL COLLECTION; AMENDING SECTION 21-6 TO CLARIFY CONDITIONS OF SERVICE; AMENDING SECTION 21-7.1 TO CLARIFY THAT NONRESIDENTIAL ESTABLISHMENTS SHALL PAY A SERVICE RATE; AND AMENDING EXHIBIT B OF SECTION 21 TO INCREASE RATES FOR RESIDENTIAL CURBSIDE COLLECTION AND FOR COMMERCIAL RECYCLING IN ORDER TO PURCHASE NECESSARY EQUIPMENT TO TRANSITION THE RESIDENTIAL RECYCLING PROGRAM FROM MANUAL TO AUTOMATED COLLECTION. (NICK SCHIAVO)**

The staff report was presented by Nick Schiavo from his Memorandum of October 22, 2015, with attachments. Please see this document for specifics of this presentation. Mr. Schiavo said the request by staff is for the Governing Body to adopt the Ordinance as presented.

Public Hearing

Adam Schlachter, 415 Salazar Place, was sworn. Mr. Schlachter said he is also the Recycling Education Coordinator for the Solid Waste Management Agency, the City's partner in recycling. He said the Agency is very much in support in automated recycling. Since August 2015, SWMA has been under contract with Friedman Recycling of Albuquerque as its processor and marketing of recycling, and they have been an increasing, and it makes recycling easier for members of the public in Santa Fe, by making it glass in one bin and everything else in the other bin. However, they are hitting a limit. Carts are the next phase of recycling. He said to put it in perspective, the volume of material we will be able to collect in a cart at the curb is equal to 7 of our current recycling bins. If we want that volume diversion from the community, every house in Santa Fe would have 8 recycling bins in front of it which is a lot. Carts are the most efficient and effective way to get recycling out of the landfill and into a budding market. He said national statistics, the carts will increase the City's diversion by about 80%. He said an analysis was just done of Santa Fe's recycling of Friedman, and 8% of what we shipped to them in the last 4 months was trash, so 92% of our volume was good commodity that we sold to markets around the world to use as raw material. He said number will jump from 75 tons a months to 430 tons. He said this is a great next step for the City's environmental program, reiterating SWMA's support for this.

ACTION SHEET
ITEM FROM FINANCE COMMITTEE MEETING OF 12/14/15
FOR CITY COUNCIL MEETING OF 01/13/16

ISSUE:

25. Request for Approval of an Ordinance Creating a New Article 18-19 SFCC 1987 to Establish a Municipal Gasoline Tax Pursuant to NMSA 1978, § 7-24A-10, to Become Effective Ninety (90) Days From Approval By The Voters of the City of Santa Fe at the Next Regular Municipal Election. (Councilors Maestas, Ives and Trujillo) (Oscar Rodriguez)

Committee Review

Public Works Committee (approved)	12/07/15
City Council (request to publish) (scheduled)	12/09/15
City Council (public hearing) (scheduled)	01/13/16

Fiscal Impact – Yes - projected revenue is \$950,000 per year assuming the referendum is approved in March, 2016 and the Governing Body immediately enacts it so the State can implement July 1, 2016.

FINANCE COMMITTEE ACTION:

Approved as Consent item.

FUNDING SOURCE:

SPECIAL CONDITIONS OR AMENDMENTS

STAFF FOLLOW-UP:

VOTE	FOR	AGAINST	ABSTAIN
COUNCILOR TRUJILLO	X		
COUNCILOR RIVERA	X		
COUNCILOR LINDELL	X		
COUNCILOR MAESTAS	X		
CHAIRPERSON DOMINGUEZ			

4-13-15

ORIGINAL BILL AND FIR

1 CITY OF SANTA FE, NEW MEXICO

2 BILL NO. 2015-46

3 INTRODUCED BY:

4
5 Councilor Joseph M. Maestas

6 Councilor Peter Ives

7 Councilor Ron Trujillo

8
9
10 AN ORDINANCE

11 CREATING A NEW ARTICLE 18-19 SFCC 1987 TO ESTABLISH A MUNICIPAL
12 GASOLINE TAX PURSUANT TO NMSA 1978, § 7-24A-10, TO BECOME EFFECTIVE
13 NINETY (90) DAYS FROM APPROVAL BY THE VOTERS OF THE CITY OF SANTA FE
14 AT THE NEXT REGULAR MUNICIPAL ELECTION.

15
16 BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

17 Section 1. A new Article 18-19 SFCC 1987 is ordained to read:

18 18-19 [NEW MATERIAL] MUNICIPAL GASOLINE TAX.

19 18-19.1 [NEW MATERIAL] Short Title. This article may be cited as the Municipal
20 Gasoline Tax Ordinance.

21 18-19.2 [NEW MATERIAL] Legislative Findings. The governing body of the city
22 of Santa Fe finds:

23 A. The city of Santa Fe continues to be negatively impacted by the economic
24 downturn of 2008 which has resulted in significant declines in revenue that is available for the
25 city of Santa Fe.

1 B. Gross receipts taxes are an unstable funding source whose levels are dependent
2 on the health of the economy.

3 D. New Mexico state law was amended in 2013 to repeal the hold harmless
4 distribution made by the State to municipalities that have a population of over 10,000 to
5 compensate those municipalities for revenues lost as the result of the State's elimination of gross
6 receipts taxes on food and certain medical services.

7 E. The State's elimination of these gross receipts taxes represent up to 30% of a
8 municipalities' total gross receipts tax revenue.

9 F. The City of Santa Fe is facing a total estimated loss of over \$80 million of hold
10 harmless distribution funds over the phase-out period ending in 2030.

11 G. The State's elimination of this source of gross receipts tax revenue will certainly
12 cause a major decrease in vital city services, jeopardize current and future infrastructure and
13 seriously impact the city workforce and local economy.

14 H. Paragraph D. of Article X, Section 6 states that "No tax imposed by the
15 governing body of a charter municipality, except a tax authorized by general law, shall become
16 effective until approved by a majority vote in the charter municipality.

17 I. Section 7-24A-1 NMSA 1978 authorizes municipalities to impose a municipal
18 gasoline tax of up to two cents (\$.02) a gallon on all gasoline sold at retail within the
19 municipality.

20 **18-19.3 [NEW MATERIAL] Authority.** Section 18-19 SFCC 1987 establishes a
21 municipal gasoline tax and is adopted pursuant to the powers granted to the city of Santa Fe in
22 Article X, § 6 of the Constitution of New Mexico; §3-17-1 et seq. NMSA 1978, §3-18-1 et seq.
23 NMSA 1978, §7-24A-10 NMSA 1978.

24 **18-9.4 [NEW MATERIAL] Purpose.** The purpose of this Section is to establish an
25 ongoing source of funding for the city of Santa Fe to maintain vital city services, current and

1 future infrastructure and a stable city workforce. The receipts of the tax shall be used for eligible
2 infrastructure, projects, payment of bonds issued pursuant to the county and municipal gasoline
3 tax act (Section 7-24A-1 NMSA 1978), and the acquisition of land and construction of buildings
4 for all needs related to public transportation including purchasing, maintaining, operating,
5 modifying, repairing and storing any required equipment.

6 **18-19.5 [NEW MATERIAL] Imposition of Municipal Gasoline Tax.** There is
7 hereby imposed a municipal gasoline tax of two cents (\$.02) a gallon on all gasoline sold at retail
8 within the municipal boundaries of the city of Santa Fe and upon which gasoline taxes are
9 imposed in accordance with the Gasoline Tax Act, NMSA 1978, § 7-13-1 et seq.

10 **18-19.6 [NEW MATERIAL.] Effective Date.** The provisions of Section 18-19 SFCC
11 1987 shall go into effect ninety (90) days after an election is held and a simple majority of the
12 qualified electors of the city of Santa Fe voting on the question vote in favor of imposing the
13 municipal gasoline tax.

14 APPROVED AS TO FORM:

15 
16 _____
17 KELLEY A. BRENNAN, CITY ATTORNEY

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City of Santa Fe Fiscal Impact Report (FIR)

This Fiscal Impact Report (FIR) shall be completed for each proposed bill or resolution as to its direct impact upon the City's operating budget and is intended for use by any of the standing committees of and the Governing Body of the City of Santa Fe. Bills or resolutions with no fiscal impact still require a completed FIR. Bills or resolutions with a fiscal impact must be reviewed by the Finance Committee. Bills or resolutions without a fiscal impact generally do not require review by the Finance Committee unless the subject of the bill or resolution is financial in nature.

Section A. General Information

(Check) Bill: _____ Resolution: _____

(A single FIR may be used for related bills and/or resolutions)

Short Title(s): AN ORDINANCE CREATING A NEW ARTICLE 18-19 SFCC 1987 TO ESTABLISH A MUNICIPAL GASOLINE TAX PURSUANT TO NMSA 1978, § 7-24A-10, TO BECOME EFFECTIVE NINETY (90) DAYS FROM APPROVAL BY THE VOTERS OF THE CITY OF SANTA FE AT A SPECIAL ELECTION TO BE HELD IN CONJUNCTION WITH THE NEXT REGULAR MUNICIPAL ELECTION.

Sponsor(s): Councilors Maestas, Ives and Trujillo

Reviewing Department(s): Finance Department

Persons Completing FIR: Oscar Rodriguez Date: 10/21/15 Phone: _____

Reviewed by City Attorney: Kelly A. Brennan Date: 11/24/15
(Signature)

Reviewed by Finance Director: [Signature] Date: 11-24-2015
(Signature)

Section B. Summary

Briefly explain the purpose and major provisions of the bill/resolution:

This bill, if approved by the voters, would implement a two cent (\$.02) per gallon gas tax on all gasoline sold within city limits. Revenue from this tax would be dedicated solely for road and bridge infrastructure projects. Implementation of this gas tax is pursuant to 7-24A-10 NMSA 1978, with two cents being the maximum tax allowed. The ordinance shall not go into effect until 90 days after voters have approved the tax at the election on March 1, 2016.

Section C. Fiscal Impact

Note: Financial information on this FIR does not directly translate into a City of Santa Fe budget increase. For a budget increase, the following are required:

- a. The item must be on the agenda at the Finance Committee and City Council as a "Request for Approval of a City of Santa Fe Budget Increase" with a definitive funding source (could be same item and same time as bill/resolution)
- b. Detailed budget information must be attached as to fund, business units, and line item, amounts, and explanations (similar to annual requests for budget)
- c. Detailed personnel forms must be attached as to range, salary, and benefit allocation and signed by Human Resource Department for each new position(s) requested (prorated for period to be employed by fiscal year)*

1. Projected Expenditures:

- a. Indicate Fiscal Year(s) affected – usually current fiscal year and following fiscal year (i.e., FY 03/04 and FY 04/05)
- b. Indicate: "A" if current budget and level of staffing will absorb the costs
"N" if new, additional, or increased budget or staffing will be required
- c. Indicate: "R" – if recurring annual costs
"NR" if one-time, non-recurring costs, such as start-up, contract or equipment costs
- d. Attach additional projection schedules if two years does not adequately project revenue and cost patterns
- e. Costs may be netted or shown as an offset if some cost savings are projected (explain in Section 3 Narrative)

Finance Director: [Signature]

X Check here if no fiscal impact

Column #:	1	2	3	4	5	6	7	8
	Expenditure Classification	FY _____	"A" Costs Absorbed or "N" New Budget Required	"R" Costs Recurring or "NR" Non-recurring	FY _____	"A" Costs Absorbed or "N" New Budget Required	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected
	Personnel*	\$ _____	_____	_____	\$ _____	_____	_____	_____
	Fringe**	\$ _____	_____	_____	\$ _____	_____	_____	_____
	Capital Outlay	\$ _____	_____	_____	\$ _____	_____	_____	_____
	Land/ Building	\$ _____	_____	_____	\$ _____	_____	_____	_____
	Professional Services	\$ _____	_____	_____	\$ _____	_____	_____	_____
	All Other Operating Costs	\$ _____	_____	_____	\$ _____	_____	_____	_____
	Total:	\$ _____			\$ _____			

* Any indication that additional staffing would be required must be reviewed and approved in advance by the City Manager by attached memo before release of FIR to committees. **For fringe benefits contact the Finance Dept.

2. Revenue Sources:

- a. To indicate new revenues and/or
- b. Required for costs for which new expenditure budget is proposed above in item 1.

Column #:	1	2	3	4	5	6
	Type of Revenue	FY 2016-17	"R" Costs Recurring or "NR" Non-recurring	FY _____	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected
	\$0.02/gal	\$950,000	<u> R </u>	\$ 950,000	<u> R </u>	<u> Gas Tax </u>
	_____	_____	_____	_____	_____	_____
	_____	\$ _____	_____	\$ _____	_____	_____
	_____	\$ _____	_____	\$ _____	_____	_____
	Total:	\$950,000		\$ 950,000		

3. Expenditure/Revenue Narrative:

Explain revenue source(s). Include revenue calculations, grant(s) available, anticipated date of receipt of revenues/grants, etc. Explain expenditures, grant match(s), justify personnel increase(s), detail capital and operating uses, etc. (Attach supplemental page, if necessary.)

NM Tax & Revenue estimates that a new \$0.02/Gallon gasoline tax for the City of Santa Fe will generate \$950,000 per year, assuming that the referendum is approved in March and the City Council immediately enacts it so the State can implement it starting July 1. This revenue stream will be enough to support a \$6-9 million bond issue depending on the repayment period (10-20 years). See attached correspondence from the City's Financial Advisor.

Section D. General Narrative

1. Conflicts: Does this proposed bill/resolution duplicate/conflict with/companion to/relate to any City code, approved ordinance or resolution, other adopted policies or proposed legislation? Include details of city adopted laws/ordinance/resolutions and dates. Summarize the relationships, conflicts or overlaps.

None.

2. Consequences of Not Enacting This Bill/Resolution:

Are there consequences of not enacting this bill/resolution? If so, describe.

The tax question will not go before the voters on March 1, 2016. If approved by the voters, the tax revenue would be used to close the gap in road and bridge infrastructure spending in the city.

3. Technical Issues:

Are there incorrect citations of law, drafting errors or other problems? Are there any amendments that should be considered? Are there any other alternatives which should be considered? If so, describe.

None identified.

4. Community Impact:

Briefly describe the major positive or negative effects the Bill/Resolution might have on the community including, but not limited to, businesses, neighborhoods, families, children and youth, social service providers and other institutions such as schools, churches, etc.
