



# City of Santa Fe, New Mexico

## LEGISLATIVE SUMMARY

### Resolution No. 2015-\_\_\_\_ City Asset Management Plan

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**SPONSOR(S):** Councilor Maestas

**SUMMARY:** The proposed resolution directs staff to obtain services to execute a pilot project that will examine the capital funding needs for the city's buildings over the next 30 years, and identify potential funding strategies to meet those needs. Prepare the city to meet the growing funding needs of its aging infrastructure.

**PREPARED BY:** Rebecca Seligman, Legislative Liaison Assistant

**FISCAL IMPACT:**

**DATE:** May 7, 2015

**ATTACHMENTS:** Resolution  
FIR

1 CITY OF SANTA FE, NEW MEXICO

2 RESOLUTION NO. 2015-\_\_

3 INTRODUCED BY:

4  
5 Councilor Joseph Maestas

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10 A RESOLUTION

11 DIRECTING STAFF TO OBTAIN SERVICES TO EXECUTE A PILOT PROJECT THAT  
12 WILL EXAMINE THE CAPITAL FUNDING NEEDS FOR THE CITY'S BUILDINGS OVER  
13 THE NEXT 30 YEARS; IDENTIFY POTENTIAL FUNDING STRATEGIES TO MEET  
14 THOSE NEEDS AND PREPARE THE CITY TO MEET THE GROWING FUNDING  
15 REQUIREMENTS OF ITS AGING INFRASTRUCTURE.

16  
17 WHEREAS, the City of Santa Fe can benefit from an asset management plan; and

18 WHEREAS, local governments across America are seeing a growing challenge with aging  
19 infrastructure (buildings, roads, bridges, waste water, etc.); and

20 WHEREAS, in general, aging infrastructure requires increasing amounts of funding to  
21 maintain so as to continue meeting service level requirements; and

22 WHEREAS, municipalities are struggling to fund these increasingly necessary capital  
23 expenses from existing tax revenues; and

24 WHEREAS, the City of Santa Fe owns, maintains and operates numerous buildings, roads,  
25 bridges, water treatment systems, and other infrastructure that are aging, resulting in increased capital

1 funding needs; and

2 **WHEREAS**, the City of Santa Fe continues to defer critical maintenance of its ageing  
3 infrastructure due to a lack of funding, thereby adding to its already significant funding gap; and

4 **WHEREAS**, business processes and tools provided by Ameresco Asset Sustainability Group  
5 (ASG) are designed to forecast capital needs in the near (1-5 years), medium (5-10 years) and long  
6 (10-30 years) term for City infrastructure, prioritize those needs in a transparent manner based on risk  
7 so funding can be allocated to the areas of greatest impact, and to project the performance of  
8 infrastructure based on different levels of funding; and

9 **WHEREAS**, Ameresco's unique Decision Development Framework would be incorporated  
10 into City-wide planning to help identify impact of various funding sources to meet the projected  
11 capital funding needs; and

12 **WHEREAS**, an asset management system will help maximize the life cycle of key  
13 infrastructure and recommend appropriate work to maintain it; and

14 **WHEREAS**, there is an immediate need for the City to plan and prepare for future  
15 infrastructure needs and identify potential funding strategies in advance, in order to continue  
16 providing a high level of service to all citizens and visitors.

17 **NOW, THEREFOE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**  
18 **CITY OF SANTA FE** that staff is directed to commence with a pilot project conducted by Ameresco  
19 Asset Sustainability Group (ASG) to examine the capital funding needs of the City's buildings over  
20 the next 30 years and identify potential funding strategies to meet those needs.

21 **BE IT FURTHER RESOLVED** that staff is directed to include in the pilot project the  
22 following items:

- 23 • Projections of capital costs for City-owned buildings for the next 30 years and the amount of  
24 funding needed to sustain them;
- 25 • Projections of currently available funding to meet the 30 year projected costs;

- 1 • Metrics such as the Facility Condition Index (FCI) and Unfunded Liability (UL) to assess risk
- 2 and the viability of these buildings over time;
- 3 • An executive report noting observations and findings highlighting life cycle projections
- 4 (needs) and risks to maintain and sustain an aging infrastructure of buildings.
- 5 • Identify improvements to increase efficiency that will reduce operational and maintenance
- 6 costs.

7 PASSED, APPROVED and ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2015.

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9 \_\_\_\_\_  
10 JAVIER M. GONZALES, MAYOR

11 ATTEST:

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13 \_\_\_\_\_  
14 YOLANDA Y. VIGIL, CITY CLERK

15 APPROVED AS TO FORM:

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18 KELLEY A. BRENNAN, CITY ATTORNEY

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25 *M/Legislation/Resolutions 2015/City Asset Management Plan*

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

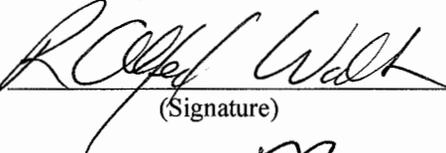
This Fiscal Impact Report (FIR) shall be completed for each proposed bill or resolution as to its direct impact upon the City's operating budget and is intended for use by any of the standing committees of and the Governing Body of the City of Santa Fe. Bills or resolutions with no fiscal impact still 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:  X   
(A single FIR may be used for related bills and/or resolutions)

Short Title(s):  A RESOLUTION DIRECTING STAFF TO OBTAIN SERVICES TO EXECUTE A PILOT PROJECT THAT WILL EXAMINE THE CAPITAL FUNDING NEEDS FOR THE CITY'S BUILDINGS OVER THE NEXT 30 YEARS; IDENTIFY POTENTIAL FUNDING STRATEGIES TO MEET THOSE NEEDS AND PREPARE THE CITY TO MEET THE GROWING FUNDING REQUIREMENTS OF ITS AGING INFRASTRUCTURE.

Sponsor(s):  Councilor Maestas   
Reviewing Department(s):  City Attorney's Office / Finance Department   
Persons Completing FIR:  Rebecca Seligman / Isaac Pino  Date:  05/11/15  Phone:  955-6501 / 955-6622

Reviewed by City Attorney:    Date:  05/14/2015   
(Signature)

Reviewed by Finance Director:    Date:  5-14-2015   
(Signature)

**Section B. Summary**

Briefly explain the purpose and major provisions of the bill/resolution:  
 The proposed resolution directs staff to obtain services to execute a pilot project that will examine the capital funding needs for the city's buildings over the next 30 years. Identify potential funding strategies to meet those needs and prepare the city to meet the growing funding needs of its aging infrastructure.

**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:  

\_\_\_\_\_ Check here if no fiscal impact

Column #:	1	2	3	4	5	6	7	8
	Expenditure Classification	FY <u>15/16</u>	"A" Costs Absorbed or "N" New Budget Required	"R" Costs Recurring or "NR" Non-recurring	FY <u>16/17</u>	"A" Costs Absorbed or "N" New Budget Required	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected

Personnel*	<u>\$800.00</u>	<u>  N</u>	_____	<u>\$</u> _____	_____	_____	_____	_____
Fringe**	<u>\$320.00</u>	<u>  N</u>	_____	<u>\$</u> _____	_____	_____	_____	_____
Capital Outlay	<u>\$</u> _____	_____	_____	<u>\$</u> _____	_____	_____	_____	_____
Land/ Building	<u>\$</u> _____	_____	_____	<u>\$</u> _____	_____	_____	_____	_____
Professional Services	<u>\$54,900.00</u>	<u>  N</u>	_____	<u>\$ 9,400.00</u>	_____	_____	<u>  R</u>	_____
All Other Operating Costs	<u>\$ 3,512.00</u>	<u>  N</u>	_____	<u>\$2,112.00</u>	_____	_____	<u>  R</u>	_____
Total:	<u>\$59,532.00</u>			<u>\$11,512.00</u>				

\* 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 _____	"R" Costs Recurring or "NR" Non-recurring	FY _____	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected

_____	<u>\$</u> _____	_____	<u>\$</u> _____	_____	_____	_____
_____	<u>\$</u> _____	_____	<u>\$</u> _____	_____	_____	_____
_____	<u>\$</u> _____	_____	<u>\$</u> _____	_____	_____	_____
Total:	<u>\$</u> _____		<u>\$</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.)

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**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 identified**

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**2. Consequences of Not Enacting This Bill/Resolution:**

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

**Capital funding needs for the City's buildings over the next 30 years would not be identified.**

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**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.

**No**

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**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.

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