



Agenda

REGULAR MEETING OF
THE GOVERNING BODY
AUGUST 27, 2014
CITY COUNCIL CHAMBERS

AFTERNOON SESSION – 5:00 P.M.

CITY CLERK'S OFFICE

DATE 8/22/14 TIME 4:20pm

SERVED BY _____

RECEIVED BY [Signature]

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. SALUTE TO THE NEW MEXICO FLAG
4. INVOCATION
5. ROLL CALL
6. APPROVAL OF AGENDA
7. APPROVAL OF CONSENT CALENDAR
8. APPROVAL OF MINUTES: Reg. City Council Meeting – August 13, 2014
9. PRESENTATIONS
 - a) Muchas Gracias – Plaza Clean Up. (Gilda Montano) (5 Minutes)
10. CONSENT CALENDAR
 - a) Bid No. 14/41/B – FY 2014/15 Meter Calibration & Testing Services for Water Division; Great Southwest Meters Testing, LLC. (Michael Moya)
 - b) Request for Approval of Procurement Under State Price Agreement – Three (3) Dump Trucks with Equipment for Streets & Drainage Maintenance Division. (David Catanach)
 - 1) Roberts Truck Center of New Mexico, LLC
 - 2) MCT Industries, Inc.
 - c) Request for Approval of Budget Increase for HUD's Shelter Plus Care Rental Assistance for Fiscal Year 2014-2015. (Alexandra Ladd)
 - d) Request for Approval of Exempt Procurement and Annual Hardware and Software Maintenance Agreement – Integrated Library System Services for Library Division; Innovative Interfaces, Inc. (Patricia Hodapp)



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- e) Request for Approval of Consent and Agreement to Convey Mortgaged Property, Grant Agreement, Lease Agreement, Lease Repurchase Agreement and Quitclaim Deed – Acquire Title for Santa Fe Crisis Treatment Center Building, Building Improvements and Renovations for Distribution of State Allocated Funds According to Severance Tax Bond Agreement; Solace Crisis Treatment Center Formerly Known as Santa Fe Rape Crisis & Trauma Treatment Center. (David Chapman)
- f) Request for Approval of Procurement Under State Price Agreement – Books and Library Services for Library Division; Baker & Taylor, Inc. (Patricia Hodapp)
- g) Request for Approval of Exempt Procurement and Professional Services Agreement – Repair and Maintenance Services for Water System Software and Equipment for Canyon Road Water Treatment Plant; Wunderlich-Malec Systems. (Alex Puglisi)
- h) Request for Approval of Exempt Procurement and Professional Services Agreement – Repair and Maintenance Services for Water System Software and Equipment for Water Division; Automation Electric. (Alex Puglisi)
- i) Request for Approval of Change Order No. 3 – Hospital Tank Coating Application Project; Guaranteed Waterproofing & Construction. (Bill Huey)
 - 1) Request for Approval of Budget Increase – Project Fund.
- j) CONSIDERATION OF RESOLUTION NO. 2014-____. (Councilor Ives, Mayor Gonzales, Councilor Maestas, Councilor Bushee and Councilor Rivera)
A Resolution Calling on the Governor, the Legislature, the Attorney General and the Regulation and Licensing Department to Take Immediate Action, Within their Respective Powers, to Cap Interest and Fees on Non-Bank Lending Institutions in New Mexico. (Melissa Byers)
- k) CONSIDERATION OF RESOLUTION NO. 2014-____. (Councilor Bushee and Councilor Maestas)
A Resolution Supporting Safe Nurse Staffing Levels in the Health Care System at the Federal, State and Local Government Levels and in the Private Sector. (Melissa Byers)



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- l) CONSIDERATION OF RESOLUTION NO. 2014-____. (Councilor Trujillo)
A Resolution Recognizing the First Annual Santa Fe Adult Softball League
Zozobra Burn-Out Tournament and Directing Staff to Assist in Facilitating
the Event. (Jennifer Romero)
- m) Request to Publish Notice of Public Hearing on September 23, 2014:
 - 1) Bill No. 2014-25: An Ordinance Amending Subsection 11-9.1
SFCC 1987 and Section 18-9 SFCC 1987 to Require the City of
Santa Fe to Conduct a Public Hearing Before the Governing Body
Votes on Reallocation Proceeds from a Voter-Approved General
Obligation Bond or Tax that Deviates Materially from the
Information Provided to the Electorate. (Councilor Ives and
Councilor Rivera) (Teresita Garcia)
 - 2) Community Development Block Grant (CDBG) 2013-2014
Consolidated Annual Performance Evaluation Review (CAPER).
(Margaret Ambrosino)
- n) Request for Approval of Police Officers Association Agreement – City of
Santa Fe Employees; Police Officers Association. (Chief Eric Garcia)
- o) Request for Approval of Professional Services Agreement – Public
Relations Services for City of Santa Fe, TOURISM Santa Fe (RFP
#14/47/P); Lou Hammond & Associates. (Randy Randall)
- p) Request for Approval to Create New Position for a Public Relations
Manager for TOURISM Santa Fe In-House Marketing Team. (Randy
Randall)
 - 1) Request for Approval of Budget Adjustment – Marketing Lodgers'
Fund.
- 11. MATTERS FROM THE CITY MANAGER
- 12. MATTERS FROM THE CITY ATTORNEY
- 13. MATTERS FROM THE CITY CLERK
- 14. COMMUNICATIONS FROM THE GOVERNING BODY



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THE GOVERNING BODY
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EVENING SESSION – 7:00 P.M.

- A. CALL TO ORDER
- B. PLEDGE OF ALLEGIANCE
- C. SALUTE TO THE NEW MEXICO FLAG
- D. INVOCATION
- E. ROLL CALL
- F. PETITIONS FROM THE FLOOR
- G. APPOINTMENTS
- H. PUBLIC HEARINGS:
 - 1) Request from LifeHouse Santa Fe Operations, LLC for a Transfer of Ownership of Dispenser License #27997 from Rainbowvision Santa Fe, LLC, dba Rainbowvision Santa Fe to LifeHouse Santa Fe Operations, LLC, dba The Montecito of Santa Fe. This License will Remain at 500 Rodeo Road. (Yolanda Y. Vigil)
 - 2) CONSIDERATION OF BILL NO. 2014-22: ADOPTION OF ORDINANCE NO. 2014-____. (Councilor Dominguez)
An Ordinance Authorizing the Issuance and Sale of the City of Santa Fe, New Mexico Gross Receipts Tax Improvement Revenue Bonds in an Aggregate Principal Amount of \$18,000,000 for the Purpose of Defraying the Cost of Public Projects Related to Public Utilities, Public Works, Parks And Recreation, and Community Services as Authorized by Law and the City's Home Rule Powers; Providing that the Bonds Will be Payable and Collectible from the Gross Receipts Tax Revenues Distributed to the City; Establishing the Form, Terms, Manner of Execution and Other Details of the Bonds; Authorizing the Execution and Delivery of a Bond Purchase Agreement; Approving Certain Other Agreements and Documents in Connection with the Bonds; Ratifying Action Previously Taken in Connection with the Bonds; Repealing all Ordinances in Conflict Herewith; and Related Matters. (Helene Hausman)



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- 3) CONSIDERATION OF RESOLUTION NO. 2014-____. (Councilor Rivera, Councilor Trujillo, Councilor Lindell, Councilor Bushee, Councilor Ives, Councilor Dimas, Councilor Maestas and Councilor Dominguez)
A Resolution Proclaiming Severe or Extreme Drought Conditions in the City of Santa Fe; Imposing Fire Restrictions, Restricting the Sale or Use of Fireworks Within the City of Santa Fe and Prohibiting Other Fire Hazard Activities. (Fire Marshal Reynaldo Gonzales) **(Postponed at July 30, 2014 City Council Meeting)**
- 4) CONSIDERATION OF BILL NO. 2014-23: ADOPTION OF ORDINANCE NO. 2014-____. (Councilor Bushee)
An Ordinance Relating to Impact Fees – Amending Section 14-8.14 (C), (E) And (F) to Adopt a New Impact Fee Schedule and Incorporate Definitions Related to Land Use Types; and Relating to Park Dedications – Amending Section 14-8.15 (C)(2) SFCC 1987, the Park Dedication Section; and Making Such Other Changes as Are Necessary. (Reed Liming)
 - a) CONSIDERATION OF RESOLUTION NO. 2014-____. (Councilor Bushee)
A Resolution Adopting The *“Impact Fee Capital Improvements Plan 2020 For Roads, Parks, Fire/EMS And Police”* to Meet the State Required Impact Fee Program 5-Year Update as Called for in the State Development Fees Act (5-8-30 NMSA 1978). (Reed Liming)
- 5) Referendum and Initiative Petition Reducing Marijuana Penalties: (Kelley A. Brennan and Yolanda Y. Vigil)
 - a) Petition Certification.
 - b) CONSIDERATION OF BILL NO. 2014-24: ADOPTION OF ORDINANCE NO. 2014-____.
An Ordinance Amending Section 16-15 SFCC 1987 to Reduce the Penalties for Possession of One Ounce or Less of Marijuana and Possession of Marijuana Paraphernalia; and Creating a New Section 20-6 SFCC 1987 to Establish That Possession of One Ounce or Less of Marijuana and Possession of Marijuana Paraphernalia are Civil Infractions.
 - c) CONSIDERATION OF RESOLUTION NO. 2014-____.
A Resolution Calling for a Special Municipal Election to be Held Concurrently with the Santa Fe County General Election on November 4, 2014 for the Purpose of Voting For or Against Municipal Questions Resulting from a Referendum and Initiative Related to Reducing Marijuana Penalties.



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Una Resolución Que Convoca Una Elección Municipal Especial Que se Llevará a Cabo Concurrentemente con la Elección General del Condado de Santa Fe el 4 de Noviembre, 2014 para el Propósito de Votar a Favor o En Contra de las Preguntas Municipales que Resultaron de un Referendo e Iniciativa Relacionados a la Reducción de Penas por la Marihuana.

- 1) Request for Approval of Budget Increase.

I. ADJOURN

Pursuant to the Governing Body Procedural Rules, in the event any agenda items have not been addressed, the meeting should be reconvened at 7:00 p.m., the following day and shall be adjourned not later than 12:00 a.m. Agenda items, not considered prior to 11:30 p.m., shall be considered when the meeting is reconvened or tabled for a subsequent meeting.

NOTE: New Mexico law requires the following administrative procedures be followed when conducting "quasi-judicial" hearings. In a "quasi-judicial" hearing all witnesses must be sworn in, under oath, prior to testimony and will be subject to reasonable cross-examination. Witnesses have the right to have an attorney present at the hearing.

Persons with disabilities in need of accommodations, contact the City Clerk's office at 955-6520, five (5) days prior to meeting date.

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SANTA FE CITY COUNCIL MEETING
August 27, 2014**

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APPROVAL OF CONSENT CALENDAR	Approved [amended]	2
CONSENT CALENDAR LISTING		2-4
APPROVAL OF MINUTES: REGULAR CITY COUNCIL MEETING – AUGUST 13, 2014	Approved	4
<u>PRESENTATIONS</u>		
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COMMENT ON PREVIOUSLY APPROVED RESOLUTION BY COUNCILOR BUSHEE

CONSIDERATION OF RESOLUTION NO. 2014-69. A
RESOLUTION SUPPORTING SAFE NURSE STAFFING
LEVELS IN THE HEALTH CARE SYSTEM AT THE FEDERAL,
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THE PRIVATE SECTOR

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REQUEST FOR APPROVAL OF POLICE
OFFICERS ASSOCIATION AGREEMENT –
CITY OF SANTA FE EMPLOYEES; POLICE
OFFICERS ASSOCIATION

Approved

11-25

REQUEST FOR APPROVAL TO CREATE NEW
POSITION FOR A PUBLIC RELATIONS
MANAGER FOR TOURISM SANTA FE
IN-HOUSE MARKETING TEAM

Approved

25-26

REQUEST FOR APPROVAL OF BUDGET
ADJUSTMENT – MARKETING LODGERS'
FUND

Approved

25-26

MATTERS FROM THE CITY MANAGER

None

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MATTERS FROM THE CITY ATTORNEY

None

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MATTERS FROM THE CITY CLERK

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Information/discussion

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EVENING SESSION

CALL TO ORDER AND ROLL CALL

Quorum

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PETITIONS FROM THE FLOOR

30-39

APPOINTMENTS

None

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ITEM**ACTION****PAGE #****PUBLIC HEARINGS**

REQUEST FROM LIFEHOUSE SANTA FE OPERATIONS, LLC, FOR A TRANSFER OF OWNERSHIP OF DISPENSER LICENSE #27997 FROM RAINBOWVISION SANTA FE, LLC, D/B/A RAINBOWVISION SANTA FE TO LIFEHOUSE SANTA FE OPERATIONS, LLC, D/B/A THE MONTECITO OF SANTA FE. THIS LICENSE WILL REMAIN AT 500 RODEO ROAD

Approved w/conditions

39-40

CONSIDERATION OF BILL NO. 2014-22: ADOPTION OF ORDINANCE NO. 2014-27. AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF SANTA FE, NEW MEXICO GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT OF \$18,000,000, FOR THE PURPOSE OF DEFRAYING THE COST OF PUBLIC PROJECTS RELATED TO PUBLIC UTILITIES, PUBLIC WORKS, PARKS AND RECREATION AND COMMUNITY SERVICES AS AUTHORIZED BY LAW AND THE CITY'S HOME RULE POWERS; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE FROM THE GROSS RECEIPTS REVENUES DISTRIBUTED TO THE CITY; ESTABLISHING THE FORM, TERMS, MANNER OF EXECUTION AND OTHER DETAILS OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; APPROVING CERTAIN OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION WITH THE BONDS; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION WITH THE BONDS; REPEALING ALL ORDINANCES IN CONFLICT HERewith; AND RELATED MATTERS

Approved a/amended

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CONSIDERATION OF RESOLUTION NO. 2014- _____. A RESOLUTION PROCLAIMING SEVERE OR EXTREME DROUGHT CONDITIONS IN THE CITY OF SANTA FE; IMPOSING FIRE RESTRICTIONS, RESTRICTING THE SALE OR USE OF FIREWORKS WITHIN THE CITY OF SANTA FE AND PROHIBITING OTHER FIRE HAZARD ACTIVITIES

Postponed indefinitely

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<u>ITEM</u>	<u>ACTION</u>	<u>PAGE #</u>
CONSIDERATION OF BILL NO. 2014-23: ADOPTION OF ORDINANCE NO. 2014-28. AN ORDINANCE RELATING TO IMPACT FEES – AMENDING SECTION 14-8.14(C), (E) AND (F) TO ADOPT A NEW IMPACT FEE SCHEDULE AND INCORPORATE DEFINITIONS RELATED TO LAND USE TYPES; AND RELATING TO PARK DEDICATIONS – AMENDING SECTION 14-8.15(C)(2) SFCC 1987, THE PARKS DEDICATION SECTION; AND MAKING SUCH OTHER CHANGES AS ARE NECESSARY	Approved	44-46
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<u>REFERENDUM AND INITIATIVE PETITION REDUCING MARIJUANA PENALTIES:</u>		
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CONSIDERATION OF BILL NO. 2014-24: ADOPTION OF ORDINANCE NO. 2014-29. AN ORDINANCE AMENDING SECTION 16-15 SFCC 1987, TO REDUCE THE PENALTIES FOR POSSESSION OF ONE OUNCE OR LESS OF MARIJUANA AND POSSESSION OF MARIJUANA PARAPHERNALIA; AND CREATING A NEW SECTION 20-6 SFCC 1987, TO ESTABLISH THAT POSSESSION OF ONE OUNCE OR LESS OF MARIJUANA AND POSSESSION OF MARIJUANA PARAPHERNALIA ARE CIVIL INFRACTIONS	Adopted	46-63
UNA RESOLUCION QUE CONVOCA UNA ELECCION MUNICIPAL ESPECIAL QUE SE LLEVARA A CABO CONCURRENTEMENTE CON LA ELECCION GENERAL DEL CONDADO DE SANTA FE, EL 4 DE NOVIEMBRE, 2014, PARA EL PROPOSITO DE VOTAR A FAVOR O EN CONTRA DE LAS PREGUNTAS MUNICIPALES QUE RESULTARON DE UN REFERENDO E INICIATIVA RELACIONADOS A LA RESOLUCCION DE PENAS POR LA MARIHUANA	No action	48-63
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**MINUTES OF THE
REGULAR MEETING OF THE
GOVERNING BODY
Santa Fe, New Mexico
August 27, 2014**

AFTERNOON SESSION

A regular meeting of the Governing Body of the City of Santa Fe, New Mexico, was called to order by Mayor Javier M. Gonzales, on Wednesday, August 27, 2014, at approximately 5:00 p.m., in the City Hall Council Chambers. Following the Pledge of Allegiance, Salute to the New Mexico flag, and the Invocation, roll call indicated the presence of a quorum, as follows:

Members Present

Mayor Javier M. Gonzales
Councilor Peter N. Ives, Mayor Pro-Tem
Councilor Patti J. Bushee
Councilor Bill Dimas
Councilor Carmichael A. Dominguez
Councilor Signe I. Lindell
Councilor Joseph M. Maestas
Councilor Christopher M. Rivera
Councilor Ronald S. Trujillo

Others Attending

Brian K. Snyder, City Manager
Kelley Brennan, City Attorney
Yolanda Y. Vigil, City Clerk
Melessia Helberg, Council Stenographer

6. APPROVAL OF AGENDA

Councilor Rivera asked to postpone Item #3 from the evening session indefinitely, or until such time the Fire Department feels it is appropriate to revisit it.

MOTION: Councilor Dimas moved, seconded by Councilor Rivera, to approve the agenda, as amended.

VOTE: The motion was approved unanimously on a voice vote with Mayor Gonzales, Councilors Bushee, Dimas, Dominguez, Ives, Lindell, Maestas, Rivera and Trujillo voting in favor of the motion and none against.

7. APPROVAL OF CONSENT CALENDAR

Councilor Dominguez asked to be added as a cosponsor on Item #10(j) and Item #10(m)(1).

MOTION: Councilor Bushee moved, seconded by Councilor Dimas, to approve the following Consent Calendar, as amended.

VOTE: The motion was approved on the following Roll Call vote:

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

Against: None.

10. CONSENT CALENDAR

- a) **BID NO. 14/41/B – FY 2014/15 METER CALIBRATION & TESTING SERVICES FOR WATER DIVISION; GREAT SOUTHWEST METERS TESTING, LLC. (MICHAEL MOYA)**
- b) **REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – THREE (3) DUMP TRUCKS WITH EQUIPMENT FOR STREETS & DRAINAGE MAINTENANCE DIVISION. (DAVID CATANACH)**
 - 1) **ROBERTS TRUCK CENTER OF NEW MEXICO, LLC**
 - 2) **MCT INDUSTRIES, INC.**
- c) **REQUEST FOR APPROVAL OF BUDGET INCREASE FOR HUD'S SHELTER PLUS CARE RENTAL ASSISTANCE FOR FISCAL YEAR 2014-2015. (ALEXANDRA LADD)**
- d) **REQUEST FOR APPROVAL OF EXEMPT PROCUREMENT AND ANNUAL HARDWARE AND SOFTWARE MAINTENANCE AGREEMENT – INTEGRATED LIBRARY SYSTEM SERVICES FOR LIBRARY DIVISION; INNOVATIVE INTERFACES, INC. (PATRICIA HODAPP)**
- e) ***[Removed for discussion by Councilor Ives]***
- f) **REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – BOOKS AND LIBRARY SERVICES FOR LIBRARY DIVISION; BAKER & TAYLOR, INC. (PATRICIA HODAPP)**

- g) REQUEST FOR APPROVAL OF EXEMPT PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – REPAIR AND MAINTENANCE SERVICES FOR WATER SYSTEM SOFTWARE AND EQUIPMENT FOR CANYON ROAD WATER TREATMENT PLANT; WUNDERLICH-MALEC SYSTEMS. (ALEX PUGLISI)
- h) REQUEST FOR APPROVAL OF EXEMPT PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – REPAIR AND MAINTENANCE SERVICES FOR WATER SYSTEM SOFTWARE AND EQUIPMENT WATER DIVISION; AUTOMATION ELECTRIC. (ALEX PUGLISI)
- i) REQUEST FOR APPROVAL OF CHANGE ORDER NO. 3 – HOSPITAL TANK COATING APPLICATION PROJECT; GUARANTEED WATERPROOFING & CONSTRUCTION (BILL HUEY)
 - 1) REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND.
- j) CONSIDERATION OF RESOLUTION NO. 2014-68 (COUNCILOR IVES, MAYOR GONZALES, COUNCILOR MAESTAS, COUNCILOR BUSHEE, ~~AND~~ COUNCILOR RIVERA AND COUNCILOR DOMINGUEZ). A RESOLUTION CALLING ON THE GOVERNOR, THE LEGISLATURE, THE ATTORNEY GENERAL AND THE REGULATION AND LICENSING DEPARTMENT TO TAKE IMMEDIATE ACTION, WITHIN THEIR RESPECTIVE POWERS, TO CAP INTEREST AND FEES ON NON-BANK LENDING INSTITUTIONS IN NEW MEXICO. (MELISSA BYERS)
- k) CONSIDERATION OF RESOLUTION NO. 2014-69 (COUNCILOR BUSHEE AND COUNCILOR MAESTAS). A RESOLUTION SUPPORTING SAFE NURSE STAFFING LEVELS IN THE HEALTH CARE SYSTEM AT THE FEDERAL, STATE AND LOCAL GOVERNMENT LEVELS AND IN THE PRIVATE SECTOR. (MELISSA BYERS)
- l) CONSIDERATION OF RESOLUTION NO. 2014-70 (COUNCILOR TRUJILLO). A RESOLUTION RECOGNIZING THE FIRST ANNUAL SANTA FE ADULT SOFTBALL LEAGUE *ZOZOBRA BURN-OUT TOURNAMENT* AND DIRECTING STAFF TO ASSIST IN FACILITATING THE EVENT. (JENNIFER ROMERO)
- m) REQUEST TO PUBLISH NOTICE OF PUBLIC HEARING ON SEPTEMBER 23, 2014:
 - 1) BILL NO. 2014-25: AN ORDINANCE AMENDING SUBSECTION 11-9L1 SFCC 1987, AND SECTION 18-9 SFCC 1987, TO REQUIRE THE CITY OF SANTA FE TO CONDUCT A PUBLIC HEARING BEFORE THE GOVERNING BODY VOTES ON REALLOCATION PROCEEDS FROM A VOTER-APPROVED GENERAL OBLIGATION BOND OR TAX THAT DEVIATES MATERIALLY FROM THE INFORMATION PROVIDED TO THE ELECTORATE (COUNCILOR IVES ~~AND~~, COUNCILOR RIVERA AND COUNCILOR DOMINGUEZ). (TERESITA GARCIA)

**2) COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 2013-2014
CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REVIEW (CAPER).
(MARGARET AMBROSINO)**

- n) *[Removed for discussion by Councilor Bushee]*
- o) **REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – PUBLIC RELATIONS SERVICES FOR CITY OF ANTA FE, TOURISM SANTA FE (RFP #14/47/P); LOU HAMMOND & ASSOCIATES. (RANDY RANDALL)**
- p) *[Removed for discussion by Councilor Maestas]*

8. APPROVAL OF MINUTES: REGULAR CITY COUNCIL MEETING – AUGUST 13, 2014

MOTION: Councilor Trujillo moved, seconded by Councilor Ives, to approve the minutes of the Regular City Council meeting of August 13, 2014, as presented.

VOTE: The motion was approved on a voice vote with Mayor Gonzales, Councilors Bushee, Dimas, Dominguez, Ives, Lindell, Maestas, Rivera and Trujillo voting in favor of the motion and none against.

9. PRESENTATIONS

a) MUCHAS GRACIAS – PLAZA CLEAN UP. (GILDA MONTANO)

Gilda Montano said we are here tonight to thank some of the businesses that helped to coordinate the event and made donations for cleaning the Plaza, painting and such. There were over 100 volunteers and everything now looks nice, clean and new.

Mayor Gonzales thanked Councilor Lindell, Councilor Rivera and others who came out to help, with a very special thanks to Buddy Roybal and his wife for consistently “being there for our community,” with their financial and personal support to make sure Santa Fe continues to stay a strong and vibrant community for everyone. He thanked everyone who participated in the cleanup of the Plaza, noting more work is needed, although this is a good start, and we will continue to work on the Plaza. He said this is the welcoming door to our community and we have to do everything possible to make it looking nice.

Gilda Montano and Mayor Gonzales presented Muchas Gracias to businesses that assisted with the Plaza Clean-Up.

Buddy Roybal thanked the Mayor and Council for this honor for doing the work we all need to do on a volunteer basis. He gave a special thanks for all the volunteers.

Mayor Gonzales thanked Hotel Santa Fe and Paul Margetson who came up with a creative idea, which is for hotels and business in the downtown area to adopt the Plaza for an evening, and to spend time with their employees cleaning after Bandstand and for greeting locals and tourists. He wants to continue the program.

Ms. Roybal said that program will continue and businesses are signing up as we speak.

Ms. Montano said the Fall cleanup day will be on September 27, 2014, 9:00 a.m. to 12:00 noon, and they need volunteers to help with that. She said the day after Zozobra they will be having a cleanup, and they can call her to volunteer at 955-2215, or go to the websites.

Councilor Bushee said under Fabian Chavez, Parks Director, we began an initiative, "Friends of the Plaza," and she would like to see that resurrected and she would nominate Buddy as first president. She said it is good to formalize these events so someone is formally keeping an eye on the Plaza. She said she will sponsor a Resolution if needed.

Mayor Gonzales thanked everyone for going above and beyond to do your part and doing your share to help the City to be great.

CONSENT CALENDAR DISCUSSION

10(e) REQUEST FOR APPROVAL OF CONSENT AND AGREEMENT TO CONVEY MORTGAGED PROPERTY, GRANT AGREEMENT, LEASE AGREEMENT, LEASE REPURCHASE AGREEMENT AND QUITCLAIM DEED – ACQUIRE TITLE FOR SANTA FE CRISIS TREATMENT CENTER BUILDING; BUILDING IMPROVEMENTS AND RENOVATIONS FOR DISTRIBUTION OF STATE ALLOCATED FUNDS ACCORDING TO SEVERANCE TAX BOND AGREEMENT; SOLACE CRISIS TREATMENT CENTER FORMERLY KNOWN AS SANTA FE RAPE CRISIS & TRAUMA TREATMENT CENTER. (DAVID CHAPMAN)

Councilor Ives asked, in terms of the transaction and the City receiving the building, what due diligence have we done to "coming into the title of that facility."

David Chapman said the City hasn't yet received the grant appropriation from the State. In terms of due diligence, the most recent appraisal is October 2008, where the building was appraised at \$2,650,000. The amount outstanding on the property is approximately \$775,000. He said the ratio itself, in his mind, would counter the due diligence.

Councilor Ives asked about environmental studies and an updated appraisal. He said the agreement provides, 'If, after the renovations are completed, the City may agree to sell the presently existing improvements and renovations back to Solace, the fair market value will be determined by an appraisal. Solace may paid the fair market value by providing \$260,000 in cash or excess credits and

providing the remainder in cash or monthly credits." He asked if we anticipate a current appraisal would be significantly higher or lower. He said he is curious about the payback stream, presumably at least \$2 million in terms of value being covered. He is trying to understand this better.

Mr. Chapman said the City can request an appraisal for Solace and we can do that if that is what the Council would like them to do.

Councilor Ives said the agreement said we will, presumably, at the point in time we consider turning it back to them, and asked when that would be.

Mr. Chapman said the grant expires June 30, 2017. The project is anticipated to last 6 months, so we would be within that framework, and anticipate turning the building back to Solace.

Councilor Ives said presumably we're turning it back to them for fair market plus the repairs. He is curious how they will pay that back.

Zachary Shandler, Assistant City Attorney said, "When the City sells the building back, to avoid anti-donation issues, they have to purchase it back at that fair market, and so that's when the appraisal will come in that you've mentioned. And they can either provide that by cash, or services in lieu of cash. The way the transaction is set up is they could provide that as part of the monthly rent they are providing, or an additional \$218,000 in additional services provided in lieu of cash."

Councilor Ives said then they would have to provide the level of services for fair market value.

Mr. Shandler said this is correct.

Councilor Ives asked, as suggested by Mr. Chapman, if it is possible Solace would contribute \$2 million in services over the course of one year.

Mr. Shandler said he understands they do a significant amount of services in lieu of cash currently, and, "It's our expectation that that can be accumulated in a short time period, whether 12 months or 3 years." He said they have been working with the parties to try to quantify the numbers, so it's just a short term ownership for the City."

Councilor Ives said he is concerned it will become a longer term ownership and one in which it finds itself with a "bigger nut to crack," than justified by the \$216,000 in improvements being provided. He would like more background on the numbers, and exactly how the mechanics are meant to play out. He doesn't see this as necessarily being a great benefit to Solace, although this is the only way for them to access the \$216,000. He doesn't want to be an impediment to this, but wants to understand better the flow of the financing and services.

Mr. Chapman asked if it would be possible for Maria Jose, Solace Director, to speak to these issues.

Mayor Gonzales said that would be fine.

Maria Jose, Director, Solace, said, "We're trying to understand what the payback really means. When we initiated this process over a year and a half ago, we followed to a T every single recommendation we were told with regard to how the process works. As to where we are, right now, we're trying to figure the entire debt Solace would endure if we go ahead with the process. Because what we knew back then that we were going to be paying back the exact amount we were getting in, so that is no more than \$216,000. Solace is responsible from this moment on, even if the City were to take ownership of the building, to pay the mortgages and maintain the building. So the only increase, let's say that we will get in value will be the \$216,000, in place of contractual work that is going to make the building safer and sound. So I am trying to see if we could rationalize it that way, that the only money we owe is the money that we are getting, which is the \$216,000. So, if that was the case, indeed we can pay that back in services monthly. We can determine those numbers for you and you will see that roughly we can pay that back within one year."

Councilor Ives said he understands, and this is exactly what he wants to see happen, but that isn't what is in these agreements when it says, "Solace may pay the fair market value." He presumes that is \$2,600,000 to be paid back, and by gifting or signing the quitclaim of the building to the City, the City comes into an asset worth \$2.6 million which has \$775,000 left on a mortgage, so the benefitting by about \$1.9 million. He said as a non-profit entity we can accept things like that, but I think the anti-donation will not allow us to turn it back to Solace, because it would become an asset of the City at that point, as opposed to an asset of Solace. He asked if it would be possible to postpone this for further discussions on this point. He said he doesn't understand how it is supposed to work, commenting he is happy to be educated in that regard.

Councilor Bushee said she asked these kinds of questions at Committee and Mr. Chapman assured her this wasn't going to complicate matters for either party. She would hate to hold this up because they need the funding.

Ms. Jose said, "This is not all staff, or our team of 18 employees that is working there every day. This is a partnership with 11 different entities in our community, including all law enforcement departments, prosecution, Attorney General's Office, CYFD. It is a service, unless we go back to north of Taos and south in Bernalillo, that our community will not be receiving, so it is imperative. There is no foundation, no other place we can go to get this money. And truly, we though, by the leadership of the Legislature that led us this way that there was a very good possibility to have this building safe and healthy through a partnership with the City of Santa Fe."

Councilor Bushee said we have other buildings where we charge a nominal amount of \$1 per year. She had concerns, but when she asked at Committee and Mr. Chapman allayed those fears, and asked if somebody can help us here.

Mayor Gonzales asked if this is time sensitive to be approved tonight and Councilor Bushee said yes.

Mayor Gonzales asked Councilor Ives if he feels the issues of concern are great enough that only through postponement those questions can be answered, or deal with the funding issues. He asked if there is any other way we could get this issue addressed. He said, "You're basically saying, if we don't do this within two weeks, there is some jeopardy."

Ms. Jose said, if the City doesn't approve this she is concerned about the roof which is in very poor condition, and there are difficulties every time it rains. She said she believes the winter will be hard as well. The roof needs to be addressed immediately.

Mayor Gonzales said he is asking Ms. Jose what kinds of issues would there be, if it is tabled, and allow Councilor Ives to spend time with her for the next two weeks, and brought it to the Council in two weeks.

Mr. Chapman said, "We can accommodate that if that is the Council's wish, yes."

Councilor Ives said his concern is that the current agreement requires Solace to repay full fair market value and services, which would be some \$2 million plus in services.

Councilor Bushee said, "Which they do already." She said we have worked hand-in-glove with Solace and our lobbyist to get federal funding, build the building. She was concerned initially that the City would have to do some maintenance. She said, "I'm pretty sure we have an equal arrangement as it exists now, but again the attorneys...."

Ms. Brennan said Ms. Shandler can clarify this.

Mr. Shandler said, "There is a separate policy for the policymakers if you want to get ownership of additional building in your inventory. So that's one issue initially. The issue that I'm focused on right now, this is a rent-own arrangement. And the reason we can't do it any other way, is because it is State Severance Tax money, and according to State officials, under State rule, this particular type of money cannot be done with nominal fees that are seen in maybe other building arrangements. So this is a rent-to-own type of arrangement. And it may take them some time to accumulate those credits, but traditionally, non-profits exceed services they provide. So it's our expectation that they will quickly accumulate the credits to provide the rent-to-own process."

Ms. Brennan said, "And those credits include the mortgage payments they're making and the other payments they make on the buildings. Am I correct."

Mr. Shandler said, "That's right. As part of the monthly rent, first they have to pay cash payments to the bank to make sure the mortgage stays current and any additional amount becomes this kind of rent-to-own credits which will accumulate. And it's our expectation it will accumulate quickly to that amount."

Councilor Ives said he is happy not to pull this item, "if you are comfortable that the value of the services being provided are going to accrue at such a rate that they will equal the fair market value payback, within the time period of the expectations that folks are talking about. But, I'm not hearing anybody telling me, and I don't know if the organization delivers \$2 million worth of services a year, or whether the funding sources you have for those services. If you guys are comfortable that's the case, I'm happy to proceed forward. But, again, I have that concern that you are giving us an asset that has at least \$2 million in equity in it that you are going to have to buy back by providing services."

Councilor Bushee said it is a rent-to-own.

Councilor Ives said, "Understood, but functionally the rental payments are accruing toward that amount, so presumably if we're thinking this is going to flip in a year, then you're talking about \$2 million worth of services by way of rent payments over the course of a year. I don't know enough about the organization to know the value of the service delivery on an annual basis."

Ms. Jose said, "I'm hearing two things. And I hear that the amount might not be \$2 million, plus \$216,000, if it is on a rental agreement. So I think I need to get a little more educated by our team in regards to that. And you're asking if we can, in one year, pay back \$2,216,000, just like that, probably the answer is no. But, I'm not quite clear that that is the conundrum that we have in front of us."

Councilor Ives said he hasn't looked in depth at the arrangements, which is the reason he is raising the issues here. He said, "Forgive me, I can't answer that, without knowing more."

Ms. Jose said, "I would like to tell you also, that I really thank you Councilor, because if your concern is the one of not putting Solace in a bad position, I really would like you to be as cautious as you are right now. So I thank you for that, but I'm not sure we truly have that dilemma in front of us."

Mr. Shandler said, "If you want postpone for two weeks, so we can have a basis for the bargain here, if you feel it's just not quite there. We would be happy to do that. We think this is only arrangement that is going to get past State officials, but obviously, if you feel we need a little more time to give you a quantified table or spreadsheet, we can provide that for you."

Councilor Ives said, "I recognize that provision in the Constitution, with regards to the allocation of funding, that it has to then go to ownership by the agency to whom those funds are distributed. Again, there has to be some sense of equivalent values there. And by giving up total interest in the building, it just seems you're giving up too much for the \$200,000 that you're getting, understanding that you would have to pay back that \$2 million."

MOTION: Councilor Ives moved to postpone this item for two weeks "to clarify these issues and make sure all the parties are.... as long as you are comfortable we have those two weeks to the next Council meeting." **THE MOTION DIED FOR LACK OF A SECOND.**

MOTION: Councilor Bushee moved, seconded by Councilor Dominguez, to approve this request.

DISCUSSION: Councilor Bushee said, "I would just suggest that Rape Crisis and Solace have been in existence now for 41 years, and they've been in the building now for almost a decade. I think we have to have this arrangement because of the way the State operates, but I really have no concerns the City at any moment is going to say give us \$2.6 million. I believe Zach and Kelley have reviewed this in ways they're comfortable with. I believe the Board of Directors of Solace has also reviewed this, and I know the dire they have to maintain this facility. And they have been very good community partners. I am hopeful there are no glitches and nobody is going to be asking anybody for any kind of big money any time soon."

VOTE: The motion was approved on the following Roll Call vote:

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

Against: Councilor Ives.

10(k) CONSIDERATION OF RESOLUTION NO. 2014-69 (COUNCILOR BUSHEE AND COUNCILOR MAESTAS). A RESOLUTION SUPPORTING SAFE NURSE STAFFING LEVELS IN THE HEALTH CARE SYSTEM AT THE FEDERAL, STATE AND LOCAL GOVERNMENT LEVELS AND IN THE PRIVATE SECTOR. (MELISSA BYERS)

Mayor Gonzales noted that item 10(k) was approved earlier this evening. He said there are individuals in attendance regarding this issue, and Councilor Bushee has asked for time to speak to this Resolution.

Councilor Bushee said, "Thank you Mayor. If you are comfortable, I could move to amend the Consent Agenda and we could vote on it formally."

Mayor Gonzales said, "I think we voted on it. I think if the Council will allow for some time discretion to be used on this, that would be good."

Councilor Bushee said, "I would like to welcome and thank many of the members of our audience this evening. If you could stand up if you are here for the State Staffing Levels Resolution for our nurses. And I want you for taking time off, and the time off the street corner that you're normally out there with your signs, for coming down here this evening. And I also want to recognize Fonda Osborn who is the President of #1199, and as well, former President Delma DeLora, an old friend. And I want to let you know that we already this evening, without any great fanfare, passed a Resolution supporting State safe nurse staffing levels and health care systems at the federal, State and local government levels and in the private sector. And then we have also asked that we have the City Clerk forward a copy of this Resolution, which I

believe also passed at the Santa Fe County Commission, to the City's New Mexico Congressional Delegation, the City's State Legislative Delegation, the City lobbyist and the executive officers of Santa Fe area hospitals."

Councilor Bushee continued, "So they will be hearing from us, collectively, both Santa Fe County and City, your government, here to support you and let the administrations know that we support safe staffing levels and I appreciate all the work and care you give to this community. Thank you."

Mayor Gonzales said, "I just want to affirm what Councilor Bushee has indicated to all of you, on behalf of a very grateful City. Thank you for the work you do, day in and day out. My father had a chance to visit all of you last week, unfortunately, but the care was incredible. I do want to say thank you to the nurses who every day give so much of themselves to making sure that our community is safe and that they feel cared for. And we are hopeful, obviously, that an agreement comes into play very soon. As I have indicated to Fonda and to the President of St. Vincents, that we need to have you guys back at the table. I know that's happening and I'm pleased to see that, and I fully expect and hope that the next time we get to hear from you that it is announcing an agreement that assures the community the staffing levels that would be appropriate, and we can go forward. So best of luck in that, and I'm hopeful that we could see a resolution very soon."

Councilor Bushee said, "It is my understanding we may see some of you at 7:00 p.m., under Matters from the Public, so please come down. Stick around. We have an interesting evening agenda. We have marijuana on the agenda."

10(n) REQUEST FOR APPROVAL OF POLICE OFFICERS ASSOCIATION AGREEMENT – CITY OF SANTA FE EMPLOYEES; POLICE OFFICERS ASSOCIATION. (CHIEF ERIC GARCIA)

Councilor Bushee said, "I have my concern with the fact that, in particular, the vehicle regulations of the 45 mile radius from the City of Santa Fe, has been built into the contract. When we brought this forward before to discuss it as a policy, we had the opportunity to allow for discretion from the Chief, and we, as policymakers could weigh-in. So, if it's built into a negotiation, I have my concerns. And so I have a concern right now that this is in this contract. I like everything else in this contract. And I don't mind debating this as a policy, but I really don't want to build it into a contract, so unless there is somebody else that has another way to deal with it, I won't be able to support this contract as it stands, if that's built in there."

Mayor Gonzales asked if this went through the Public Safety Committee and if this is something that Councilor Dimas feels should go to Public Safety before being considered by the Council.

Councilor Dimas said it never came before Public Safety.

Mayor Gonzales asked Councilor Dimas if this is something that he feels should be deliberated and discussed at Public Safety.

Councilor Dimas said he has a point of view on it, which he will share during this discussion. He is unsure it needs to go to Public Safety at this point, commenting he doesn't know how it by-passed Public Safety. It should have gone to Public Safety, but it never got there.

Mayor Gonzales said, "Part of it is, from my standpoint because of the discussion on the take-home policy, it would be helpful for me at least to know that the Committee that is set up to advise the Council on public safety matters would be able to weigh-in on this. Is there a critical issue of having to get this resolved tonight, versus waiting a two week period."

Sgt. Matthew Martinez, President, Police Officers Association, said, "Since Appendix B is in our contract, it is negotiated through our contract, and I believe we cannot take it to Public Safety. That is the reason we didn't take it to Public Safety. It is negotiated between the management and the POA, so on negotiated type items, we do not take that in front of Public Safety, is my understanding."

Mayor Gonzales said, "You don't have to, or you're not supposed to."

Sgt. Martinez said, "I believe we're not supposed to."

Deputy Chief Lettenberger said, "Mr. Mayor, all negotiation has to be done at the table."

Councilor Bushee said, "That was my concern originally for the contract, it being built into the contract itself. I view it as a policy that the Council should have this discussion with the Chief and that it should not be a negotiated item."

MOTION: Councilor Bushee moved to approve the contract, minus the Appendix that deals with the vehicle take-home policy." **THE MOTION DIED FOR LACK OF A SECOND**

Ms. Brennan said, "I believe that the language was in the prior contract, but with a 15 mile radius. So it has been in the contract. The only thing I understand that has changed is the 45 mile. And it is correct. As a contract it has gone to Finance and to the Council for approval, however, I'm not sure it couldn't go to Public Safety for a policy discussion, not to discuss.... and that would lead, I think, if you wanted to modify the provision, to an executive session to give guidance to the management team if they went back to the table."

Councilor Dominguez said, "I guess the question I had was, if we start to get into the 'meat and potatoes' of this agreement, in essence we are negotiating, and that's not really our role. This is really to determine whether or not labor and management have agreed to a contract, not necessarily to debate the

terms of the contract. I think if Councilor Bushee wants to bring up a policy that contradicts the contract, that's something any Councilor can do. But, that's a whole separate discussion. I think, right now, as far as I'm concerned, looking at the contract and not necessarily some of the details of the contract, because we could be, to some degree, negotiating, and I think we need to be cautious about that."

Councilor Bushee said, "Kelley you weren't the City Attorney when we brought Resolutions forward, but under a different Chief, but it was just last year, right. Bill, didn't you bring forward a Resolution, it had to have been last year, it was under Chief Rael, 2012, that the Chief had discretion that.... initially, we brought a Resolution forward, we had a discussion as policymakers. I believe it went to Public Safety, and the discussion was around the Vehicle Take Home Policy. I understand later it was built in, but in the past, at least we dealt with it as policymakers."

Ms Brennan said, "A contract negotiated would override any subsequent resolution. So the contract that would have been in existence at the time, would have been at the 15 mile, 60 mile grandfathered provision. And again, a policy discussion is one thing, but typically if you wanted to reopen this question, we would go into an executive session to get guidance for the management team, and then the management team would go back to the table."

Councilor Lindell said, "Ms. Brennan, on Appendix B which is the car plan, it's page 63 of our packet, Item 1(d). It appears to me that it does sound like this is policy because the Chief has the option of revising or terminating upon 120 days written notice."

Ms. Brennan said, "It does appear that Chief has the option of revising or terminating the agreement upon 120 days written notice of intent to the Association. And the employer will meet and attempt to solve problems relating to the program. Otherwise, said notice shall be final. That seems to be to be essentially creating a new bargaining situation, as opposed to being pure discretion on the part of the Chief."

Councilor Maestas said he is a member of the Finance Committee and the Committee had a discussion about this. He wasn't on the Council when the grandfather clause was created to allow officers to commute as far away as 60 miles if they were hired before April 1, 2012. He said a change was made to encourage officers to live in the City by limiting the vehicle take home radius to 15 miles. He is concerned there is such a large disparity in radius depending on when you hired. He noted currently, 53% of the police officers live in Santa Fe and 47% outside. He said the provision in Appendix B begs the question: how did residency fall out for those grandfathered-in and how "is it coming since April 1, 2012."

Councilor Maestas said, "The existing officers hired before April 12th, okay I'm separating them now. There's two groups. There's officers hired before April 1, 2012, that were grandfathered, and those hired after, subject to the 15 mile radius take home restricting. Those existing officers hired before April 1st, 52% live in the City, 48% live outside. Those hired April 1st, those subject to the 15 mile radius, 55% live in the City, 45% live outside the City. I think we're pinning our hopes on recruiting on our take-home policy. And I think the issue is bigger than that. I solicited some ideas about the housing issues, it's beyond just the vehicle take-home policy. It is about affordable housing, and what incentives can the City provide to

help our officers find housing. Not interim housing, because we've had stop-gap housing if you're entry level, but if you achieve management and start making a higher salary, you get bounded. I think anybody that wants a roof off their head, they want to live there and they don't want to feel insecure about it."

Councilor Maestas continued, "So, I think we're taking this totally out of context. I think the bigger issue is what is the whole package of incentives. Ideally, what do we want to attract the best and brightest to serve and protect our community, and how do we be fair to those who are currently service. I think we need to open a broader discussion about how we attract and retain our officers. I think it's bigger than a take home policy, and I'm concerned that we've let this policy take effect for just two years, but it doesn't seem to influence where the officers live. And I would feel much better working on the bigger picture and addressing the real issue which I think is housing."

Councilor Maestas continued, saying he knows there has been some bad press, reiterating we have some limited stopgap measures for housing. He thinks we have an obligation to have a focused, comprehensive Housing Assistance Program for police officers, which is the crux of the matter. He said he is prepared to support the agreement. However, he would rather us look at the true problems and true issues to recruit and retain, than pinning our hopes on a take-home policy, commenting we're not addressing the real issue by increasing the radius of the take home policy for vehicles. It hasn't changed where our officers live who were hired after April 1, 2012.

Councilor Maestas said, "When you're commenting about something that is part of a bigger agreement, it's going to cause disruption. But if it means having us focus on the real issue, which I think is housing, and in the total incentive package. I asked, give me a recruiting poster. How do we sell coming to work for the City of Santa Fe. I don't think it's a comprehensive housing assistance program. I don't think that's in there. So, I think it's a bigger problem, Mr. Mayor, and so, I'm asking my colleagues to reconsider that. And not just leave the status quo and keep the 15 miles. I'm saying let's open this up and take up the dialogue about what we can offer. Maybe that could be something we can put on the table if we go back to renegotiations. What housing assistance can we provide, even initially, and then we can continue working on a broader, more sustainable program. That's the way I see it, Mr. Mayor and colleagues."

Councilor Maestas continued, "So, I think we have a lot of work to do and again, the ideas that I received were numerous. I got about 10 ideas regarding incentives for housing that the officers would like to see. I think they all need to be vetted and discussed, and I think we have an obligation to make a decision on them, with the end goal of again, recruiting and retaining the best."

Mayor Gonzales said, "I do think, that before we start talking among ourselves, we ought to reach out to the Police officers themselves and plead your case. So tell us why you think.... if this is the area we're focused on right now, being the issue of expanding the radius, why is that better for the Police Department."

Sgt, Martinez said, "First of all, we can't negotiate housing, because it then become a bargaining issue in contract negotiations. Second of all, we've been here for almost two years. We finally reached a contract agreement, one that everybody was happy with. This spends no more money out of the budget. We didn't ask for raises. We didn't ask for anything monetarily. What we asked for was first, our shift schedule to be changed, which was not at all impossible. They changed our shift schedule, it's perfect. That actually shows on paper, that we're actually saving money in fuel consumption. So if that's the case that everybody's bringing up as far as fuel consumption, that's fine."

Sg. Martinez continued, "The second thing that we negotiated that was brought forth was the take-home policy. This is strictly a recruiting and retention school. Everybody within our region has some sort of take home policy, and you can call every department you want, they have take home policies. The County has a 39 mile take-home policy from the County line. Do you think they would ever get rid of that. No, they wouldn't, because it's part of the recruiting packet. And I don't know what the issue is, as far as if your constituents don't want to see us leaving the City, if they want to see us living in their areas. But you're never going to get an officer that lives in District 1, unless you bulldoze an area of Patrick Smith Park and we put a mobile home on there. But I don't want to tell these guys that they have to live in mobile homes. I'm tired of listening to the officer telling me that they're spending \$500 per month to come down in their personal vehicles because they have to work here. We went to school for this. This is our profession. We shouldn't have to be going through this."

Sgt. Martinez continued, "If you really want to bring up the bigger issue, it's a staffing issue. Just like you brought up in a Resolution. We have how many positions open. 21 positions. That's 15% of the Police Department. I know there are people waiting in line for this to pass so they can lateral over, because they want to work in Santa Fe. They just don't want to live here because it's too expensive. I'm not going to tell these people that they have to live in subsidized housing, they have to live in project housing areas or apartments, or mobile homes. That's not fair. Our officers deserve adequate housing, they deserve to make a home for their families in something they can afford. Just real quick, I tried to get through Homewise in 2004. I was denied because I made too much money. I had to settle for a house that was \$200,000. I paid \$1,800 per month, plus PMI because of my financing rate. I subsequently refinanced at a lower rate, but that was back in 2004."

Sg. Martinez continued, "I sacrificed to live here, because I wanted to live in the place that I worked. But you have some officers that feel that you guys are making them live in the place where they work, where they don't want to live here. They want to feel like they can go other places, that they can feel safe other places. They don't want to run into people they've arrested, or spend \$30 a plate just to go out to dinner. They want to be able to go to any place in Albuquerque that Santa Fe doesn't have to offer. There's more things in Rio Rancho, there's more things to do in Albuquerque. We need to afford our officers the opportunity to do that, and I don't see why letting them take home their vehicles 45 miles is a bad thing, especially when it's saving the taxpayers money."

Councilor Dominguez thanked both sides for their work in coming up with a contract, because there hasn't been one for some time now. He said this isn't a new issue and it dates back to before he was on the Council. He said the vehicle take home policy, recruitment, retention, all of it isn't new. He said it

has been a part of this community and definitely needs to be addressed. He thinks the first priority is to ensure there is a fully staffed, qualified Police Department, so our citizens and taxpayers can feel safe in this community. He said this contract, which has been negotiated, is intended to accomplish that, and provide us with the best police service we can get. He said Councilor Maestas is correct that it is a larger issue that needs to be addressed. He has heard stories like Sg. Martinez's, where they make too much money to qualify for housing, but not quite enough for Santa Fe.

Councilor Dominguez continued saying, the larger issue needs to be addressed and it's not just housing, it is schools, quality of life and such. A lot of things need to happen for us to get to the end result which is to have all our police officers to be residents, and baseball coaches and involved in kids' schools and so forth. He said until we address those larger issues, separate from this agreement, because he has not seen a comprehensive policy or policies intended to address issues in the police department as well as the people in this community, so everyone can afford to live here and don't have to move to Rio Rancho instead of living in a City where they have roots."

Councilor Dominguez continued, "It's a much larger issue than just the vehicle take-home policy. I think we need to honor the work that has been done. I'm not necessarily opposed to postponing it, but I don't think it is going to get us anywhere. We have to be careful, because we can have a large discussion about should it be 15 miles, 45 miles, let's cut it in half, but that's negotiating, and we don't want to do that for the groups that have done the hard work and taken a look at some of those details. And we, through the City Manager and the Police Chief and ultimately the officers have been providing us with the best safety that we can have in this community, given the various dynamics and issues that exist, again it's just not housing, it's a whole number of issues."

Councilor Dominguez continued, "I welcome any policy that anyone wants to bring forward that helps address that, not only for our police officers, but other people as well, and I think that would be a good thing. But that's not what's on the table today. I would encourage my colleagues to think about, yes it is good to address the larger issue and definitely we need to do that. Are we going to do that today. Are we going to get it done in a month when Public Safety next meets. Those things, policies and issues aren't going to get resolved over the course of one meeting. I'll end it by saying again, Mayor, thank you to both sides for finally getting us a contract that hopefully doesn't have to be renegotiated for a long time."

Mayor Gonzales said, "Before we continue, a reminder that Kelley has reminded me that we cannot move down a pathway where we are negotiating this contract. So let's keep the dialogue, if we want to talk about broader policy issues, that's fine, but ultimately, we're not going to propose to you to accept something different than what you've already agreed. So, this is either going to be an issue where we approve contract as presented, we deny it, or the option could also be to postpone and to move to an executive session at a future date where it can be discussed amongst the Council, with some direction given to the management. There are options here for us, but the option to ask the POA to do something other than what has been presented in front of us is not in place. So I would like for the discussion to stay on the merit of the contract that is in front of us, and not move down a pathway that is separate from that."

Councilor Rivera said, "Dale and Matt, I'd like to thank you for entering into good faith negotiations, and coming up with an agreement that was true to your word which wasn't going to cost the City any money, and I appreciate that. I told you that before. In some ways, I'm still involved in the public safety circles, not as much as I used to be obviously, but the best recruiting I think is word of mouth. And from what I'm hearing out there, is exactly what you said, that officers are waiting to come to the City of Santa Fe Police Department because of the 4/10, and because of this take home policy. And again, if we have people that are waiting to come in based on those simple changes, I think you guys are doing a good job."

Councilor Rivera continued, "I think it will help with recruitment and retention, and again, finding the best officers is what we're looking for. We were at 60 miles, we cut it down to 15, and now we're somewhere in the middle. I think that's what negotiation is all about. Coming to a good kind of mid-point that everybody can live with. In reality, the Chief still has the option, if the 45 isn't working to terminate the agreement, if he decides with the Union and labor management committee. If it's decided the 45 miles is not working, that you can terminate it and come back to the table and discuss something else."

Councilor Rivera continued, "When I was with the Fire Department.... again, this issue has been around, and again Public Safety, with regard to this is pretty much the same. But when I went, person to person in the Fire Department, and asked them what it would take to move them back to Santa Fe, they said nothing. There's no way you can get me back. They said, I live in a 3,000 sq. ft. home in Rio Rancho for \$200,000. If you want to subsidize me that amount to live in a 3,000 sq. ft. home here, then that might bring me back, but at that time we were looking at a \$400,000(?) stipend to get them in the same sq. ft. home, and that's just not realistic. So I think what you guys has done is a good thing and I'm looking forward to seeing how it's going to go from here on out. I think we're going to see good things from it, so I support this 100%."

Councilor Trujillo said, "I too want to thank you. I'm glad we have a contract. I'll just reiterate what everybody has said. It's the same story, even when I got on the Council. We don't have enough staffing, we don't have enough police officers. We want them living here. I'll admit I want the police officers living here, there's no doubt. I would love to have a police officer living right next to me, and we do hear it from our constituents. The people in Albuquerque and Rio Rancho feel safe because there is a Santa Fe Police car parked right outside their door. That's the unfortunate thing. And you brought up a good point. We can't force you to live in a place. That's wrong, and we can't say that. And the number that stands out to me is 21 vacancies. When we have 21 positions that are open, that does send up a flag for me. I want those positions filled. And I'm hoping with this new contract, with the new take-home policy that we do get them filled and that we retain this, and you guys are coming back even month with, Councilor, we're 9 down, 10 down, I want to keep full staffing all the time. I've always said I think public safety is the most important thing we as a City can give to our constituents. We need to do that."

Councilor Trujillo continued, "I hear this talk, about forcing [people to live here], and there's a lot more things. As we've had the discussion, we do have to have a broader talk about how to keep people here. Anybody up here can tell you, our friends live in Rio Rancho and Albuquerque. Why. Just the issues we just discussed, more housing, more places to go. There's not a lot to do here in this City. They go to Rio Rancho, they go to Albuquerque. I've always said the City Council down there, they have a

larger GRT. I'd like to keep some of that GRT, but until we start getting those businesses that want to come here, but that's another discussion. You can hear that, and we need to hear that discussion later on. I'll just say, I'm glad the contract is here. I hope they're recruiting, and we get the 21 people. And I will support this and I thank you guys for your work."

Councilor Dimas said, "I don't want to beat a dead horse here 15 times, but. I'm glad the negotiations worked well and that we have a contract. I think that's the most important thing we can talk about this evening. I'm supporting this fully. The problems that I have with the take-home program, and I've discussed this with many of you, numerous times, is that 30 years ago when the take-home program took place, I was a Police Commissioner of the City P.D. At the time, an appointed position, and that's when this came into play. And the whole idea of the program, and I've talked to the Chief about this and everyone else, is that we wanted a police presence in our neighborhoods. We wanted our officers able to take their cars home, live in our neighborhoods. We encouraged our officers to take their units to the grocery store, to get a haircut, so we had units on the streets all the time, and it looked like we had a lot of police presence."

Councilor Dimas continued, "I'm not sure what happened during the period of time when I was no longer on the Council and to the period where I'm on the Council now. But it escalated to the point, I think there were more people living outside of Santa Fe than living in Santa Fe. Of course, I would love to see it again to do what it was intended to do and that was to get more police officers into our neighborhoods and on our streets. Things have changed and I understand things have changed immensely since then. And in order to recruit and retain officers is important, that we have programs like the 45 mile radius, and I totally understand this is something we are going to have to test and see what happens. While I've been on this Council, 2½ years, we have come back and forth about discussing housing and all kinds of things. Two and a half years ago I'm sure Chris and everybody else who was on the Council at the time, we came up with a Resolution to give a stipend to our Police Officers of \$375 per month. We just about had it approved, we had the money to do it. And that was for officers living in Santa Fe and to draw officers back to Santa Fe with that stipend. It was something that was going to be approved, and it somehow got cut down and we never discussed it again."

Councilor Dimas continued, "So these things have been discussed in the past. It's not like this is anything new. It just continues on and on and on, and I agree with Councilor Maestas that we have to look at the long range thing on this. Because if we don't look at it long range, and considering how we're going to attract new officers without having them living in another community, then officers aren't going to be a part of this community. I believe that if you're going to work as a police officer, as I did in this community for several years, and I was out there on the streets, I think that every time you go into a grocery store, or any of our local businesses here, that they recognize you as a law enforcement officer and have that respect for you, and can come up and say, hi Mario, how are you today, it's good seeing you. Yeah, you gave me ticket the other day, but I understand why. It's that part of it too, that we need officers living in our City. People in this community need to know who our police officers are. You can't just give somebody a ticket, drive to Rio Rancho and forget about who that person was. It's important, it's community policing. That's what it is. It's talking to the people in the community. And this is the kind of policing that we need here in Santa Fe. It's something that's important to the citizens here. They want to know who the police

officers are that live here. They don't want to run into you driving back and forth to Rio Rancho or Albuquerque or wherever they might happen to be, because they don't know who you are, and you don't know who they are. That's the importance of this too."

Councilor Dimas continued, "So I think there are important things here too. The people who are living in Rio Rancho and outside of Santa Fe are spending your disposable income in a City that you don't even work in. It's a City that really you don't have anything to do with the City, other than coming to work here. But your disposable income is going someplace else. What I would like to see from our Police Department and have our administration ask our officers who are living out of town. We can't mandate it to any officer, but we can ask that you, at least spend 25% of your local income at local stores here in Santa Fe to give a little bit back to this community and to also walk into the grocery stores, and walk into our local stores and restaurants and talk to people so they know who you are. I think that's an important part of this whole thing, and something we need to start looking at now and in the future. Yes, we can talk about housing, we can talk about all kinds of things, but I think that's a really important part of this whole thing. And I'm not going to say a word more, I've talked way too much already. But congratulations on this contract and just know that I support you in this contract. Congratulations."

Councilor Ives said, "It's interesting, because so many of things Councilor Dimas just indicated, resonate very sincerely and very true in my own thinking. I think it's critical we have a community based police force, and for me, that very much means having our officers living in our community among our citizens, participating in the daily life of Santa Fe. The point where I differ with Councilor Dimas is this policy seems to not enhance the likelihood of that, but to decrease it by allowing people to live further outside the City than the current 15-mile radius. So, from the perspective of wanting to send a consistent message that having our officers living in Santa Fe, in our communities, as our neighbors, I don't support this contract for that reason."

Councilor Ives continued, "And I will say, I certainly agree with Councilor Maestas and others who have expressed that we, as a Governing Body and a City need to address those much broader concerns in terms of, it sounds like housing is a major one. But I also firmly believe it is important to have our officers living here in Santa Fe, and I can't support this policy change as reflected in this contract. And that is unfortunate from my perspective, because I know everybody has worked very hard to try to get to this point over a long period of time. I certainly appreciate the efforts. That's where I stand on the issue, and stand committed to trying to figure out how we can make Santa Fe more affordable, if that ultimately is the issue that results in our officers not living in town."

Councilor Lindell said on packet page 64, under # III Vehicle Operation Regulations, the way she reads this is that officers that would have their cars for a 45 mile radius, can use that car any way they choose to use that car. Officers, however, that have the 60 mile radius can only use that car for 60 miles of roadway mileage. In other words, the way I'm understanding this is the people that have the car for 60 miles, it is for commuting back and forth from where they live. The officers that have the 45 mile radius, can use that car to commute back and forth to where they live, and go grocery shopping or do whatever."

Deputy Chief Lettenberger said, "The way it's addressed in here for the 45 mile radius, we actually have in our policies and procedures certain things officers can and cannot do. So what this is stipulating is just that the vehicle going back and forth, most of the things they can or cannot do while in the police vehicle, what they have to wear, what they can and cannot do is covered through our policy procedures."

Councilor Lindell said that doesn't address her question. She reiterated, "The way this is written, maybe I should ask Ms. Brennan."

Ms. Brennan said, "The practical effect of the language is as you expressed it."

Councilor Lindell said, "I'm uncomfortable with that, the difference of what someone with a 45-mile radius has, as compared to someone with a 60-mile radius. The person with the 45-mile radius can drive around and do pretty much... there's no limitations in this contractual language about that. That's the point I wanted to make. Aside from that though, I'm pained about this. I don't want you guys to live out of town. I want you to live in town. I want to find a way to incentivize you to live in Santa Fe. When I hear people say, we don't want to live in Santa Fe, that strikes a terrible cord that you don't want to live in Santa Fe. I'm pained to hear that. And I particularly don't want to pay officers not to live in town. I want to find a way to pay officers to live in town. I think, as Councilor Dimas said when this first came forward, this was about community policing. And this is away from community policing. And, in terms of recruiting, I hear what people say about that, but the numbers on this data sheet we got today, don't really support that. So, those are some tough things. I would way rather find a way to incentivize people to live here."

Councilor Lindell continued, "The economic development factor in the City to be not having people live here, we don't know what the impact of that is, it's undetermined. We just rolled out this week a new thing on environmental.... the footprint of the City environmentally, and driving a car back and forth to Albuquerque every day, or in some cases, even further, it's the equivalent of what it takes to heat a home. So, I'm pained by this. I just think we can.... It's hard to recruit, I understand it. I hear you guys say it. But you know what, we're Santa Fe, and just because it's hard we don't give up on it, and say, oh we can't do that, so we're going to pay people to live somewhere else. When I hear you say that people don't want to live in the town where they arrest people. We make hard decisions every other week, and we run into people that we've disappointed, so those are tough things, but that's what we signed up for. That's what we do."

Sgt. Martinez asked to answer a question, and Mayor Gonzales said, "Yes, just to the question."

Sgt. Martinez said, "The way it was written, the way it was negotiated, we made sure that it was negotiated that if it was brought to 45 from 15, that they would still under the same guidelines as the 60-mile take home, where it's just to and from work. That's pretty much it. And the people that reside in the City or within the 15-miles, we still do, we go to the grocery store, we go to the gym. We do what we need to do in our units. There are still people that live here, make no mistake."

Sgt. Martinez continued, "But to answer Councilor Maestas' question real quick, there really hasn't been any change in numbers for the Police Department. We're still at the same number, that's why there's no change on the numbers you have. So, from 2012 or 2011 to 2014, we've had the same amount of people since then. That's why there's no change. You still have the same amount of people living in Albuquerque, and the same amount living in Santa Fe. We're trying to get people to live here, but that's the problem. Nobody wants to do it. This is just another tool that other departments, pretty much every department in this State has, that we don't have, that if we had it this moment, we would get more officers."

Sgt. Martinez continued, "And just to bring up one quick thing. We've tied ourselves behind the back, and I'm going to say this and I brought this up today. And many of you guys may not care, but, all the cadets we've hired within the last year, we're going to have a period in time where you're going to have 45 retirements within a 6 month period. So how is the City going to look 23 years from now, when 45 people are eligible to retire and they leave all at once. We're going to be in a bigger mess than we are today. We need to spread that out and start recruiting laterals and other people with experience that are staggered-out. Basically, we're telling laterals, sorry, we're only going to try and recruit cadets from inside the area."

Mayor Gonzales said, "Not to debate the point. Are there questions to the contract. I think everyone has had an opportunity to express their point of view, so let's limit conversation to questions on the contract."

Councilor Lindell said, "I hear what you said about the car use, but that is not what it says in the document we were given, so I just want to clearly point that out."

Councilor Bushee said, "Actually, I haven't stated my opinions, I've just been concerned that it was built into the contract and that we didn't have a chance to have a discussion. I thought about the issues I have had, so I'm going to ask a couple of Matt because I think he's been around a while. Matt, obviously, I'm thrilled that we're here, that two years out, we now have a contract. I don't want to disrupt this, but I have to say, I've had these discussions for two decades now about what we could look like and how we could get there. We've had surveys. I've had surveys conducted of all public safety officers about what would help people here."

Councilor Bushee continued, "We've talked about community policing since I've been on this Council, and we've had not ability to actually put it into effect. But what I can say is that I remember the time when recruitment was a real issue and we were handing out \$10,000 signing bonuses. At that time, we had a take-home vehicle policy that you liked that went even longer, 60 miles. It was the same deal. That was kind of a wasted attempt, I thought at the time, and a lot of money was given out and there were laterals that were hired and they did not stick around. They did the one-year commitment and then they were gone."

Councilor Bushee continued, "And I guess what I'm trying to say is, I've kind of heard it all, and what I haven't heard is a positive approach to how we're going to have community policing with our officers parking their vehicles at homes here in Santa Fe. We have spent money on housing studies, we have

reams of information, resolution upon resolution to try and get some resolution to this issue. I see this as a step backwards. I honestly don't see how this changes the equation, other than, you know, 50% or less of your officers are happy. But what about the fifty whatever, six, or fifty five percent that are living in this more expensive town. It's not as if we're giving them some kind of bonus for the cost of living expenses here. I don't see this as step forward. I see this as a step backwards. And I know you're passionate about this. We've had many discussions privately, collectively. I just want to see something different that, you know, gee we've built this into the contract now, this is going to make everybody happy. I don't think it makes everybody happy, including half your officers."

Sgt. Martinez said, "We've had these discussions, and you're exactly right. Was I a proponent of the \$10,000 severance, come here, let's hire you. No, I was not. I believe if we stick with the tools that are known to work, we can recruit. And I will say this, it's not like having a car in the driveway is going to help any way. My car's been shot at, it's been egged, I've had my tires slashed, and it's not like neighbors are coming out and talking to me, even though I come out and talk to them. So the problem is how we address the community policing as a whole. And we can address that, we've addressed that already with the larger schedule change. Our officers are on the street for two more hours now, and I've stressed to those newer officers this is what we need to do: you need to go to the gym, you need to go to the grocery stores, you need to go to the schools. I've been passing out lunches at the schools during the summertime programs, and these kids are having a blast with it."

Sgt. Martinez continued, "But policing also has changed within the last 20 years, too. We're having to work more and we have no time with our family, at all. So the days of coaching, I would love to coach if I didn't work 12-13 hours a day, I would love to do that, but I would never have time with my family. That's the problem we're seeing now. Our officers are working too much and just need a time to go home and relax and to afford the opportunity to raise a family and raise it well. That's all we're asking."

Councilor Bushee said, "It does make me sad that you don't think you can raise your families well here in Santa Fe."

Sgt. Martinez said, "That's just the information that's been given to me. I chose to live here."

Councilor Bushee said, "My point originally was we had the 60-mile radius take-home policy when we had the \$10,000 bonuses. They were aimed at laterals. We signed laterals. They went after their contract was up, they kept the \$10,000 and moved on to wherever. The other thing I want to raise from my perspective. I see what's going on down in Albuquerque and I see the disconnect between the police and the community. And that's where I keep coming back to. I've got to think for the big picture here, and I want to see some changes, I really do. I want to see something different. I want to see something different offered to you all than what's been offered over time and seems to be rejected. I just feel like we need to start with something different. This is just not working for me."

Sgt. Martinez said, "We're not Ferguson. We're not New Orleans. We're not APD, this is Santa Fe PD and you have good officers. In a City where there are 40 plus shootings, they get a 5% raise."

Councilor Bushee said, "But the community needs to know you. Anyway, we can continue to have this discussion privately and publicly."

Mayor Gonzales asked if there are further questions.

Councilor Maestas said, "I'll be brief. I've received a lot of calls from folks that feel changing the radius for the take-home is contrary with a lot of our policies. For example, with regard to affordable housing. We have an incredible partnership with State, public, private, local. We've seen the latest housing assessment. There's a mass exodus of Santa Fe workers. They're leaving and we're doing everything we can to keep them here. Councilor Dimas and others have talked about the economic leakage. We've studied the leakage and we know how many millions of dollars our economy is losing because of the exodus of Santa Fe workers. I feel like I have been put in a difficult position by having this issue allowed to be put on the table as negotiable, when in fact, it is contrary to a lot of things we're trying to do. And the economic development proponents and the affordable housing proponents have called me and told me so."

Councilor Maestas continued, "I know we want to isolate this and fill positions, but we lead by example, and our actions have meaning, and they have a perception out there. And we all know perception can become a reality. And to a lot of people, they see this as a stand-alone issue, not part of a greater agreement we have to vote up or down, we can't amend or negotiate. But they see it as having negative connotations and it's perceived as being contrary to a lot of things we're trying to and accomplish. It's very difficult and I recognize what went into this, but this should not even have been put on the table. So I feel we've been put in a difficult position because, again, of the connotations that this amendment to Appendix B, Part 3, and we need to be mindful of that. It would be nice and convenient for us to say, no no, it's isolated. It's not isolated. It has huge implications and is sending many many messages, some that are not positive. I do need to say and share that I have been receiving a lot of feedback about that, and that perception is reality, and I think we need to be aware of that going forward."

Sgt. Martinez said, "Because of the last negotiations, we were at a flat line budget, so incentives or pay raises could not be negotiated because they weren't proposed. That was the problem. This was something that could address recruitment at the time, we agreed to that, we knew that, so that's why this was proposed on the City's end."

Councilor Rivera said, "Matt, because the 15 mile radius was in the contract previously, it was subject to negotiation regardless. Is that correct. Or Dale, whoever."

Deputy Chief Lettenberger said, "Yes, that is correct."

Councilor Rivera said, "In my experience, and I've negotiated on both sides of the table. With regard to Councilor Lindell's discrepancy that she brought up on page 64, with regard to the 45 to 60 mile radius, I know there are times when you negotiate a contract in good faith, and you go through it, and somebody reads something in there, like Councilor Lindell did that was an oversight on both parts really, from what I'm hearing. So I believe there is a method in the contract to address that through a Memorandum Of Understanding. Is that correct.

Deputy Chief Lettenberger said, "Yes sir."

Councilor Rivera said, "And that's the Labor Management Committee."

Deputy Chief Lettenberger said, "Yes sir, and we can negotiate that also in the next negotiations."

MOTION: Councilor Rivera moved, seconded by Councilor Trujillo, to approve the proposed contract.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Gonzales, Councilor Dimas, Councilor Dominguez, Councilor Rivera and Councilor Trujillo.

Against: Councilor Ives, Councilor Maestas, Councilor Lindell and Councilor Bushee.

Explaining her vote: Councilor Bushee said, "Reluctantly, no."

Explaining his vote: Mayor Gonzales said, "Before I cast my vote, I want to say a couple of things. One to the POA, there's not a Councilor up here who stands opposed to the Police Officers. I think it's really important that everyone understands that. The questions that were brought up tonight should be viewed by anyone as wanting to stand opposite. I think that's incredibly important. But one of the things, certainly as being Mayor and being put into this position of casting a vote is not to move in the policy of does 15 miles work better, does 45 miles work better. How do we create more incentives to get more people from Santa Fe to join our force. It's how do we have the maximum amount of people, protecting the people of this community. Ultimately, that's our job. And I will tell you that in at least a dozen community meetings, people were talking about wanting to see more police officers. Last year, we had 1,000 reported cases of domestic violence in our community. We have an active drug trade moving through Santa Fe. I don't know if we have the luxury at this time to talk about having a contract that puts more people from Santa Fe to work in our Police Department, versus people from outside of Santa Fe. What we have is a real need to fill positions to protect our community to the best we possibly can do. That's our obligation. It's the oath that we took when we became elected officials, that we were going to do everything we possibly could, to make sure our neighborhoods were safe and that our community was safe. And I know all of us want to see that happen. Now, I've never walked a step in the shoes of an officer, nor have I been part of a family that has

supported officers. I can't imagine what you go through every day, and all of us are thankful for that. We took an oath to make sure our neighborhoods are safe. And so, I can't stand up here and say what was negotiated between management and the union was right or wrong. All I can do is rely on the people who have chosen to protect our community. And that's in our management and that's in the Police Officers Union. When you say this contract will help us recruit people and make sure we fill 21 positions that hopefully will be more present in neighborhoods and in businesses. As Mayor of this town, my responsibility is to say go do. Go protect this community. Make sure we have the number of positions that are vacant are filled with quality officers that can be a part of this community. I will point out that we launched the downtown initiative. And you go talk to downtown merchants and people who spend time downtown, they say the name of Officer McCord. They know Officer Rooney. Those guys live in Rio Rancho or Albuquerque, I'm not sure where they live, but I know they don't live in Santa Fe. But they are on a first name basis with merchants in the downtown area because they are knocking on their doors. They're spending time with them. We can achieve community policing by relationships that our officers choose to have with neighborhoods and with businesses. Not by the address that they go home to every night. And so, I'm going to cast my vote in favor of this contract, and ask, as we go forward, that the issues that have been discussed tonight, and Councilor Maestas brought many of them, and others have, in terms of trying to find a holistic approach to improving the delivery of policing in our community. I think that's what we have to focus on, not whether... I'd love for 100% of our people and police officers to live here in Santa Fe, but what I want more than that, is I want to see property crimes go down. I want to see the drug trade eliminated from our community. I want to see domestic violence go down. That is what I was elected to make sure happens. Not to try and increase the number of police officers living in Santa Fe versus living in Rio Rancho. And so, my request of all of you as you leave here tonight, is that this a community that all of you have sworn to protect, whether you live in Santa Fe or outside of Santa Fe, and we expect that to happen. That to me is number one and I know you're doing it. And I know, we are no APD, and we are not going to become APD and there is no way that is going to happen. But we have to just use the tools available to try and attract and retain individuals that are here. And I'm thankful, we all are thankful for the work you do, and for what you do on a daily basis to protect this community, and I look forward to seeing you guys go out there and achieve those big results. And hopefully, we put this behind us and we can move forward and move on. So, thank you. That's a yes vote. That's a yes, after all that. Thank you."

**10(p) REQUEST FOR APPROVAL TO CREATE NEW POSITION FOR A PUBLIC
RELATIONS MANAGER FOR TOURISM SANTA FE IN-HOUSE MARKETING TEAM.
(RANDY RANDALL)**

**1) REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT – MARKETING
LODGERS' FUND**

Councilor Maestas said the creation of this new position was discussed at the Finance Committee, and he was very concerned that we are creating a new position. He said, "I still feel, even today, and I want to explain the information I've received from Randy to better understand how this proposed new

position is going to be integrated into the existing organizational structure. And I feel any new position that is created here has to be scrutinized at the highest level. It has to make sense. It has to have context. It definitely has to save money, and I realize this position is being created within the existing budget by reducing a lot of the contracted services. And I think that's great, but I just felt it was important for me to kind of finish this discussion and explain what I've learned since the Finance Committee meeting."

Councilor Maestas continued, "When I looked at the organizational chart, there is a Marketing Manager, it is an existing position, and a Marketing Coordinator position, which is an existing position. And I wanted to see, well how is this PR Manager going to fit in. And I've looked at the job description, and I think Randy and I have had a discussion about this. And anytime we do create a new position, we know it's a recurring expenditure. And given the rough road and the rough waters the City has been through, budget-wise, revenue-wise, we need to be very very careful in vetting in the creation of any new positions. And so I just wanted to explain that since then, I have a better understanding of how this proposed position is going to function."

Councilor Maestas continued, "But it just needs to be said that going forward, if we have any kind of, and you may not consider it an expansion request, but any request of this nature needs to have proper context, make sense with where we're going. And when we were considering the creation of this new position, I was thinking about how long we've carried vacancies in certain departments and the incredible work load impact to existing staff. All in the vein of balancing our budget. And so I want to be respectful and courteous and aware of the staff that have picked up the extra load throughout the year since 2008. So, I just felt an obligation to explain the nature of my comments regarding this action item. And I think, Randy, we want you to succeed. I think this is an exciting time for Tourism Santa Fe, and I have no doubt that this PR Manager is going to put to great use, but I just wanted to.... I pulled it to thank you for working with me to understand how this position fits in with your existing structure and what your vision is to it. And I'm not going to bring up all the questions that we discussed prior to the meeting."

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

VOTE: The motion was approved on the following Roll Call vote:

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

Against: None.

11. MATTERS FROM THE CITY MANAGER

There were no matters from the City Manager.

12. MATTERS FROM THE CITY ATTORNEY

There were no matters from the City Attorney.

13. MATTERS FROM THE CITY CLERK

Yolanda Vigil, City Clerk, said, there will be a Special Fiesta Presentation on Tuesday, September 2, 2014, in the Council Chambers at 4:30 p.m., prior to the Finance Committee meeting.

14. COMMUNICATIONS FROM THE GOVERNING BODY

A copy of "Bills and Resolutions scheduled for introduction by members of the Governing Body," for the Council meeting of March 12, 2014, is incorporated herewith to these minutes as Exhibit "1."

Councilor Dimas

Councilor Dimas had no communications.

Councilor Maestas

Councilor Maestas said he has a comment about this whole issue about the militarization of local law enforcement agencies, the donation of military equipment from the pentagon. He went on line and noticed that Santa Fe County has received some of this donated equipment. He said he would hope our Police Department does not accept any of these donations, but if we have that's fine. He said he would call on the Police Chief to refuse any donated military equipment from the Pentagon. He said the President's administration is reviewing this program. It was eye-opening to see Ferguson confronting its own people in these M-wraps and incredible high powered weapons. He wants to make sure that we're not the community that needs to accept equipment such as this.

Councilor Bushee

Councilor Bushee wished everyone a Happy Zozobra and Labor Day weekend and to be safe.

Councilor Ives

Councilor Ives introduced a Resolution directing Public Utilities Department staff to identify and apply for federal and State funding sources for water and wastewater projects. A copy of the Resolution is incorporated herewith to these minutes as Exhibit "2."

Mayor Gonzales

Mayor Gonzales introduced the following:

1. A Resolution relating to the People to the Plaza Resolution; amending Resolution #2014-29, to extend the time period in which people can enjoy the Plaza with reduced traffic. A copy of the Resolution is incorporated herewith to these minutes as Exhibit "3."
2. A Resolution authorizing the City of Santa Fe Transit Division to provide free rides on all bus routes and Santa Fe Ride vehicles for all Santa Fe Municipal Elections and Santa Fe County Primary and General Elections. A copy of the Resolution is incorporated herewith to these minutes as Exhibit "4."

Mayor Gonzales said the School Superintendent called him today, and they will be having conversations on what we can do as a community make sure we're doing our part in addressing any rise in violence against people of color. He said across the country we are seeing a pattern of increased violence against our youth, particularly those of color. He wants to make sure we are having those discussions here so we can preempt and be as pro-active as possible to ensure we don't see an increase in violence to all people, but particularly to our youth in Santa Fe.

Councilor Dominguez

Councilor Dominguez said Que Viva Nuestra Senora, noting that is going to be coming up here pretty soon, so keep that in mind.

Councilor Dominguez thanked staff for their work to open the Southside Library on Sundays, and the numbers are pretty good, noting 122 people were there last Sunday, which demonstrates the need to have the library open on Sundays. He thanked the Governing Body and for supporting this during our budget process.

Councilor Dominguez said on August 31, 2014, 1:00 to 3:00 p.m., the group with whom he has been working, the Quality of Life Group, is hosting a pizza party for people at the Southside Library. He thanked Patricia Hodapp for working with that group on that party.

Councilor Dominguez introduced the following:

1. A Resolution calling for the redistricting of the four City of Santa Fe Council Districts prior to the Municipal Election of 2016; and directing that the Governing Body and staff collaborate to develop an Ordinance establishing the Citizens' Redistricting Commission as required by the *Santa Fe Municipal Charter*. A copy of the Resolution is incorporated herewith to these minutes as Exhibit "5."

Councilor Dominguez would like this Resolution to go straight to the Council.

2. A Resolution recognizing the unique volunteer services of 1 Ride NM, a nonprofit dedicated to maintaining the City of Santa Fe's Buckman MX Track; and authorizing the City Manager to enter into a professional services agreement with 1 Ride NM to provide volunteer maintenance services at the Buckman MX Track. . A copy of the Resolution is incorporated herewith to these minutes as Exhibit "6."

Councilor Dominguez would like this Resolution to go to the POSAC, Public Works and Finance Committees.

Councilor Lindell

Councilor Lindell had no communications.

Councilor Trujillo

Councilor Trujillo wished his wife Amber, a Happy Birthday tomorrow.

Councilor Trujillo asked Mr. Snyder to get information for him regarding the proposed skateboard proposed to be built at Ragle Park. He wants to know the time frame, and exactly much is allocated for the skate park.

Councilor Rivera

Councilor Rivera wished his daughter, Rebecca, a Happy 13th Birthday, on August 21, 2014, commenting he will now officially have four teenage daughters in his house.

END OF AFTERNOON SESSION AT APPROXIMATELY 6:55 P.M.

EVENING SESSION

A. CALL TO ORDER AND ROLL CALL

The Evening Session was called to order by Mayor Javier M. Gonzales, at approximately 7:05 p.m. Roll Call indicated the presence of a quorum as follows:

Members Present

Mayor Javier M. Gonzales
Councilor Peter N. Ives, Mayor Pro-Tem
Councilor Patti J. Bushee
Councilor Bill Dimas
Councilor Carmichael A. Dominguez
Councilor Signe I. Lindell
Councilor Joseph M. Maestas
Councilor Christopher M. Rivera
Councilor Ronald S. Trujillo

Others Attending

Brian K. Snyder, City Manager
Kelley Brennan, City Attorney
Yolanda Y. Vigil, City Clerk
Melessia Helberg, Council Stenographer

F. PETITIONS FROM THE FLOOR

Mayor Gonzales gave Fonda Osborn, as the leader of the nurses union, 3-5 minutes to speak to the issue with regard to the nurses, and 1 minute for everyone else to add to the discussion or to present items they feel are of importance for the Council to understand; or for anyone else speaking on an unrelated topic. Mayor Gonzales asked people to be respectful of the time requirements and when they hear the beep to start winding down their comments.

Fonda Osborn thanked the Council for adopting the Resolution this evening. She said the Resolution addresses something very important, noting every 3 years they go into negotiations, and the last time and this time, "we've had a big fight over staffing." She said, "We are able to have the big fight over staffing because we have a union, where nurses and health care workers in other hospitals aren't able to have the big fight over staff, because they are employees at-will and have to do whatever management says. We feel that, because we do have a union, that we are able to let the community know at least our perception of our lives in the hospital and talk about the patient care we give and are not able to give, but would like to give. There should be legislation that addresses this for hospitals, and so they wouldn't be the only hospital. We feel kind of like this, the tail that's wagging the dog. And it's not just us in this

country that are fighting this fight. Nurses all over the country are fighting the fight now. You hear about them in California, in Ohio, in Massachusetts. We're all having the same fight over safe staffing as the health care industry changes. And we understand the hospitals have concerns about finances in this period of chance."

Ms. Osburn continued, "Unfortunately, I've been through this when the hospitals went to DRG's and the first place they always look to cut is staff. The people who are doing the direct, hands-on caregiving. And it's not just the nurses. The nurses get a lot of the claim, because there are more of us, but we're also negotiating with the technical workers right now who are actually at the 33rd percentile. And not just the nurses and technical workers, but it applies to all of the workers in the hospital. The housekeepers, they can't keep up with the areas they are expected to do. The Nursing Assistants can't keep up with the workloads that they're given. And so, at some point in time, we're really going to have to look at how this is being done. So you're fortunate and we're fortunate to be here in Santa Fe."

Ms. Osborn continued, "One of the things some of you may not know is, this is actually the 40th anniversary of our union. It was started by Donna DeLora and Lomie Sandoval out here. And so, we've been negotiating contracts with St. Vincents or Christus St. Vincents now for 40 years. This negotiation has been very hard and we're working without a contract now, which means we're not able to collect union dues from the hospital, they're not deducting the union dues. It means right now, being without a contract that is something important, Councilor Ives. We may not be able to take it to arbitration. And so we are, of course ourselves, anxious to come to some resolution in this situation here over staffing. But our members, have sent the negotiating committee forth with the mission to negotiate something that we can live with. We're not asking for the best staffing in the whole world. Other hospitals have better staffing and are able to afford it. What we're asking for is just really a minimum level that is consistent every day and the hospital makes the commitment to having what we need there every day."

Ms. Osborn continued, "So we did meet with the hospital for the first time in almost a month. They have refused to come to the table with us, but through the federal mediator on Friday, we went a letter telling them that we were prepared to address some of their key concerns around the staffing article. And so we came in today. We made some concessions in our staffing, but they gave us the same staffing article that was rejected resoundingly by both the nurses and the techs on July 25th. There is absolutely no enforcement in it, nor is there any commitment to us to make sure the staffing is there every day that we need to have to deliver the care the hands-on caregivers think we should be able to deliver."

Ms. Osborn continued, "So again, I thank you very much for taking on this resolution, but if you'll just go one step further, and call the local Board members, because they're the ones that are responsible for the Hospital, is the Hospital Board, and let them know there has to be some way they can make a commitment to not luxurious staffing, but to staffing and to make sure there is some enforcement. It can't cost that much. And so again, thank you so much for doing this for us. We really appreciate it."

Mayor Gonzales thanked Ms. DeLora for her service to the community and for caring for so many people from the community.

Cleo Fowler and granddaughter Eliza Fowler. She thanked the Governing Body for passing the Resolution supporting state safe staffing levels. She has been a nurse for 35 years, noting her son was born at the Old St. Vincents, and her granddaughter at the new St. Vincents, and spoke of her family's experiences with St. Vincents. She said she became a nurse because she loves helping people who need help, noting her specialty is caring for women in labor and the babies born. She said, "I'm speaking to you tonight because we have a problem with our hospital. Our hospital is not being responsive to the community. We do not always have enough staff to care for the patients that come to the hospital, highly respected, independent medical journals, such as the New England Journal of Medicine have shown how well people recover in the hospital depends on the number of nurses at the bedside. All of us deserve to be well cared for in our community hospitals. The nurses want to care for you. We need your help. The hospital can guarantee a minimum number of staff to take care of a specific number of patients with specific needs. In California, there is a State law that mandates this. This is a health and a safety issue. Please help the nurses accomplish this. Ask the hospital to be responsive to the community. Please contact the Board of Trustees of the Hospital and ask them to tell the administration to continue negotiating with the nurses to establish a guaranteed minimum staffing. Thank you so much."

Roland Trujillo, 620½ Baca, said his wife has been a nurse at St. Vincents Hospital for 42 years, his sister retired after being a nurse there for 44 years, his aunt worked there as a nurse for 15 years. His mother-in-law has worked there for 28 years, and she is 82 and still working. He said, "I would say the issue in front of you is not just about this contract. It's about the well-being of the patients and the staff. Christus Corporation has 40 facilities in 7 states and in Mexico. They have assets in excess of \$4.5 billion. And that is all information taken from the website. I would suggest to you today that the issue at hand has to do with a long-term condition and what happens with this hospital." The real question for him is whether Christus St. Vincents just a chain in that link that needed by the corporation to come into line and being managed out of Texas, or if this is truly our community hospital. If it is, he would suggest further that there is a need for a public forum to be run by the City Council, the Mayor, the County Commission and members of this community where we talk about the reason this hospital is here. "If it is to serve the corporation out of Texas, we've lost our hospital."

Gail Williams, 1914 Tijeras Road, thanked the Governing Body for adopting the Resolution this afternoon. She worked as a nurse at St. Vincents until she resigned 15 months ago, so she has first hand experience with patient care concern. In 2007 when Christus was thinking of partnering with St. Vincents, they made promises publicly to respect the union and the collective bargaining process, but they seem to have no concept of what that means and no desire to keep its promises. She said seem intent on destroying the union, noting it is the only union hospital among the 40 in its system. She said the union wants a staffing plan at the fiftieth percentile level with enforcement provisions. She believes most people

in Santa Fe would agree with that. She said the administration claims they can use staff more efficiently and therefore manage at the fortieth or the thirtieth percentile. She believes it is a cover for staff to work harder, faster and less safely. She commends the workers at the hospital who try to give the best care and outcomes for patients. She was upset to learn the service and maintenance units, secretaries, monitor techs, central supply, the unsung heroes of the medial team were "denied their first amendment rights when they were told by the Hospital administration they would be disciplined if they joined the picket line. She said, "I just want to thank you again for all of your support, and I urge you, Mayor Gonzales and members of the City Council to not stop with this action, continue to be vigilant and monitor the progress toward maintaining safe staffing levels at our hospital, because one day your or a loved one will be a patient at the hospital and you'll be glad you did. Thank you."

Mayor Gonzales again cautioned the speakers to move the points that haven't been expressed to the Council, that would be appreciated and make sure that you have the time you need.

Mark Fitzgerald, 848 Camino Consuelo, said he isn't here to talk about the health care issue, but he stands with the people who are here to talk about it, and hopes the hospital comes around to a minimum staffing level to guarantee good care. He attended the August meeting of the Airport Advisory Committee, because he feels the Airport is a diamond in the rough for Santa Fe. He said it needs attention from the Council, the City, and County. For the oldest State Capitol to have an airport which is trying to serve the people, they feel they get no support from anyone else. He sat in the meeting for 2 hours, and at the end, there was discussion about the minutes which were to be approved. This is a volunteer board and one of the members said portions of her statements from the last meeting were totally omitted from the minutes. And the person who was transcribing said that could be a possibility because we have only one microphone, and if it doesn't reach the person or the person isn't talking loud enough, then it isn't picked up by the transcriber, etc. I ask that you look at what they are trying to do for this community to grow and better the Airport for residents and tourist alike, and give them the bare minimum of what is needed, so first of all they can have minutes that everyone understand, and the minutes are recorded correctly. Maybe they need a different place to meet that has a better recording system, get different recording equipment. They want to do their best out there, but they're doing it with one hand tied behind their back, I feel. "I come to you tonight to ask for support and resources to be given to the Airport so it can keep growing and going in the right direction. They have a great manager who is dedicated, working hard, and the Board is working hard as well. I will continue to attend their meetings, and if there is an opening on the Board, I would like to apply for it, because I feel that, again, the Airport is an area of Santa Fe that is total under developed. And with just a little bit of resources and time given by all members of the community and the County, the airport can be something we're all proud of in Santa Fe."

Chris Garner said without the nurses he wouldn't be here today, and one person can't do it alone, so let's hang on in there, right. And thank you."

Evan Roher, Technician, said he is here to support the nurses and thanked the Governing Body for passing the Resolution. He said the nurses and technicians are the ones that know what they need on the front lines to do their job. I would really ask that you listen to them and not to the Hospital administration, because many hospital administrators have not been on the front lines, they're not nurses and don't know what they need to do their job. It is a very cut and dried issue in the labor dispute – it's this community against an enormous corporation. He said, "So you have a choice. You can do everything in your power to support the people in your community that are taking care of the people in Santa Fe, or you can't. So I would ask you to do that, to support the nurses and the technicians 100%, with all of the resources that you have at your availability, your staff, your bully pulpit, Mr. Mayor. Everything that you have. Thank you."

Sharon Arcembright said she has been a nurse for 20 years and a teacher for 20 years in Santa Fe. She said the turnover at the Hospital is more than 100 nurses per year, and the Community College doesn't graduate that many nurses each year. She said our community cannot sustain the nurse turnover rate, much less the cost this hospital is putting into. She said, "They do not care. It's disrespectful, and I'm asking if you could please call the members of the Board to please listen to the nurses and pass enforcement language for safe staffing. Thank you."

Jean McKinney, said she is has been a masters prepared nurse for 43 years, and in Santa Fe for 13 years. She is here representing the Behavioral Health Unit. She thanked the Governing Body for passing the Resolution today for safe staffing. She said two years ago Christus hired Horizon Health to run the Behavioral Health Unit, Horizon Health for, she imagines, for the purpose of meeting CMS requirements. She said every month for the past two years they have had "yet another piece of paper we fill out on the patients. She said, "So we assess the patients beyond belief. The nurses are charged with, for the most part the nurses are doing the assessments, so we fill out paperwork after paper after paper and do computer work. The nurses at the hospital also stopped bringing in nurses aides in our unit and secretaries, so the nurses are answer the phone which rings a lot, and we're answering the door because it is a locked unit. And that kind of keeps us in one spot in the nurses station so the care the patients get often is limited to approaching the window and asking for what they want." She said they have a counselor that works part time, 5 days a week, 4 hours a day. So many times the patients get no counseling and the nurses don't have time to teach about medications or disease or coping skills. Three hears ago the Hospital tried to close the Behavioral Health Unit because it was a money loser, and there was a community and they didn't close it. She said we're still a money user, but they are using that to their advantage by saying, "Look how we're helping the community." Her concern is that the care for patients is often limited to custodial care and not a good utilization of the nursing skills and it is a disservice to the patients. She urged the Governing Body to contact the Hospital Board of Directors and ask them to settle this strike and get safe staffing."

Mayor Gonzales reiterated his request that those speaking focus on items which haven't been expressed yet and when they hear the beeping sound, to try and wrap up their final comments.

Harry Eberts, Pastor, First Presbyterian Church, said he is representing many faith leaders across the community. He has a letter which was sent to the CEO of Christus St. Vincent today to ask for a meeting of faith leaders with Bruce Tessin and his representatives to address some of the concerns you've heard tonight. He said he wasn't going to go through those concerns at this time, except to let the nurses and technicians know the "faith community has their back," for all they do for all of us in the community. It is amazing the work they do for healing. He said, "The name of our Hospital is Christus St. Vincents. If it is to reflect the name of Christus, then the Hospital better be a place where there is healing, compassion, generosity and integrity. If this Hospital is to reflect the name of St. Vincent, then it better reflect the name and the good work of a Saint in the 1600's, who was known for compassion and generosity and serving the poor. So thank you for all your work in this endeavor. Thank you."

Reverend Holly Beaumont said the letter referred to by Reverend Everts is a project of Interfaith Worker Justice New Mexico, noting she is an organizing director of that organization. They released the letter on Monday and continue to receive names, currently they have 17 names. She will send a copy of the letter to the Governing Body electronically. She said in response to the reason the clergy has such an interest in the Hospital, it is that congregational clergy spend more time in hospitals than anyone in the community, other than hospital personnel. They are there at all times of the day and night at the beginning, in the middle and the end of life. They have a personal first hand experience of the events in the hospital and the role played by nurses and techs. She said this is a Non-profit Catholic Institution.

Reverend Beaumont continued, "I want to share with you the words from the Catholic Church that this Hospital is called to embrace for its non-profit Catholic status, 'It has always been clear that the pursuit of greater economic justice is not carried out primarily by the statements of religious bodies, but in the broader market place where investments are made, contracts are negotiated, products are created, workers are hired and policies are set. The search for economic justice is always carried forward in the public square. We renew our pastoral call for believers to shape their choices in a marketplace and public arena according to the values of the scriptures and the moral principles of the Catholic Church. Whatever our economic status, political identification or ideological preferences, we are called, as Catholics, to work for an economy more respectful of human life and dignity. In our work and citizenship, our economic, political and personal choices, we must reach out to seek the common good.' She said this comes from a document entitled *Economic Justice for All*, which she also will make available to the Governing Body.

Nicole Holmes, Labor Delivery Nurse, said Christus St. Vincents is the only hospital at which she has worked as a nurse, obtaining her nursing degree from the Santa Fe Community College. She is honored and proud to work for this community and to be part of our families and our growing families. She

said, "I thank you all for hearing us tonight and for passing the Resolution. And I just really want to encourage you to support us. We are at the front lines, and the women and men that I work with in this community that are taking care of all of our families. We do an amazing job and we need you to support us and to really just let the Board know this is about our community and us being strong for our community and being a strong hospital in our community, being we are the only one here. I appreciate everything you do and I feel honored to serve you all and to serve your families, so thank you."

Betty Sperlich said she has been a labor/deliver/postpartum nurse for 33½ years, having retired one month ago. She said those who work in the hospital need your help. She said under Christus it seems there has been more and more pressure with charting and how it looks on the charting and how it would look in the newspaper with our advertising. And we have less and less and less time to give patient care. All of us probably will patients at Christus St. Vincents at one time or another. She said, "I urge you to please continue to support our staff in the Hospital. Thank you."

Loretta Gonzales said she has worked at the Hospital for 24 years. She said, "All I want to say to the Mayor and Councilors is, what happened to our community hospital. It's our hospital, so I urge you to call the Board of Directors." They are going through a lot right now, a lot of turnover – no one wants to come here to work and she doesn't blame them. She said, "But we're doing it. I'm just asking for your help and I thank you all for listening to us and having us here, and give us your support because we need it. We serve our community, your family, friends and relatives, we are here to fight for you, for your safety and ours." There is a lot of turnover because of the work injuries "at our place. It's unsafe for the workers."

Gilbert Martinez said he is a CT scan/MRI Tech at the Hospital, with which he has been affiliated for more than 25 years, and doing for radiology 30 years. He is a Navy veteran and medic. His concern is the state of readiness at the Hospital which serves everybody from Santa Fe all the way to our northern border, more than 300,000 people. He staffing concern, particularly with radiology, is there are only two CT scanners, and 75% of the time there is only one CT tech working in Radiology. He said two CT scanners can't be managed with one CT tech. He is a native Santa Fean from a family going back generations. He said if there is a major accident in Santa Fe, and if your loved one isn't the first one through the doors, you're not going to get diagnosed in time to save your life. We need to demand to staff those two CT scanners with someone 24/7. He thanked the Governing Body for passing the Resolution. He said we have to be at the same state of readiness as the fire and police, but we aren't there. He thanked the Governing Body for its support.

Anna Babankova said her mother is a nurse and is working this evening. She said, "What I see, my mom comes from work all tired, and then it's kind of like if you were sitting here with just rags on you and the chair was breaking under you, and your computer is really slow and wouldn't type and stuff like that. And then your bosses would be telling you to work harder, you have to do more and more stuff. So it's kind of the same thing. It would work like that. Thank you."

Michelle Shortl said she has been a nurse for almost 30 years at St. Vincents and appreciates the Governing Body passing the Resolution. Her concern is going forward. Safe staffing, good care is like apple pie and motherhood. No one is going to be against it, and the Hospital is going to say, "Hey look, you know, we can make all these cuts and our care is still better than ever." It's like Chevron saying, "We're Green," and McDonald's saying, "We've got healthy food." It's all PR and everybody has to be for safe staffing, but you can only cut so much and this is society wide. We're cutting, cutting, chipping away at everything and there are trade-offs. And it is reality, we live in a material world. She said, "I hope that the conversation can be real about what those trade-offs are. And you would just be wise, which I know you are, to just look at the motivation of the people who are telling you things. What's their motivation. We're not being paid to do this. We're probably risking our jobs. We're taking our time to tell you there is a problem, while people are saying there is no problem, but they have an economic reason to say that. Just look at the source and consider all that. So thank you."

Jessica James, 7109 Callecita Loop, said she has been a nurse at the Hospital for 10 years, noting her mom has been a nurse for 43 years. She does the best she can every day, but sometimes it isn't the best for the patients. She said if she doesn't answer the call bells fast enough you could be in trouble. She said, "So I think that's all I want to say, and I'm efficient, but I can't do more than I can do."

No name given, said she has been a nurse for many years at the Hospital, and the incidence of patient illness has increased. The time given to take of patients has decreased remarkably, and there is a greater, much faster turnover, and people are sicker. Instead of compensating for that by increasing staff and giving us more time, Christus has chosen to go in the opposite direction and decrease the number of staff and give us less time which isn't safe staffing. She said safe staffing should be a given in any hospital, and the foundation of care given by the nurses. She would like more than just safe staffing, and wants to give good nursing care, and you should expect more than just to be kept alive and not injured – that's what safe means. She wants to be able to do more than that. She said, "Right now, it's not even safe."

Ann Marie Gallagher said she has been at Christus St. Vincent for 8 years. She told a story about a woman and her husband who are well known, and the husband was in the hospital with a broken shoulder. After surgery and such, he had not had a bath in 3 days, and the woman was upset and made

phone calls to the administration and a patient advocate came down immediately. The patient advocates are there to help patients solve problems and feel better about a situation gone awry. The woman called the administration right back and said, I want to see a nurse and I want a CNA. She said, "My husband needs a shower and I can't keep on tolerating this situation." She said she thought it was interesting as to how problems are handled. She said we need bodies on the floor, nurses such as herself and CNA's, to help take care of these patients so they have a pleasant Hospital stay.

Christina Romero said she is an RN at the Christus St. Vincents Cancer Center. She said they are staffed really well at the Cancer Center, noting one of her roles is as a triage nurse. She said one of her priorities is to take incoming calls from patients or someone who needs help from the Cancer Center. She said on one Monday, 3 patients/family members called saying they were in the Hospital over the weekend, on Sunday because they were having serious issues, potentially life threatening issue. One woman told her she was unable to get the diagnostic scan she needed in the Emergency Room, and the Emergency Room advised her to call the Cancer Center on Monday to get a scan ordered for her, which they did in another facility which isn't Christus. Another person called as instructed by the ER physician to call the Cancer on Monday to get a CT scan. She said some of the radiology probably couldn't be done because of lack of staff and equipment. She said we need housekeeping, secretaries, tests, nurses and doctors. It takes all of us to help take care of patients safely. She spoke about other nurses who couldn't be here this evening, and the issues they have with being able to give good care without adequate staffing. She has lived in Santa Fe for 18 years and she strongly believes our community deserves better so we can take care of ourselves and loved ones.

Bruce Weatherbee, Rosario Hill, said he works with and for the nurses, although he isn't a medical person. He has never worked with or for a group of people for which he has been more proud. He has worked for 40 years in community organizing, politics and other things. He has been at more than 100 shift changes at the Hospital in the last year and two months. He's met people coming out and handed them literature trying to keep their spirits. He said, "I've had a nurse almost fall off the curb. I helped her as she got off her shift and she was crying. And I said are you okay. And she said, I'm okay, but one of my patients became an organ donor last night at 44 years old and she didn't have to be an organ donor. She should be alive today because we didn't have enough people to take care of her. Okay. That's the truth, and I challenge anybody from Christus to get up here and challenge me on that. That ICU unit, when the quality committee was meeting with the press a couple of weeks ago said, everything's just fine. Trust us. The ICU unit had 3 patients per nurse. That is unheard of in this country. I asked the doctor a couple of days later, forget your role as a board member, can you condone that as a doctor. He couldn't answer me. He wouldn't answer me. You need to do something. You need to make that local board to stop worrying about a gala coming up and worrying about the people who this community serves, and your family and friends who are there. These people have dedicated their lives. They have put their careers on the lines with the Hospital. You have already seen over 300 nurses leave this Hospital. People who had to be replaced at the cost of \$65,000 year as a minimum."

Mr. Weatherbee continued, "You heard one of the nurses talk about nurse turnover, that Hospital in 3 years has spent almost \$20 million, a minimum of \$19.5 million to bring and recruit people to replace those who left. Most of those left because, and they said this, the Hospital stopped doing exit interviews because they didn't want to hear it. We talked to them we sent information and asked them to write back to us. They left because they felt the staffing was unsafe for their patients, not safe for them and it was not safe for them to be able to continue in their careers. Thank you very much for passing the Resolution, which will help us in trying to address the issues of staffing, both legislatively at the national, State and local level. But you can do something here tonight, one step further. And that is to call the Board, every single member and ask them to start sticking up for Santa Fe and stop worrying about the people in Texas who run that place."

Mayor Gonzales said, "Once again, thank you all very much for what you do for our community. Your message has been heard loud and clear. And clearly, there is enormous opportunity to continue to advocate that the right thing is done between the hospital and the nurses in coming to an agreement that assures that there are safe staffing levels. That when people go into our hospital, they know they're going to have the level of care that we all want for our families, and I know that's what you guys are asking for and we stand and decide and we stand in support of that. And my hopes are, I think Fonda said earlier, the fact that it is disappointing to hear the Hospital showed up exactly where they left. And the point of me pushing them to get back to the table was to move off the point where they were before. So I clearly have more work to do, Fonda, in terms of trying to get the Hospital to move where they are. And I'll certainly continue my conversations with Mr. Tessin to do better than what he did today. And I look forward to seeing that happen. All right."

G. APPOINTMENTS

There were no appointments.

H. PUBLIC HEARINGS

- 1) REQUEST FROM LIFEHOUSE SANTA FE OPERATIONS, LLC, FOR A TRANSFER OF OWNERSHIP OF DISPENSER LICENSE #27997 FROM RAINBOWVISION SANTA FE, LLC, D/B/A RAINBOWVISION SANTA FE TO LIFEHOUSE SANTA FE OPERATIONS, LLC, D/B/A THE MONTECITO OF SANTA FE. THIS LICENSE WILL REMAIN AT 500 RODEO ROAD. (YOLANDA VIGIL)**

The staff report was presented by Yolanda Vigil, City Clerk, from her Memorandum of August 22, 2014, with attachments, to Mayor Gonzales and City Councilors, which is in the Council packet, noting the business is not within 300 feet of a church or school. She said the application includes a back patio, and as a condition of approval, the applicant is required to enclose this patio. She noted there is a letter in the

packet from attorney Linda Akin confirming this business will not use this patio for the sale, service or consumption of alcoholic beverages until the enclosure is in place. The applicant also has removed the front courtyard and the patio from its application. Additionally, as per special exception granted on September 18, 2007, in Case #SE-2007-04, conditions of approval were imposed that non-resident club memberships shall not exceed 200 members and shall be for a period of not less than 30 days and that the lounge shall not extend hours beyond 10:00 p.m. She said there are staff reports in the packet regarding litter, noise and traffic, and staff recommends that this business be required to comply with all City ordinances as a condition of doing business in the City.

Public Hearing

There was no one speaking for or against this request.

The Public Hearing was closed

MOTION: Councilor Lindell moved, seconded by Councilor Ives to approve the request for a transfer of ownership of Dispenser License #27997 from Rainbowvision Santa Fe, LLC, d/b/a Rainbowvision Santa Fe to LifeHouse Santa Fe Operations, LLC, d/b/a The Montecito of Santa Fe, with the license to remain at 500 Rodeo Road, with all conditions of approval as recommended by staff.

VOTE: The motion was approved on the following Roll Call vote:

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

Against: None.

Absent for the vote: Councilor Bushee

- 2) **CONSIDERATION OF BILL NO. 2014-22: ADOPTION OF ORDINANCE NO. 2014-27 (COUNCILOR DOMINGUEZ). AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF SANTA FE, NEW MEXICO GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT OF \$18,000,000, FOR THE PURPOSE OF DEFRAYING THE COST OF PUBLIC PROJECTS RELATED TO PUBLIC UTILITIES, PUBLIC WORKS, PARKS AND RECREATION AND COMMUNITY SERVICES AS AUTHORIZED BY LAW AND THE CITY'S HOME RULE POWERS; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE FROM THE GROSS RECEIPTS REVENUES DISTRIBUTED TO THE CITY; ESTABLISHING THE FORM, TERMS, MANNER OF EXECUTION AND OTHER DETAILS OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; APPROVING CERTAIN OTHER**

AGREEMENTS AND DOCUMENTS IN CONNECTION WITH THE BONDS; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION WITH THE BONDS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND RELATED MATTERS (COUNCILOR DOMINGUEZ). (HELENE HAUSMAN)

A copy of the bond book *City of Santa Fe New Mexico, \$15,460,000 Gross Receipts Tax Improvement Revenue Bonds, Series 2014*, is incorporated herewith to these minutes as Exhibit "7."

The Final Ordinance dated August 27, 2014, entered for the record by Dwayne Brown, is incorporated herewith to these minutes as Exhibit "8."

Yolanda Vigil, City Clerk, said there will be minor changes to the Ordinance, part of which is involving the monies, and Dwayne Brown is here to identify those changes.

Dwayne Brown, Bond Counsel, said, "With regard to the Ordinance, what is in you packet was the earlier version of the Ordinance. The bonds were actually sold yesterday. So what we've done is we've filled in the interest rates, completed other information relating to the issue size which actually went down from an estimated \$18 million to a number of \$15,460,000, but because of the structure of the transaction, we'll still end up with \$18 million of proceeds for the project. And George Wiliford from First Southwest Company is here, as your financial advisor, I'll let him explain that detail to you. John Archuleta, the Bond Underwriter, from George K. Bond is also here, and Helene Hausman is here as well."

Mr. Brown continued, "So, with respect to the Ordinance, the changes from what is in your packet to what is the final, is really reflecting that pricing data and making a few other minor changes with respect to some language. I can go through that detail if you want, but would probably suggest that you should hear from Helene or George with regard to the actual pricing of the bond issue."

Mayor Gonzales asked, "Is there any desire to hear on the pricing issue?"

Councilor Maestas said, "I just think we don't need to go through it item by item, but do we have like maybe an errata sheet that we can enter for the record, and say, based on the errata sheet, we incorporate this into the Ordinance as an amendment. Is that something we can do, or are we going to go through and itemize all these changes without taking all night. How many changes are there."

Ms. Vigil said, "You handed out a revised copy for everyone, correct."

Mayor said, "What we have here should have the updated information right."

Mr. Brown said, "In the packet. That has the updated information with respect to the pricing. The Ordinance itself, I delivered a final version of that electronically to Yolanda, and to everyone else on the working group, so we do have that, it exists. And I have hard copy of it which I can hand out to you now, if it would be useful. But to go through each one of the potential changes would be time consuming."

Mayor Gonzales said, "I think the Councilor is looking for something to enter into the record, so if you could go ahead and submit what you have Dwayne, to the Clerk as part of the record, then we don't need you to go through everything, but we could just have you state for the record that you submitted the final numbers."

Mr. Brown said, "I have a hard copy right here that I'll give to Yolanda to evidence the changes [Exhibit "8"]."

Councilor Dominguez asked, "Kelley, just the way it has been noticed, and the information coming forward, is this acceptable, and are we in compliance, I just wanted that for the record."

Ms. Brennan said, "For the record, it is in compliance. It is a lesser amount than that advertised."

Councilor Dominguez said, "There's this red statement, can you tell us what that means in English."

George Williford, First Southwest, said, "Dwayne can probably do that better. This is the preliminary official statement, so there's a final version based on, like Mr. Brown said, the actual interest rate, the actual issue size and so on, and the preliminary, that's a red herring statement. The preliminary official statement is just used for marketing purposes and not in final form. And just to clarify one that Dwayne said, because it may be a question. The City will still get \$18 million of actual proceeds for projects. The bond pricing, the coupon rates resulted in an over \$2.8 million premium, and that's why the issue size itself is actually smaller, but the full \$18 million was produced for project costs."

Councilor Dominguez said, "Okay, just because it's preliminary doesn't mean that this isn't the final."

Mr. Williford said, "It's not the final version, because the final will have the final rates, size and so on."

Mr. Brown said, "In plain English on that red language you're looking at is that this document can't be used to sell bonds in any jurisdiction where it would violate the security clause. That's what that means, and it's a cautionary statement that we use on all bond offering documents."

Councilor Dominguez said, "On the ratings that have been assigned, any comments on those."

Mr. Williford said, "Yes. The ratings were AA+ from both Fitch and S&P, and that's equivalent, in the case of Fitch to the G.O. rating which is very good, and these are only one notch below AAA, which is the highest, so very good ratings for the City's GRT debt."

Councilor asked if there has been any change.

Mr. Wilford said, "No sir. We had conversations, Brian and Helene, with both rating agencies about two weeks ago, so this is a fresh affirmation of the rating levels."

Public Hearing

There was no one speaking for or against this request.

The Public Hearing was closed

Councilor Dominguez thanked everyone for their work on this matter.

MOTION: Councilor Dominguez moved, seconded by Councilor Trujillo, to adopt Ordinance No. 2014-27, as amended.

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: None.

Absent for the vote: Mayor Gonzales.

- 3) **CONSIDERATION OF RESOLUTION NO. 2014- ____ (COUNCILOR RIVERA, COUNCILOR TRUJILLO, COUNCILOR LINDELL, COUNCILOR BUSHEE, COUNCILOR IVES, COUNCILOR DIMAS, COUNCILOR MAESTAS AND COUNCILOR DOMINGUEZ). A RESOLUTION PROCLAIMING SEVERE OR EXTREME DROUGHT CONDITIONS IN THE CITY OF SANTA FE; IMPOSING FIRE RESTRICTIONS, RESTRICTING THE SALE OR USE OF FIREWORKS WITHIN THE CITY OF SANTA FE AND PROHIBITING OTHER FIRE HAZARD ACTIVITIES. (FIRE MARSHAL REYNALDO GONZALES). (Postponed at July 30, 2014 City Council Meeting)**

This Resolution was removed from the Agenda by Councilor Rivera, and postponed indefinitely, or until such time as the Fire Department feels it is appropriate to revisit the Resolution.

- 4) **CONSIDERATION OF BILL NO. 2014-23: ADOPTION OF ORDINANCE NO. 2014-28 (COUNCILOR BUSHEE). AN ORDINANCE RELATING TO IMPACT FEES – AMENDING SECTION 14-8.14(C), (E) AND (F) TO ADOPT A NEW IMPACT FEE SCHEDULE AND INCORPORATE DEFINITIONS RELATED TO LAND USE TYPES; AND RELATING TO PARK DEDICATIONS – AMENDING SECTION 14-8.15(C)(2) SFCC 1987, THE PARKS DEDICATION SECTION; AND MAKING SUCH OTHER CHANGES AS ARE NECESSARY. (REED LIMING)**
- a) **CONSIDERATION OF RESOLUTION NO. 2014-71 (COUNCILOR BUSHEE). A RESOLUTION ADOPTING THE “IMPACT FEE CAPITAL IMPROVEMENTS PLAN 2020 FOR ROADS, PARKS, FIRE/EMS AND POLICE,” TO MEET THE STATE REQUIRED IMPACT FEE PROGRAM 5-YEAR UPDATE, AS CALLED FOR IN THE STATE DEVELOPMENT FEES ACTION (5-8-30 NMSA 1988) (REED LIMING)**

Items H(4) and H(4)(a) were combined for purposes of presentation, discussion and public hearing but were voted upon separately.

The staff report was presented by Reed Liming from his Memorandum of August 27, 2014, with attachments. Please see this document for specifics of this presentation.

Mr. Liming noted that Clancy Mullin, our Impact Fee Consultant with Duncan Associates, Austin, Texas, is here to answer any questions you may have.

Councilor Lindell said, “In the definitions, the determination of a single family detached, on packet page 9, under page, a(1), Single-Family Detached means a *single family dwelling, which may consist of a manufactured home or mobile home*. Is it mandated by the State that mobile homes be included in this definition. Because when I look at the fee schedule for this, the fees, for example, on a 1,500 sq. ft. or less dwelling, at \$3,000 seems so disproportionate to charge on a mobile home.”

Mr. Liming said, “I know that if homes qualify as affordable, they do not pay impact fees. I don't know to what degree Matt may be able to help us with mobile home and where it fits into the affordable definition.”

Matthew O'Reilly, Land Use Department Director, said, “Mr. Liming is correct. It's not necessarily the home. It's the owner of the home can apply to have impact fees waived and they apply through the Affordable Housing Office, and that's usually what happens with a mobile home or a manufactured home, so they end up paying nothing.”

Councilor Lindell said then they can come in and make an application.

Mr. O'Reilly said at the time they come in for a "placement permit," to place a manufactured home or mobile home on their lot, they will be informed of the impact fees, and if they wish to have those impact fees waived, they can apply to the Affordable Housing Office. They go through a procedure where they verify their income, and at that point, almost all of them have their impact fees waived because they income qualify for that.

Councilor Rivera asked if "mobile home" is still the appropriate term to use here.

Mr. O'Reilly said, "Yes. And the reason is that, as you refer to correctly, Councilor, a mobile home technically, under State law, is a product that was created/manufactured prior to June 15, 1976. There are still some mobile homes floating around the City. However, most of what you see out there are properly termed manufactured homes being constructed after that date. Mobile homes are only allowed in mobile home parks now, as the result of the Ordinances passed two years ago. Manufactured homes by State law have to be allowed anywhere that a single-family stick built home could be placed, with the exception of restrictions in the Historic District. So it is still a needed term in the Code for as long as we have 40 year old mobile homes floating around out there."

Public Hearing

There was no one speaking for or against this request.

The Public Hearing was closed

MOTION: Councilor Bushee moved, seconded by Councilor Lindell, to adopt Ordinance No. 2014-28 as presented.

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: None.

Absent for the vote: Mayor Gonzales.

Explaining his vote: Councilor Dominguez said, "Yes. And I just want to thank staff for the work they've done in considering the special impact districts or whatever they were called, so yes."

MOTION: Councilor Dimas moved, seconded by Councilor Trujillo, to adopt Resolution No. 2014-71, as presented.

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: None.

Absent for the vote: Mayor Gonzales.

**5) REFERENDUM AND INITIATIVE PETITION REDUCING MARIJUANA PENALTIES:
(KELLEY A. BRENNAN AND YOLANDA Y. VIGIL)**

a) PETITION CERTIFICATION

b) CONSIDERATION OF BILL NO. 2014-24: ADOPTION OF ORDINANCE NO. 2014-29. AN ORDINANCE AMENDING SECTION 16-15 SFCC 1987, TO REDUCE THE PENALTIES FOR POSSESSION OF ONE OUNCE OR LESS OF MARIJUANA AND POSSESSION OF MARIJUANA PARAPHERNALIA; AND CREATING A NEW SECTION 20-6 SFCC 1987, TO ESTABLISH THAT POSSESSION OF ONE OUNCE OR LESS OF MARIJUANA AND POSSESSION OF MARIJUANA PARAPHERNALIA ARE CIVIL INFRACTIONS.

c) UNA RESOLUCION QUE CONVOCA UNA ELECCION MUNICIPAL ESPECIAL QUE SE LLEVARA A CABO CONCURRENTEMENTE CON LA ELECCION GENERAL DEL CONDADO DE SANTA FE, EL 4 DE NOVIEMBRE, 2014, PARA EL PROPOSITO DE VOTAR A FAVOR O EN CONTRA DE LAS PREGUNTAS MUNICIPALES QUE RESULTARON DE UN REFERENDO E INICIATIVA RELACIONADOS A LA RESOLUCCION DE PENAS POR LA MARIHUANA.

1) REQUEST FOR APPROVAL OF BUDGET INCREASE.

A copy of a Substitute Resolution, Referendum & Initiative Petition, A Resolution Calling for a Special Municipal election to be held in the City of Santa Fe on March 1, 2016, in conjunction with the Regular Municipal Election, for the purpose of voting for or against municipal questions resulting from a Referendum and Initiative related to reducing Marijuana penalties, is incorporated herewith to these minutes as Exhibit "9."

A copy of a proposed Amendment to the Resolution proposed by staff, is incorporated herewith to these minutes as Exhibit "10."

A copy of *Options for Referendum and Initiative Petition Reducing Marijuana Penalties*, is incorporated herewith to these minutes as Exhibit "11."

Yolanda Vigil said, "I received a Referendum & Initiative Petition from Drug Policy Action & Progress Now New Mexico, and I released this petition for circulation on June 24, 2014. The last pages of the petition were submitted on August 14, 2014, as well. And I certified this petition on August 18, 2014, as being valid, and had been submitted within the time period prescribed by law, and contained the minimum number of valid names, addresses and signatures as mandated by law. On August 22, 2014, I revised this Petition Certification. We went back, we were looking for a duplicate which we could not find. And at that point, we went in and actually counted each page and looked at the numbers on each page. In reviewing that, we actually added an additional four (4) ballot signatures on August 22, 2014. A total of 5,673 valid signatures were required for certification, including 10% from each Council District. Those District Numbers were in District 1, they needed 546, District 2, 463, District 3, 262 and District 4, 431."

Ms. Vigil continued, "As I said before, I did certify this petition as being valid. There were 10,925 signatures submitted, of those, 5,167 were purged, and we had 5,758 valid signatures. In District 1 there were 2,087 valid, District 2 had 1,623 valid, District 3 had 916 valid, and District 4 had 1,132 valid. I would stand for any questions you have regarding the Petition Certification."

Councilor Dominguez asked if we know how many were purged from each District.

Ms. Vigil said, "I did not do those counts, however if you would want those we do have the data to go back and get you those numbers."

Councilor Dominguez said it isn't necessary.

Ms. Brennan said, "Mayor, Councilors, I put on your desks for the evening session, Options for Referendum & Petition reducing Marijuana penalties [Exhibit "11"]. This is a slightly different animal than we're used to. In this case, we received a Referendum repealing a criminal provision of Ordinance and an Initiative to enact a new Ordinance still prohibiting possession and use of marijuana one ounce or less, and marijuana paraphernalia, and establishes a civil penalty for it. You are required either to adopt the Ordinances proposed, or if you do not, if there is a motion to approve and the motion fails, you are required to adopt an Election Resolution. The Election Resolution can establish a date certain for the election, and it would be a special election which might be independent or it might be concurrent. The only Election Resolution in your packet is a Special Election concurrent with the November General Election."

Ms. Brennan continued, "This Option 1, before you take action, because you must adopt an Election Resolution on the same night if the Ordinance request fails. You can also have the public hearing, have discussion, not take action and postpone to another time. Those two times would have to be within 30 days, and those meetings would be on September 10, or September 23. In case you scheduled the vote and Election Resolution for that night, it would not allow the question to be on the November ballot because of timing."

Ms. Brennan continued, "The second option you have is the option to approve the adoption of the Ordinance. If that motion passes, the Ordinance is adopted and we have no further work to do, and the Ordinance becomes effective within 5 days of publication as usual."

Ms. Brennan continued, "Option three, if the motion fails, then you have to adopt an Election Resolution. Again, there is a Resolution available for the General Election with the Special Municipal Election to be held in conjunction with the November election. I believe Melissa can answer this. There is also an Election Resolution available for the March 2016 Regular Election. It would be a Special Election concurrent with the March 2016 Regular Municipal Election. I think Melissa's passing that out now [Exhibit "9"]. "

Ms. Brennan continued, "In addition, you have the option of having a Special Election, an independent election, at a date set by the Governing Body."

Ms. Brennan continued, "Again, I want to emphasize that this does not legalize marijuana. The possession of one (1) ounce or less remains prohibited. My opinion appears on packet page 3. As you no doubt know from reading it, I have opined as to the legality and form of the Ordinance, that they are legal and that they are sufficient as to form. I analyze why they are not inconsistent with State law, and have further discussion about equal protection issues and prosecutorial and police discretion. And I address the lowest law enforcement priority. The new Ordinance makes the possession of one (1) ounce or less the lowest law enforcement priority. And as I say here, it appears to address the concerns identified in Resolution No. 2012-66, adopted by the Governing Body establishing the Law Enforcement Assisted Division Task Force, which was focusing enforcement attention on trafficking and looking to divert for lower levels of possession and to address addiction through that Resolution. The form is sufficient and I also discuss briefly the unintended consequences, which is that person if charged with an ounce or less of marijuana are subject to both the civil penalty under Municipal Ordinance and to the criminal penalties under State Statute without it being double jeopardy."

Ms. Brennan continued, "So that's simply a very general outline. I want to say that Legal staff worked very closely with me on this. We discussed several times, reached consensus and they did careful editing of this Memo. Alfred Walker is here, Marcos Martinez is here, and perhaps Zach Shandler, but I don't see him, so I stand for questions."

The Governing Body commented and asked questions as follows:

- Councilor Bushee said, "On the cost, Yolanda, I assumed, given the aim was to get it to the November election that it would not be as expensive as our special elections usually are. So whose salaries are we paying, and who is overtime, and who is contractual services, and the operating supplies and the printing and publishing."

Ms. Vigil said, "I prepared a budget not knowing exactly what we were doing, if we were going to go to a special election, or if we were going to have this in conjunction with the General Election. We have to, if this is going on the General Election ballot, we do have to have a Memorandum Of Understanding with the County Clerk and the Secretary of State. I believe that there are still going to be some costs. We are not sure what those costs will be. We may have to pay printing costs for ballots. I'm not sure until we have the discussion with the Secretary of State's Office and the County Clerk. I'm not exactly sure, but I had to get a budget in place."

- Councilor Bushee asked if it is close to "this if it goes on the General Election" ballot.

Ms. Vigil said, "I don't believe so. I think it will be less, but not knowing exactly what the Secretary of State and the County Clerk would require us to pay, I couldn't give you exact numbers. They could ask for payment of the programming, for the ballots and for additional precinct officials to help with the processing of the signature rosters and ballots and whatnot."

- Councilor Bushee asked, "Can we assume, given that the County passed a supportive Resolution, that the Secretary of State is even willing to get it on the ballot."

Ms. Vigil said the Secretary of State was at the meeting yesterday with the County. We have emailed back and forth to the office yesterday and today. We do want to set up a meeting the early part of next week to start going through the discussions. We have sent our questions to them in English and Spanish and they are preparing mock ballots to see if there is sufficient space on the General Election Ballot to contain these questions."

Ms. Brennan said, "And if I can interpolate that there are a number of logistical details that need to be covered, and we have already started discussions and the County Clerk and Secretary of State both indicated a willingness to sit down and work those out."

- Councilor Bushee asked what happens if it doesn't work out – "I'm trying to try to understand what motions to pursue."

Ms. Brennan said, "If for some reason, it didn't work out with the logistical details, we would simply come back to you for a new Election Resolution."

- Councilor Bushee said, "It seemed Kelley, from your introduction, that perhaps one needs to make a motion to move for the Ordinance and have it fail."

Ms. Brennan said, "Or not. If you don't wish to postpone the matter, there would be a motion to approve. If the motion passed, that would mean the Ordinance was adopted. If it failed, then you would have to move to an election resolution and the motions are outlined here very briefly."

- Councilor Bushee asked if this is a public hearing, and Ms. Vigil said yes, this is a public hearing.
- Councilor Maestas said, "If we put this on the March 1, 2016, ballot, would the cost be a lot less than the cost to get this on the November 2014 ballot."

Ms. Vigil said, "Yes, because we would already be having an election, so it would be incorporated at no extra cost."

- Councilor Maestas said, "My only concern, and the proponents aren't here, and I know we talked extensively about the uniqueness and the novelty of having.... oh here's Emily. I hope we can hear from Emily at some point, Mr. Mayor Pro-Tem, Mr. Mayor, members of the Council, because we did talk about this option that is before us, which is we could take action on the Ordinance and see how it goes, or let this petition go through and get it on the November ballot. But, I'm concerned about the fiscal impact of the election. And I think our Clerk just said \$80,000. It could be plus or minus. It could be more, it could be less. And, I am satisfied, in reading our City Attorney's Legal Opinion, that we are on solid ground in regard to the Ordinance before us. So I would ask my colleagues to be open to considering taking action on the Ordinance tonight, because there is so much uncertainty with the Secretary of State Office and trying to fit this on the ballot. I don't know how much time is a factor, or we can further postpone any decisions until we can get a definitive answer as to whether or not this can fit on the ballot. Do we have any more time to allow you and the County Clerk and the Secretary of State to work this out – to say yes, 100% it fits, it's a go for November."

Ms. Vigil said, "If we are going for the November ballot, we would not have another regular meeting prior to the deadline of September 9, 2014, which is when the County and the Secretary of State have to get the ballot language to the printer."

- Councilor Maestas said, "I think March 2016 is just too far down the road. I think this petition effort, this desire by the community has incredible momentum, at least the way my District responded to the petitions. I'm very encouraged that my District, maybe not entirely supports it, but most members of my District support this effort. I think we should be open minded in avoiding the uncertainty of trying to get this on the November ballot and avoiding the potential impact of \$80,000, maybe more, and consider the option of approving the Ordinance tonight. That's all I have."

- Councilor Trujillo said, “I have a question dealing with the cost and all of that, but I will wait until after the public hearing to make my remarks.”.

Ms. Brennan said, “There is an amendment sheet on your desk as well that speaks to the issue raised by Councilor Maestas, that adds, “Be it further resolved that the Governing Body authorizes staff to administratively amend this Resolution, make such expenditures and execute such agreements or other documents as may be necessary to carry out the purposes stated in this Resolution [Exhibit “10”].’ That’s if you adopt an Election Resolution for the November Ballot. Because, as you mentioned, there are a number of logistical details that we will need to resolve to carry that out if you do that. So I just point that out to you in relation to your question.”

- Councilor Dominguez said, “To quickly respond to Councilor Maestas’s suggestion to move forward with the Ordinance. In many ways, I have no problems with that. I would say though, that the community has worked very hard to get the signatures that it needs to get this on the ballot. And in some ways it’s a very important social issue that I think the community needs to speak about via their vote on. I am in support of the Ordinance. The only concern I have is given how hard the community has worked to get on the ballot. I wasn’t quite sure what you said in response to Councilor Bushee regarding the idea that we have to vote the Ordinance down to be able to go the Election Resolution route. Is that correct.”

Ms. Brennan said, “Assuming that you do not want to postpone the action on the matter, then your first motion would presumably be to approve the Ordinance. If the Ordinance were approved, it would be adopted. If it failed, then you would move to the Election Resolution. So I think the vehicle to determine what is going happen probably would be the motion to approve.”

- Councilor Dominguez asked if we could move straight to an Election Resolution, and Ms. Brennan said no.
- Councilor Lindell said, “I think the unknown here is whether we can pass this tonight and have zero cost. We can move this forward to go on the ballot in November, which is uncertain, because we don’t know what the Secretary of State is going to say. And there is some risk we get on that ballot and maybe we don’t, the and cost of that could be in the general area of \$80,000. The one question I don’t know the price tag on, is how much is the absolute cost if we did a special election dealing only with the question.”

Ms. Vigil said, “The price for a special election not held in conjunction with another election, I would say would be roughly between \$90,000 and \$100,000.”

- Councilor Lindell said then it might cost us \$80,000 if we decide to put it on the November Election ballot.

Ms. Vigil said, “I don’t think that we are going to be at the \$80,000, but it was unknown.”

- Councilor Lindell said, "It's kind of an unknown on a couple of different fronts. We don't really know the cost, and we don't know if we can get on that ballot. The other thing is, if we had a special election specific to this, it would be give or take \$90,000. And the other option is if we put it on a ballot for March 2016, it wouldn't cost us anything, but it is a year and a half away. Correct."

Ms. Vigil said this is correct.

- Councilor Lindell said, "I want to clarify those things one more time, and it does seem that a lot of people in the community worked very very hard on this, and they gathered these signatures in a fairly short amount of time, and that it was a significant number of signatures. I think that I agree with Councilor Maestas, because I would like to see us vote on this, and also, probably Councilor Bushee, I think what you said. And if we could save ourselves \$80,000 and some uncertainty, I think that would be grand, so I'll yield the floor with that."
- Councilor Rivera said, "I believe I read or heard the County's adoption of a similar Resolution was contingent on the City's passing the Resolution, or I guess deciding to go to referendum. Is that correct."

Ms. Brennan said, "It's correct, because their Resolution was adopted in advance of any Resolution you may adopt tonight, that they need to receive a certified copy of a Resolution you adopt before they will move forward on working on the election with us, and those logistical details. However, assuming you do that, we can get a certified copy to them immediately which is what we discussed with them."

- Councilor Rivera said, "Then if we were to approve the adoption of the Ordinance, and not go to the voters, would that affect their ability to go forward."

Ms. Brennan said, "Their Resolution has a lot of recitals, but basically the Resolution is in support of putting ours on the ballot if adopted by this body. If you do not, if you adopt the Ordinance, then there is no need for an Election Resolution."

- Councilor Rivera asked, "Would they still continue with it."

Ms. Brennan said, "No. Their Resolution is purely in support of putting our questions on the ballot for November."

- Councilor Rivera asked, "Does that keep them from paying into it, any costs."

Ms. Brennan said, "If the Ordinance were adopted, there wouldn't be any costs associated with our part of it. It wouldn't be on the ballot. There wouldn't be any problems with the Secretary of State working out the logistical issues, entering into an MOU, those kinds of things."

- Councilor Rivera said, "And if we decided to go to the voters along with the County, they would have to pay into it as well."

Ms. Brennan said, "They run this election in any event, so they would be paying for the bulk of it, but any charges to us would be for what we added. We might need, for example, more poll workers, additional machines, additional printing costs if we have a separate, those kinds of things. Yolanda can correct me if I'm wrong."

- Councilor Rivera asked Chief Lettenberger, "Assuming this goes to the voters and it passes, which it probably would, how does this affect you guys on the street. How do you handle it right now?"

Deputy Chief Lettenberger said, "Right now, we have misdemeanor citations and we can go through municipal court or criminal complaint through Magistrate Court under State Statute."

- Councilor Rivera asked, "And how do you decide whether it goes to Municipal or Magistrate?"

Deputy Chief Lettenberger said, "Usually, if it's a lone incident, most likely we would go through Municipal Court. If it is an arrest or an additional charge to a higher crime, we most likely go through Magistrate Court."

- Councilor Rivera said, "And how would passage of this affect you or change the way you do business now?"

Deputy Chief Lettenberger said, "It would change a little bit, because again, we still have State Statute that our officers can cite under, so they still could go through State Statute and cite them or file a criminal complaint in the Magistrate Court. That's going to be the difference with us."

- Councilor Rivera asked how each officer would decide or if it would be dependent on each officer.

Deputy Chief Lettenberger said, "It's going to be the discretion of the officer. The officer can write the administrative citation or cite them to Magistrate Court."

- Councilor River said, "So two people caught on the same day with less than one ounce could be treated completely differently."

Deputy Chief Lettenberger said, "Yes sir."

- Councilor Rivera asked, "If it were to pass, would there be any steps taken by the Police Department to standardize how they are handled?"

Deputy Chief Lettenberger said, "We can look into our policies, but we cannot direct our officers as to what they can or can't do. It's up to the discretion of the officer."

- Councilor Rivera said, "I almost feel like we're putting our Police Department in a tough situation because it seems at some point, we're going to be accused of profiling in some way. How do we avoid that."

Ms. Brennan said, "If the Ordinance is adopted, either by you tonight, or after a vote of the public, you would have to adopt administrative procedures, and we could, for instance channel offenders into community service under the Ordinance, which is the relationship with the LEAD Program that I discuss briefly in the Memorandum. But the Police exercise discretion every day in their decision-making. What they are trained not to do is to profile or to use that discretion to fulfill a discriminatory intent. And so if there were discriminatory pattern, that's not legal. The exercise of discretion in their professional duties is."

- Councilor Rivera said, "So in those administrative policies, we could also set rules for multiple offenses and things like that, or is that set somewhere else."

Ms. Brennan said, "You could do some of that. Again, the Police retain their discretion, but also, through Resolution of the Governing Body, you can provide direction, a Resolution being an expression of the wishes of the Governing Body."

- Councilor Rivera said, "I agree with Councilor Dominguez, that I think this is important enough to probably have the voters weigh in on it. That's all I have Mayor Pro-Tem."

- Councilor Bushee said, "What is the scenario if we go forward and say yes, we want to see this referendum on the ballot, that's just for the City voters in November. The Secretary of State says no, sorry. We've already said no to an Ordinance to get to that ballot. How quickly, if that's a non-go with the Secretary of State, can we bring it back for Ordinance passage."

Ms. Brennan said, "We would be bringing it back to you for a new Election Resolution, because the vote already would have failed. So we would be coming back and saying, please adopt an Election Resolution setting a date."

- Councilor Bushee asked, "What if we wanted to go back to that figuring that didn't get to the voters, and part of it is an election push. And so how does one just... I don't think anybody wants a special election, it's too costly. So I'm wondering if we can bring the Ordinance back, this is a big what if scenario."

Ms. Brennan said, "Well, I'm not sure that's covered in the Charter, but thinking about it, I'm not sure you couldn't just adopt the Ordinance at any time on your own initiative."

Public Hearing

Emily Kaltenbach, State Director, Drug Policy Action, thanked the Governing Body for this discussion, and the City Clerk's Office and the City Attorney's Office "who have been incredible to work with.. She said this is the first time a citizen initiative has gone through the process and our citizens have been engaged at this level.

Ms. Kaltenbach continued, "I stand here representing the sheer numbers of signatures of voters in the community that have voiced their strong support for having the right to vote on this really important issue. As the City Clerk mentioned, there are almost, 6,000 certified registered voters who signed on. Now we know there are more. We submitted close to 11,000 signatures. It's our understanding that some of those signatures were thrown out. They actually were registered voters, they just put down their wrong address. And so we know that actually there are more than 6,000 registered voters in the City of Santa Fe who have signed on to have a voice in this issue."

Ms. Kaltenbach continued, "The majority that signed on really did say they are supportive of reducing penalties, but there were also residents who said I'm signing because I don't support this and I want to have a voice. So I do think it's really a major tenet of our democracy to send such an important issue to the people of Santa Fe to have a vote."

Ms. Kaltenbach continued, "Now, from a policy perspective, we've heard our residents say that this issue impacts all of them. It impacts us as taxpayers, it impacts our law enforcement who could be freed-up to do more pressing crime in our City – property crime, violent crime – by not arresting and incarcerating people with small amounts of marijuana, we can really shift some of those dollars to deal with more important issues in the community."

Ms. Kaltenbach continued, "We heard from families who were really impacted. We don't think that a criminal misdemeanor is really that significant, but in fact, it really is to people's lives. Having a simple arrest and perhaps even being incarcerated can haunt you for the rest of your life. That can impact opportunities for school loans, potential future employment. Even in New Mexico, that can impact you from adopting a child, even 15-20 years down the road. So a simple criminal misdemeanor for having an ounce or less of marijuana on your record could be very devastating to an individual and their families. But it also is important for what we're going to be doing state-wide. The voice of the people in this issue is really important in pushing what happens at a State level. And two years ago, the State Legislature actually introduced an even broader piece of legislation in the house that passed with bipartisan support. That was actually up to 4 oz. marijuana or less would be brought down to a civil penalty."

Ms. Kaltenbach continued, "And so there is momentum growing so our law enforcement don't have to have the conflict of, do I charge under a State law, do I charge under a City law that hopefully in a few years will have one standard for the State, and Santa Fe will lead this effort. The voice of the people will make an impact. So I think it's very important that this goes to the voters, for reducing penalties for all people of our State, so that everyone has the opportunity to not be impacted so greatly by having a simple

criminal misdemeanor on their record. So thank you for the opportunity. And I thank you from all of those voters who signed on. That was a lot of work in 52 days, and hopefully we've all learned something for the next Citizen Initiative that comes before all of you. So I hope that we helped create lessons learned. Again, I thank your City staff for their support and help, so thank you."

Tanya Chavez, resident of District One, said she signed the petition. She has two voters that live in her house that signed the petition at different times. She said, "I was a little late to the party this evening, because I went to go talk to some of my neighbors that have been impacted by some of the marijuana laws that are on the books right now. People that have lost their family members to prison, people who have had to raise their children alone, people who have had to raise their grandchildren, people that believe they lost the opportunity to vote because they had to go to jail." She said if somebody is charged with a misdemeanor who is under 18 years old, 17 years and 6 months, and they are with a friend who is 18 and 1 month, the 18 year old gets charged with the misdemeanor as well as a felony charge. She said despite the fact that they tell you can pay hundreds of dollars off, they can no longer get a job – caring for children, at a museum. They can lose opportunity that nobody would think they could.

Ms. Chavez continued, "The particular incident I know about is a young man studying engineering, and he was some people that were putting graffiti – they actually were putting a smiley-face on the wall. They got caught, and that felony charge.... he wasn't convicted, but it's going to follow him forever. It was a very long time ago. That's emotional for me, because I know that child who is now an adult, but can't work in a museum, that always has to explain this felony charge every time they go apply for a job where they might need to be fingerprinted. I work in health care. I get fingerprinted more than anybody I know, and I've never been arrested, but that would come up if I had been in that kind of situation. I know a nuclear engineer, I know people that work on public policy, I know attorneys, I know judges, I know City Council candidates and actual City Councilors, present company excepted of course, that have used marijuana. Whether it was youthful indiscretion, whether it was a medical condition, whatever it might be, if for some reason they were caught with that it would be a really large impact. I just want you all to understand. There are few of us here, but there are large numbers of people that stayed home, feeling like there were a large number of us that were going to come up and do this. Thank you very much."

William Wadsworth, 129 Michelle Drive, age 74, retired Electrical Engineer, said, "I have worked in the public, private and military sectors during my career. I've had a good life, and I've smoked marijuana for approximately 60 of those years. I think something that may elude us right now, is that we are deciding whether or not to create a crime to actually set the conditions for a crime to exist. Marijuana has been with for a millennia, and it will be with us indefinitely in the future. I would urge you to pass this Resolution tonight. Get this done with. There's been enough damage done to our young people. I was one of the fortunate few that never got caught. But, I will admit that it is safer than alcohol, and any of the other recreational mind altering substances available, this is a pretty tame one really. Do you have any questions for me."

Jennifer Love, said "I think the idea to pass the bill through you tonight would be ideal in my mind, because of the amount of money it would save. not only through the voting process, but the process that it takes to give everybody a misdemeanor who is found with less than an ounce of marijuana. I was in a situation a couple of years ago where I was at a house with several roommates, on a Wednesday night and we had a noise complaint from a neighbor. Well, 6 cops came to our door. We had about 5 people in the house. There was a bong on the table and probably about a gram of weed, if that, in the building. So, all 6 cops were at this residence with us for over an hour, grilling us, trying to find out if we had any more. And then the party who owned the gram or so of weed 'fessed up' to it and they were charged about \$150, I can't say for sure. And the State actually paid for counseling and massage therapy, so they got free massages, that was great, but not really a way to spend voters' money for a little gram of weed. So if we just kind of consider stuff like that and how much the City and the State are paying for just minor misdemeanors, it would basically just be better to nip this in the bud. That's all I have to say. Thank you."

The Public Hearing was closed

MOTION: Councilor Bushee moved, seconded by Councilor Maestas, "to adopt Ordinance No. 2014-29, amending Section 16015 SFCC 1987, to reduce the penalties for possession of one ounce or less of marijuana and possession of marijuana paraphernalia, and creating a new Section 20-16 SFCC 1987, to establish that possession of one ounce or less of marijuana and possession of marijuana paraphernalia are civil infractions" with the amendment..

DISCUSSION: Councilor Trujillo said, "Okay Yolanda. I don't have a problem with this going to the voters. I do have a problem with us voting on it right now, because you all went out there, did the signatures, and I think that's what you want. That's what you've asked us to do, is send it to the voters. And you just mentioned too that some of the people that signed the petition that are totally against this. They want to have that right to vote, so that's where I'm at."

Councilor Trujillo continued, "But when it comes to the cost of this, that is my biggest concern. I'm not going to spend \$80,000 on a special election to pass this marijuana legislation. I want to make sure. So, Yolanda, if we have it in March 2016, it costs us nothing, because it's part of our election, so that's my concern. I hear some people saying well it's a year and a half away. You're talking an ounce of marijuana, and I give you guys credit, you went out there, you got the signatures. My concern is, what's next. Are we going to say, 'Well, it's just an ounce of cocaine. It's just an ounce of meth. It's just an ounce of heroin. It should be that bad, I'm sorry.'"

Councilor Trujillo continued, "As someone who has never done drugs, I don't like them, I never have, never will. Growing up, you see what is done. I guess my biggest thing is that I see one person that always stands out in my mind, Len Bias, probably one of the greatest basketball players that was ever going to play. And look what happens to this guy, gets drafted number one, and what happens, the next night he died of cocaine overdose. I see what happened to some of these great people."

Councilor Trujillo continued, "I'm just saying right now, I'll let it go to the voters. I have no problem with that. I will support that, and I will support that it doesn't cost us anything, because I don't believe we should be spending that kind of money on a special election, or be it any other election, if we can hold an election in conjunction with our own election in March 2016, then so be it. It doesn't cost anything. So that's where I stand."

Councilor Maestas said, "I must admit, this is a little unexpected. I think that when we first discussed this subject, we thought, great. Clean democracy let it go to voters. We didn't anticipate the schedule crunch and this conflict with the Secretary of State's office, and the jeopardy of potentially not being able to get it on the November ballot. And there is a time sensitivity associated with that, that I didn't anticipate. There is the cost impact. I think \$80,000 is a lot of money. And if you look at the process that got us here today and the movement in the community. Look at what it entails. It's decriminalizing, not legalizing. This is entirely consistent with what we've done for traffic parking violations. As a Home Rule City, we can decriminalize some of these nuisance violations and make them a civil infraction."

Councilor Maestas continued, "I think this proposed action is consistent with that, and it's also consistent with the LEAD Program. We're trying to reform non-violent drug addicts that are getting caught in burglaries, so I think we're really trying to reform those out there that are addicted to drugs and we're investing money in that, a significant amount of money. I think the LEAD budget combined is, I think, \$350,000, \$500,000. So we're sending that message that we do want to reform these individuals and try and address a chronic crime problem in our burglaries."

Councilor Maestas continued, "The action before us, does not affect or take away, or inhibit the discretion of any officers. We just asked questions of Dale a while ago, this is not going to curtail the discretion of the police officer. The State Statute is still going to be intact. So, officer discretion and leaving the State Statute intact will not be affected by this action."

Councilor Maestas continued, "And the last thing I want to say, is I don't believe we are truncating the democratic process. I think we could consider this as kind of relay that Progress Now New Mexico and the Drug Policy Alliance is handing the baton to us. And with that baton, is an incredible message from the community, in terms of what they want. So I don't believe we are cutting short the democratic process, if we are to take action and approve this Ordinance. We are the elected representatives. We have a tremendous statement by the community in the form of these petitions. They've separated those petitions by District, so you know how your District spoke on this. This is democracy at work. This is a continuation of this community movement. So I don't believe, again, that it is cutting short or truncating this democratic process, but ideally, I wish we could have just acted on the election resolution tonight and said let it go to the voters. But we didn't anticipate the difficulties with the ballot, the fiscal impact, because I don't believe we have \$80,000 budgeted for this. So we would need to probably enact a BAR, Yolanda."

Ms. Vigil said, "Yes. That's part of your packet this evening for a budget increase. I do want to clarify again this \$80,000 is not set in stone. This is just, if necessary, I would have these dollars to accomplish anything required out of the MOU. Right now, I can foresee that we would have to pay for all the publication costs, additional workers, things of that nature, but this \$80,000 I don't believe is what is going to be charged if we combine with the General Election."

Councilor Dominguez said, "I'll just say my final words on this. I'm somewhat torn because really, I support the Ordinance, and I'll get to why in a little bit. But, I'm also trying to be considerate of a continuation of the democratic process by the people, not just action by the Governing Body. The most democratic process is really the right to vote, and the ability to do that and registering your vote. Having said that, I'm leaning towards... I just want to thank Emily for everything she said, because that is the direction I was leaning in, taking it to the voters and allowing them to get out the vote, if you will."

Councilor Dominguez continued, "But having said that, I've had the unpleasant experience on a personal level to work in corrections. And I have seen the damage caused by incarceration, from people who are really good people who do get incarcerated and come out because of the bad influences in jail or in prison. The reality is, the drugs are there as well, and so that's the part that really gets to me in supporting this Ordinance, is that the cost from enforcement through adjudication through incarceration, those are the things that can go into things like rehabilitation. The real reason I'm in support of this is because I've seen, first hand, what incarceration does to good people sometimes. I think the intent and the Legislation points not to the legalization of drugs, but to the managed reality of what drugs are doing in our community. And so, the reality is that, as Councilor Maestas said, there already is discretion. And I don't think by supporting this that there are going to be many more pot-heads. It's not going to increase that number. And so, I'll just say that I am in support of the motion as it is on the table. Thank you Mayor."

Councilor Trujillo said, "Kelley. Okay, say a State Police Officer catches a person with one ounce or less of marijuana here in Santa Fe. Being it's a State Police Officer, what trumps what. State law usually trumps City law, and I'm pretty sure the State Police aren't going to be up to date on our laws. So what happens there."

Ms. Brennan said, "I believe State law would prevail."

Councilor Trujillo said, "Okay. Let's go another scenario, County. Remember, we had that discussion. I was hoping one of the fines we could just send straight to Municipal Court, but you guys told me it has to go through Municipal. It can be wherever the police officer wants. A County Sheriff catches somebody within the City of Santa Fe with one ounce of marijuana. Where does it go – municipality, magistrate, or does he get to choose as well. And the same thing, dealing with the State Police Officer, if State law trumps, how does that work here. We're allowed to make our own laws now, shouldn't City law trump State law."

Ms. Brennan said, "I don't think it's a matter of trumping. I think it is a matter of the exercise of discretion. I think State Police will enforce State law. I think that's their charge. I actually am not sure about the County officer. I'm getting the.... and I don't know what that means, from Councilor Dimas."

Councilor Dimas said, "What it means is that the County has jurisdiction throughout the entire County. So they can either cite City, Municipal or Magistrate. They still have that discretion. Just like the State Police also has that same discretion."

Ms. Brennan said, "The City within the City."

Councilor Dimas said, "Right."

Councilor Trujillo said, "That's my concern. Say somebody gets caught with less than one ounce, they're caught by a State Police Officer. That's going to be their argument in Court. Wait a minute, there's a City law that states if I'm caught with less than one ounce, and that's nothing, but yet you're charging me with State law."

Ms. Brennan said, "There is law on that point, and the Police are allowed to exercise their discretion and it is not discriminatory unless it is, in other words, they're doing it the proper *[inaudible]*."

Councilor Trujillo said, "That could end up costing somebody going to the Court process to protest their innocence. I just wanted that clarification. Thank you Kelley."

Councilor Dimas said, "I'm the only one that hasn't spoken yet and I'm probably the expert here on law enforcement, I'm not an expert, but I do know law enforcement, having been in the positions I've been in. My drug expertise comes from, and everyone knows this, my daughter who I lost to a drug addiction and long term drug use. I lost her 3 ½ years ago. I don't know what she started with. I have no idea if she started with marijuana or where it started, but she graduated up to heroin and eventually became an addict. And ended up with a blood disease which eventually killed her, that she die from, 3 ½ years ago. She was only 32 years old, still a baby in my eyes."

Councilor Dimas continued, "While I support this going to the voters, I, as a citizen can tell you I support it going to the voters because it gives me the opportunity to decide if I want to vote for it, or against it, based on what's happened in my personal life with my daughter. And I would urge this Council to let this go to the voters so those people who have experienced the same thing I have, to make a decision if they want to go with this the way it is, or let the voters make that decision. And I think the voters should have the opportunity to vote on this. I don't think this Council should make this decision this evening, that's just my opinion, but I think this Council should let it go to the voters just as it was done. And Emily I appreciate your words this evening, and what you said was exactly right on, and it should go to the voters. That's what people signed the petitions for. They signed it to go to the voters, not for this Council to make this decision tonight. I don't think this Council should make that decision tonight, and it should go to the voters. And that's how I would vote. I would never support the Council approving this tonight."

Councilor Ives said, "First, I would express gratitude to the folks who conducted the petition drive, and bringing this matter before this Governing Body. It does echo very strongly, in terms of the people of Santa Fe and their interest in this issue and seeing something done in connection with this."

Councilor Ives said, "I'll take a few moments to explain my position on this. I've certainly seen the reports as no doubt everybody has about how American society as a modern industrialized country has the highest rate of incarceration of any of those countries around the world. I know we were called upon last year, if my memory serves correctly, to find an additional half million dollars to cover the increased jail costs that we incurred as a result of arrests and the time our citizens spent in jail. So the cost for me is not simply an issue of what happens with this particular measure moving forward. But there are real costs, and I don't know, obviously, how many of those necessarily relate to marijuana possession. But when I consider the fact that we criminalize behavior such as this, we clearly create an opportunity to put a lot of people in jail for what I think is a relatively minor infraction."

Councilor Ives continued, "The issue that one of our members of the public raised, with regard to voting and the sort of civil disengagement that occurs as a result of having an arrest or a conviction on these types of charges is one that has real impact. The number of people who are disenfranchised across our community for, again, relatively minor offenses is something I think we need to fight against, and we need to figure out ways to do that sensibly."

Councilor Ives continued, "The cost of the election has been talked about, and again, I would be highly in favor of trying to make sure we don't have to incur those costs. But I think the fact that the folks who were gathering petitions got so many petitions so quickly, suggests to me that putting this off till March 2016, is as much a disenfranchisement of their efforts as is affected by people being arrested and jailed for, again, what I think is this relatively minor infraction. I do think it is a better expenditure of our police resources to chase traffickers, as opposed to those who have minor amounts in possession, and I do wonder about those people who, once arrested and convicted and who then can't find a job, again, I think that's one of the things we're trying to fight here. To some degree, society wants to write them off simply by virtue of those types of minor infractions, and I don't think that's appropriate. All that is by way of saying I am satisfied that moving this measure forward tonight makes sense, and I look forward to voting on it."

Mayor Gonzales said, "Before we call for a vote, just a couple of comments. One, I believe it was June 24, 2014, that the Memo states that the Clerk approved the circulation. So, I'm assuming since early June, we've known that there is an interest, and an initiative in the community to reduce the penalties and take them from being a criminal to a civil violation. And we've had opportunity, as a Council, as the motion is asking us to do to pass this Ordinance. To take it from criminal activity to a civil, but we have not proposed it. We actually allowed for the petitioners to go out, and through hundreds of hours of civic engagement, get 11,000 signatures of people who are asking this Council to put this measure to a vote."

Mayor Gonzales continued, "Now, I've been very clear where I stand on this issue, and I am in favor of decriminalizing marijuana. I think it has hurt too many lives. But I don't feel that tonight we have adequately told the public this is actually what's being considered. I think we've said and the public has believed is that there are some requests for a vote to take place by the public. So I think if we were to pass it tonight as a motion, there are a lot of people that probably would weigh into this discussion that didn't come out tonight to have their comments heard."

Mayor Gonzales, "Secondly. I understand the issue of cost, and I've listened to all of you tonight. We've talked about democracy. Democracy does come at a cost, and it comes, whether through the social contract that we have where we give up some of our liberties for the protection of everybody, or it comes through paying for elections. I think there are costs associated with democracy, and we have to make sure we do what we can to try to minimize those costs. And whether it's in the November election, which I think people are advocating for, or whether it is an election down the road, it is going to come at a cost. But our Charter contemplated that. They said through citizen initiative we were going to be compelled to hold an election, if they meet the required number of signatures,. So, I'm opposed to the motion and in favor of taking this out to the public. I think they've asked for the vote. They should have the vote. And as Councilor Dimas indicated, this is a very personal issue for many families, who I think want to be able to exercise their view of this at the ballot box as opposed to through this Council tonight. So with that, we're going to go ahead and call for a roll call."

Mayor Gonzales said, "This is in favor of the motion to pass the Ordinance as proposed."

VOTE: The motion was approved on the following Roll Call vote:

For: Councilor Bushee, Councilor Dominguez, Councilor Ives, Councilor Lindell and Councilor Maestas.

Against: Councilor Dimas, Councilor Rivera, Councilor Trujillo and Mayor Gonzales.

Explaining her vote: Councilor Bushee said, "I think the war on drugs has been a colossal failure, and it's high time we nipped it in the bud tonight, all pun intended. Yes."

Mayor Gonzales said, "Then the next steps would be for administrative procedures, and Kelley, as I understand that would be forthcoming."

Ms. Brennan said, "That is correct. We will need to adopt administrative procedures."

Councilor Bushee said, "Just on that Kelley. By Resolution, is there a possibility, I think I've asked this before and I didn't get a real definitive answer, just as we did in regard to a policy on immigration and arrests, we suggested to our police force that it was not our priority. Can we do so in a similar way to our police force, now that this is going to be the law of the land."

Ms. Brennan said, "The Ordinance that you have just adopted provides that this is the lowest Police priority. A Resolution would be weaker than that."

Councilor Bushee said, "I mean in order to ask them to choose the discretion of the Ordinance, which is making it decriminalized."

Ms. Brennan said, "You could do that. Yes."

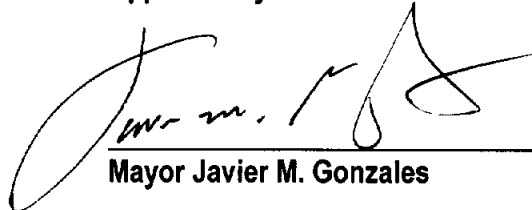
Councilor Bushee said, "So, a Resolution would just reinforce that."

Ms. Brennan said, "Yes. I think it might be a little duplicative, but you could do that. And I think that we may also have a conversation about an administrative procedure. You've recently decriminalized some parking things, established administrative procedures. And perhaps, their hearing officer and processes can be merged into a single process."

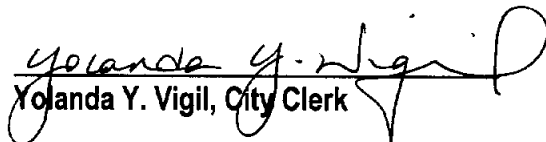
I. ADJOURN

The was no further business to come before the Governing Body, and upon completion of the Agenda, the meeting was adjourned at approximately 9:30 p.m.

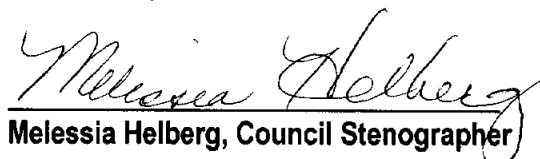
Approved by:


Mayor Javier M. Gonzales

ATTESTED TO:


Yolanda Y. Vigil, City Clerk

Respectfully submitted:


Melessia Helberg, Council Stenographer



(Amended)

CITY COUNCIL MEETING OF
August 27, 2014
BILLS AND RESOLUTIONS SCHEDULED FOR INTRODUCTION
BY MEMBERS OF THE GOVERNING BODY

Mayor Javier Gonzales		
Co-Sponsors	Title	Tentative Committee Schedule
	A RESOLUTION RELATING TO THE PEOPLE TO THE PLAZA RESOLUTION; AMENDING RESOLUTION #2014-49 TO EXTEND THE TIME PERIOD IN WHICH PEOPLE CAN ENJOY THE PLAZA WITH REDUCED TRAFFIC.	Public Works Committee - 9/8/14 City Council - 9/10/14
	A RESOLUTION AUTHORIZING THE CITY OF SANTA FE TRANSIT DIVISION TO PROVIDE FREE RIDES ON ALL BUS ROUTES AND SANTA FE RIDE VEHICLES FOR ALL SANTA FE MUNICIPAL ELECTIONS AND SANTA FE COUNTY PRIMARY AND GENERAL ELECTIONS.	Public Works Committee - 9/8/14 Finance Committee - 9/15/14 City Council - 9/23 /14
Councilor Patti Bushee		
Co-Sponsors	Title	Tentative Committee Schedule
Councilor Bill Dimas		
Co-Sponsors	Title	Tentative Committee Schedule
Councilor Carmichael Dominguez		
Co-Sponsors	Title	Tentative Committee Schedule
	A RESOLUTION CALLING FOR THE REDISTRICTING OF THE FOUR CITY COUNCIL DISTRICTS PRIOR TO THE MUNICIPAL ELECTION OF 2016 AND THE DEVELOPMENT OF AN ORDINANCE ESTABLISHING THE CITIZENS' REDISTRICTING COMMISSION.	City Council - 9/10/14

Councilor Carmichael Dominguez - continued		
	A RESOLUTION RECOGNIZING THE UNIQUE VOLUNTEER SERVICES OF I RIDE NM, A NONPROFIT DEDICATED TO MAINTAINING THE CITY OF SANTA FE'S BUCKMAN MX TRACK; AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH I RIDE NM TO PROVIDE VOLUNTEER MAINTENANCE SERVICES AT THE BUCKMAN MX TRACK.	Parks & Open Spaces Advisory Commission - 9/16/14 Public Works Committee - 9/22/14 Finance Committee- 9/29/14 City Council - 10/8/14
Councilor Peter Ives		
Co-Sponsors	Title	Tentative Committee Schedule
	A RESOLUTION DIRECTING PUBLIC UTILITIES DEPARTMENT STAFF TO IDENTIFY AND APPLY FOR FEDERAL AND STATE FUNDING SOURCES FOR WATER AND WASTEWATER PROJECTS.	Finance Committee - 9/2/14 Public Utilities Committee - 9/3/14 City Council - 9/10/14
Councilor Joseph Maestas		
Co-Sponsors	Title	Tentative Committee Schedule
Councilor Chris Rivera		
Co-Sponsors	Title	Tentative Committee Schedule
Councilor Ron Trujillo		
Co-Sponsors	Title	Tentative Committee Schedule

Introduced legislation will be posted on the City Attorney's website, under legislative services. If you would like to review the legislation prior to that time or you would like to be a co-sponsor, please contact Melissa Byers, (505)955-6518, mdbyers@santafenm.gov or Rebecca Seligman at (505)955-6501, rxseligman@santafenm.gov.

CITY OF SANTA FE, NEW MEXICO

RESOLUTION 2014-__

INTRODUCED BY:

Councilor Peter Ives

A RESOLUTION

**DIRECTING PUBLIC UTILITIES DEPARTMENT STAFF TO IDENTIFY AND APPLY
FOR FEDERAL AND STATE FUNDING SOURCES FOR WATER AND WASTEWATER
PROJECTS.**

WHEREAS, municipal water systems and wastewater systems must make significant
investments to install, upgrade or replace infrastructure; and

WHEREAS, adequate water and wastewater facilities, in addition to protecting public and
environmental health, enable communities to grow and attract businesses; and

WHEREAS, through the adoption of Resolution No. 2014-6, the Governing Body
established certain water project priorities for consideration by the State Legislature, during their
2014 session; and

WHEREAS, there is an ongoing need for the City of Santa Fe to obtain funding for water
and wastewater projects.

**NOW, THEREFORE, BE IT RESOLVED, BY THE GOVERNING BODY OF THE
CITY OF SANTA FE** that Public Utilities Department staff are directed to:

1. Identify water and wastewater project priorities and research and identify potential Federal and State funding sources for such projects.
2. Apply for funding and bring specific agreements for water and wastewater projects back through committee review and approval by the Governing Body.
3. Identify a State Legislative priority list of water and waste water projects for presentation to the City's State Legislative Delegation.
4. Submit an application to the New Mexico Water Trust Board, in compliance with New Mexico Water Trust Board policy, for financial assistance from the New Mexico Water Project Fund for the following project types eligible for consideration:
 - a) Water conservation, treatment, recycling, and reuse projects;
 - b) Flood prevention projects;
 - c) Endangered species act (ESA) collaborative projects;
 - d) Water storage, conveyance and delivery projects;
 - e) Watershed restoration and management projects.

PASSED, APPROVED, and ADOPTED this ____ day of _____, 2014.

JAVIER M. GONZALES, MAYOR

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK

1 APPROVED AS TO FORM:

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KELLEY BRENNAN, CITY ATTORNEY

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25 *M/Melissa/Resolutions 2014/Water_WW funding sources*

1 **CITY OF SANTA FE, NEW MEXICO**

2 **RESOLUTION NO. 2014-____**

3 **INTRODUCED BY:**

4
5 Mayor Javier Gonzales

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10 **A RESOLUTION**

11 **RELATING TO THE PEOPLE TO THE PLAZA RESOLUTION; AMENDING**
12 **RESOLUTION #2014-49 TO EXTEND THE TIME PERIOD IN WHICH PEOPLE CAN**
13 **ENJOY THE PLAZA WITH REDUCED TRAFFIC.**

14
15 **WHEREAS**, on June 25, 2014, the Governing Body approved Resolution 2014-49 to declare
16 its desire to bring people to the Santa Fe Plaza by providing a safer environment and increased
17 economic development opportunities; and

18 **WHEREAS**, in an effort to enhance the enjoyment and beauty of the Plaza area, the
19 Governing Body approved the restriction of vehicular traffic on Lincoln Avenue and Old Santa Fe
20 Trail, around the Plaza Park in the Plaza, annually from the observed Memorial Day through the
21 annual Fiesta de Santa Fe weekend; and

22 **WHEREAS**, tables with attached benches and umbrellas were placed along Lincoln Avenue
23 and colorful floral planters were strategically placed which contributed to the cheerful atmosphere;
24 and

25 **WHEREAS**, as a result of the restricted vehicular traffic around the Plaza Park, there appears

1 to be an increased number of residents and tourists enjoying community led programs, including
2 music, cruise nights and community activities, in and around the Plaza area.

3 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
4 **CITY OF SANTA FE** that the Governing Body hereby amends Resolution No. 2014-49 to extend
5 the time period in which restricted vehicular traffic on Lincoln Avenue and Old Santa Fe Trail around
6 the Plaza Park will remain closed so that annually, from the observed Memorial Day to the Monday
7 following the annual International Balloon Fiesta weekend, Lincoln Avenue and Old Santa Fe Trail
8 will have restricted vehicular traffic so that residents and tourists alike will have the opportunity to
9 enjoy the Plaza Park through the Fall season.

10 PASSED, APPROVED and ADOPTED this ____ day of _____, 2014.

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13 JAVIER M. GONZALES

14 ATTEST:

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16 _____
17 YOLANDA Y. VIGIL, CITY CLERK

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19 APPROVED AS TO FORM:

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21 _____
22 KELLEY A. BRENNAN, CITY ATTORNEY

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25 *M/Melissa/Resolutions 2014/People to the Plaza Time Extension*

1 transportation and thereby promote its use.

2 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
3 **CITY OF SANTA FE** that the City of Santa Fe Transit Division is authorized to provide free
4 rides on Santa Fe Trails bus routes and Santa Fe Ride vehicles for all Santa Fe municipal
5 elections, and Santa Fe County primary and general elections.

6 PASSED, APPROVED, and ADOPTED this ____ day of _____, 2014.

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9 JAVIER M. GONZALES, MAYOR

10 ATTEST:

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12 _____
13 YOLANDA Y. VIGIL, CITY CLERK

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15 APPROVED AS TO FORM:

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17 _____
18 KELLEY A. BRENNAN, CITY ATTORNEY

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25 *M/Melissa/Resolutions 2014/ Transit (free) for elections*

1 **CITY OF SANTA FE, NEW MEXICO**

2 **RESOLUTION NO. 2014-__**

3 **INTRODUCED BY:**

4
5 Mayor Javier Gonzales
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12 **A RESOLUTION**

13 **AUTHORIZING THE CITY OF SANTA FE TRANSIT DIVISION TO PROVIDE FREE**
14 **RIDES ON ALL BUS ROUTES AND SANTA FE RIDE VEHICLES FOR ALL SANTA FE**
15 **MUNICIPAL ELECTIONS AND SANTA FE COUNTY PRIMARY AND GENERAL**
16 **ELECTIONS.**
17

18 **WHEREAS**, as a mechanism for increasing voter participation on an election day for any
19 municipal election or any county primary and general election, the Governing Body desires to
20 provide free public transit for voters; and

21 **WHEREAS**, increased use of public transportation will reduce traffic congestion as
22 voters travel to and from polling locations; and

23 **WHEREAS**, free public transportation provides transportation to polling locations for
24 citizens who may have no other transportation available or who cannot afford regular fares; and

25 **WHEREAS**, eliminating fares on an election day encourages people to try public

Exhibit "4"

1 transportation and thereby promote its use.

2 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
3 **CITY OF SANTA FE that** the City of Santa Fe Transit Division is authorized to provide free
4 rides on Santa Fe Trails bus routes and Santa Fe Ride vehicles for all Santa Fe municipal
5 elections, and Santa Fe County primary and general elections.

6 PASSED, APPROVED, and ADOPTED this _____ day of _____, 2014.

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8 _____
9 JAVIER M. GONZALES, MAYOR

10 ATTEST:

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12 _____
13 YOLANDA Y. VIGIL, CITY CLERK

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15 APPROVED AS TO FORM:

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18 KELLEY A. BRENNAN, CITY ATTORNEY

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25 *M/Melissa/Resolutions 2014/ Transit (free) for elections*

CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2014-____

INTRODUCED BY:

Councilor Carmichael Dominguez

A RESOLUTION

CALLING FOR THE REDISTRICTING OF THE FOUR CITY OF SANTA FE COUNCIL DISTRICTS PRIOR TO THE MUNICIPAL ELECTION OF 2016; AND DIRECTING THAT THE GOVERNING BODY AND STAFF COLLABORATE TO DEVELOP AN ORDINANCE ESTABLISHING THE CITIZENS' REDISTRICTING COMMISSION AS REQUIRED BY THE SANTA FE MUNICIPAL CHARTER.

WHEREAS, on March 4 , 2014, the voters of Santa Fe approved an amendment to Section 6.03 of the of *Santa Fe Municipal City Charter (Charter)*, effective May 5, 2014, which called for the four dual-member districts numbered one through four to be reviewed and revised at least every ten years by an independent citizens' redistricting commission (Commission); and

WHEREAS, Section 6.03 of the *Charter* calls for the Governing Body to establish, by ordinance, a procedure for the appointment and deliberations of the Commission which will, to the maximum practicable extent, ensure that the Commission's decisions will be based exclusively on the following principles in the following order of priority:

"A. each district shall contain as nearly as possible substantially the same

1 population based upon the most recent federal census;

2 B. districting plans must avoid dilution of minority voting strength;

3 C. communities of interest, including those based upon ethnic and
4 economic factors, shall be preserved within a single district whenever reasonable;

5 D. each district shall be formed of compact, contiguous territories. The
6 total length of all district boundary lines shall be as short as possible;

7 E. districting plans shall compensate for census undercount of
8 minorities;" and

9 **WHEREAS**, on January 2, 2014, the City of Santa Fe annexed approximately 4100 acres,
10 primarily on the southern and western borders of the City, into the City limits; and

11 **WHEREAS**, the annexation incorporated at least 13,250 new residents into the City limits;
12 and

13 **WHEREAS**, because of the areas in which they lived, those residents were not equally
14 absorbed into the four City Council Districts; and

15 **WHEREAS**, in particular, Council District 3 now has at least 49% more residents than any
16 other district; and

17 **WHEREAS**, because of this, residents in the four Council districts are not equally
18 represented; and

19 **WHEREAS**, the City of Santa Fe will have its next regular municipal election on March 1,
20 2016; and

21 **WHEREAS**, the City has the opportunity to equalize the populations of the four Council
22 districts before this election through the process of redistricting; and

23 **WHEREAS**, in order to do so, the governing body must develop an ordinance listing the
24 procedure for the appointment and deliberations of the Citizens' Redistricting Commission in a
25 timely manner so that the Commission can complete its deliberations by September 1, 2015, at the

1 very latest.

2 **NOW THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE**
3 **CITY OF SANTA FE** that the City of Santa Fe shall redistrict its four City Council Districts no later
4 than September 1, 2015, so that such redistricting will be in place for the March 1, 2016 municipal
5 election.

6 **BE IT FURTHER RESOLVED THAT** the Governing Body and staff shall immediately
7 begin to collaborate to develop and pass an ordinance detailing the appointment and deliberation
8 processes and a timeline for the Citizens' Redistricting Commission so that the Commission can
9 complete its work of redistricting no later than September 1, 2015.

10 PASSED, APPROVED AND ADOPTED this _____ day of _____, 2014.

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12 _____
13 JAVIER M. GONZALES, MAYOR

14 ATTEST:

15
16 _____
17 YOLANDA Y. VIGIL, CITY CLERK

18 APPROVED AS TO FORM:

19
20 _____
21 KELLEY A. BRENNAN, CITY ATTORNEY

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25 *M/Melissa/Resolutions 2014/Redistricting*

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1 and remained closed until the City made necessary safety changes; and

2 **WHEREAS**, even though the City owns the track, since 2008, I Ride NM, a local nonprofit,
3 has been dedicated to maintaining the track using a large network of volunteers under the direction of
4 I Ride NM organizers; and

5 **WHEREAS**, the Governing Body desires that the City continue to operate the MX track and
6 desires for I Ride NM to enter into a maintenance agreement with the City for maintenance of the
7 track with the condition that I Ride NM would assume responsibility liability and insurance related to
8 the maintenance operation of the track.

9 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
10 **CITY OF SANTA FE** that the Governing Body hereby recognizes and appreciates the unique
11 volunteer services of I Ride NM, a nonprofit dedicated to voluntarily maintaining the City's Buckman
12 MX Track.

13 **BE IT FURTHER RESOLVED** that the City Manager is authorized to enter into a
14 professional services agreement with I Ride NM for volunteer maintenance services at the Buckman
15 MX Track with the condition that I Ride NM would assume the responsibility for liability and
16 insurance related to maintenance operation of the Buckman MX Track.

17 PASSED, APPROVED, and ADOPTED this ____ day of _____, 2014

18
19 _____
20 JAVIER M. GONZALES

21 ATTEST:

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23 _____
24 YOLANDA Y. VIGIL, CITY CLERK
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1 APPROVED AS TO FORM:

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KELLEY A. BRENNAN, CITY ATTORNEY

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25 *M/Melissa/Resolutions 2014/MX Track – I Ride NM*

CITY OF SANTA FE



NEW MEXICO

\$15,460,000 GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2014

AUGUST 27, 2014

THE FOLLOWING RATINGS HAVE BEEN ASSIGNED:

STANDARD AND POOR'S

"AA+"

FITCH

"AA+"

* A copy of Exhibit "7" is available in its entirety in the City Clerk's Office *

AN ABSTRACT OF PROCEEDINGS

Redline

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

The Governing Body of the City (the "Governing Body") of the City of Santa Fe (the "City") in the County of Santa Fe, State of New Mexico, met in regular session in full conformity with law and ordinances and rules of the City, at City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico, being the regular meeting place of the Governing Body, at the hour of 7:00 p.m., on Wednesday, the 27th day of August, 2014.

Upon roll call the following were found to be present, constituting a quorum of the Governing Body:

Mayor: _____

Councilors: _____

Absent: _____

Thereupon the following proceedings, among others, were had and taken:

PUBLIC HEARINGS

CONSIDERATION OF BILL NO. 2014-22

ADOPTION OF ORDINANCE NO. 2014-__

Issuance of Gross Receipts Tax Improvement Revenue Bonds, Series 2014

CITY OF SANTA FE, NEW MEXICO
ORDINANCE NO. 2014-__

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF SANTA FE, NEW MEXICO GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT OF \$15,460,000 FOR THE PURPOSE OF DEFRAYING THE COST OF PUBLIC PROJECTS RELATED TO PUBLIC UTILITIES, PUBLIC WORKS, PARKS AND RECREATION, AND COMMUNITY SERVICES AS AUTHORIZED BY LAW AND THE CITY'S HOME RULE POWERS; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE FROM THE GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY; ESTABLISHING THE FORM, TERMS, MANNER OF EXECUTION AND OTHER DETAILS OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; APPROVING CERTAIN OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION WITH THE BONDS; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION WITH THE BONDS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND RELATED MATTERS.

Capitalized terms used in the following preambles have the same meaning as set forth in Section 1 of this Ordinance unless the context requires otherwise.

WHEREAS, the City of Santa Fe, New Mexico (the "City") is a legally created, established, organized and existing incorporated city under the constitution and laws of the State of New Mexico; and

WHEREAS, pursuant to Section 7-1-6.4 NMSA 1978 the City receives monthly State-Shared Gross Receipts Tax Revenues from the New Mexico Department of Taxation and Revenue equal to one and two hundred and twenty-five thousandths percent (1.225%) of the gross receipts of persons engaging in business within the City, as determined and adjusted under the Gross Receipts and Compensating Tax Act, Chapter 7, Article 9 NMSA 1978; and

WHEREAS, pursuant to the Municipal Local Option Gross Receipts Taxes Act, Sections 7-19D-1 through 7-19D-16, NMSA 1978, and the One-Half Percent Municipal Gross Receipts Tax Ordinance, the City has imposed a municipal gross receipts tax on persons engaging in business in the City in the amount of one-half of one percent (0.50%) and receives monthly One-Half Percent Municipal Gross Receipts Tax Revenues from the New Mexico Department of Taxation and Revenue equal to one-half of one percent (0.50%) of the gross receipts of persons engaging in business within the City, as determined and adjusted under the Municipal Local Option Gross Receipts Taxes Act. The One-Half Percent Municipal Gross Receipts Tax was imposed by City Ordinance No. 1981-45 and is dedicated for capital improvements to City facilities and street and road construction and reconstruction as authorized by the Municipal Gross Receipts Tax Act. Other increments of Municipal Gross Receipts Tax are imposed by the City which are not pledged for payment of Parity Obligations or Subordinate Obligations; and

WHEREAS, pursuant to Section 7-19D-11 NMSA 1978 and City Ordinance No. 1993-21, the City has imposed an infrastructure gross receipts tax on persons engaging in business in the City and receives monthly distributions of Infrastructure Gross Receipts Tax Revenues from the New Mexico Department of Taxation and Revenue equal to 1/16th of one percent (0.0625%) of the gross receipts of persons engaging in business within the City, as determined and adjusted under the Municipal Local Option Gross Receipts Taxes Act and the Tax Administration Act. The Infrastructure Gross Receipts Tax is dedicated for purposes authorized by Section 7-19D-11 NMSA 1978; and

WHEREAS, pursuant to Section 7-19D-10 NMSA 1978, and City Ordinance No. 1993-20, the City has imposed an environmental services gross receipts tax on persons engaging in business in the City and receives monthly distributions of Environmental Services Gross Receipts Tax Revenues from the New Mexico Department of Taxation and Revenue equal to 1/16th of one percent (0.0625%) of the gross receipts of persons engaging in business within the City, as determined and adjusted under the Municipal Local Option Gross Receipts Taxes Act and the Tax Administration Act. The Environmental Services Gross Receipts Tax is dedicated for purposes authorized by Section 7-19D-10 NMSA 1978; and

WHEREAS, pursuant to Ordinance No. 2004-28, passed and adopted by the Governing Body on August 11, 2004, the City has entered into a Taxable Loan Agreement dated September 24, 2004 with the New Mexico Finance Authority in an aggregate principal amount of \$579,025 (herein, the "2004 Railyard Project Finance Authority Taxable Loan") payable from and constituting a subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues and the Infrastructure Gross Receipts Tax Revenues (of which \$401,798 of such 2004 Railyard Project Finance Authority Taxable Loan remains unpaid); and

WHEREAS, pursuant to Ordinance No. 2005-30, passed and adopted by the Governing Body on July 27, 2005, the City has issued its "City of Santa Fe Municipal Recreation Complex/Subordinate Lien Gross Receipts Tax Refunding Bonds, Series 2005" (herein the "Series 2005 Bonds") in an aggregate principal amount of \$15,315,000 payable from and constituting a subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues and the Infrastructure Gross Receipts Tax Revenues (of which \$8,265,000 of such Series 2005 Bonds remain outstanding); and

WHEREAS, pursuant to Ordinance No. 2006-04, passed and adopted by the Governing Body on January 11, 2006, the City has issued its "City of Santa Fe Gross Receipts Tax Improvement Revenue Bonds, Series 2006" (herein the "Series 2006 Bonds") in an aggregate principal amount of \$17,710,000, payable from and constituting a first (but not an exclusive first) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues, and the Infrastructure Gross Receipts Tax Revenues (of which \$2,045,000 of such Series 2006 Bonds remain outstanding); and

WHEREAS, pursuant to Ordinance No. 2006-27, passed and adopted by the Governing Body on June 26, 2006, the City has issued its "City of Santa Fe Gross Receipts Tax Refunding Revenue Bonds, Series 2006B" (herein the "Series 2006B Bonds") in an aggregate principal

amount of \$15,160,000, payable from and constituting a first (but not an exclusive first) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues, the Infrastructure Gross Receipts Tax Revenues and the Environmental Services Gross Receipts Tax (of which \$9,360,000 of such Series 2006B Bonds remain outstanding); and

WHEREAS, pursuant to Ordinance No. 2006-51, passed and adopted by the Governing Body on August 28, 2006, the City has issued its "City of Santa Fe Subordinate Lien Gross Receipts Tax/Wastewater System Improvement Revenue Bonds, Series 2006C" (herein the "Series 2006C Bonds") in an aggregate principal amount of \$9,780,000, payable from and constituting a subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues, the Infrastructure Gross Receipts Tax Revenues and the Environmental Services Gross Receipts Tax Revenues (of which \$5,430,000 of such Series 2006C Bonds remain outstanding); and

WHEREAS, pursuant to Ordinance No. 2006-54, passed and adopted by the Governing Body on September 13, 2006, the City has entered into a Taxable Loan Agreement dated October 20, 2006 with the New Mexico Finance Authority in an aggregate principal amount of \$892,227 (herein the "2006 Railyard Project Finance Authority Taxable Loan") payable from and constituting a subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues and the Infrastructure Gross Receipts Tax Revenues (of which \$712,409 of such 2006 Railyard Project Finance Authority Taxable Loan remains unpaid); and

WHEREAS, pursuant to Ordinance No. 2008-11, passed and adopted by the Governing Body on February 27, 2008, the City has issued its "City of Santa Fe Gross Receipts Tax Revenue Bonds, Series 2008" (herein the "Series 2008 Bonds") in an aggregate principal amount of \$28,705,000, payable from and constituting a first (but not an exclusive first) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues and the Infrastructure Gross Receipts Tax Revenues (of which \$27,040,000 of such Series 2008 Bonds remain outstanding); and

WHEREAS, pursuant to Ordinance No. 2008-35, passed and adopted by the Governing Body on June 25, 2008, the City has entered into a Loan Agreement dated August 1, 2008, with the New Mexico Finance Authority in an aggregate principal amount of \$3,610,000 (herein the "2008 Land Acquisition Finance Authority Loan") payable from and constituting a subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues and the Infrastructure Gross Receipts Tax Revenues (of which \$2,817,334 of such 2008 Land Acquisition Finance Authority Loan remains unpaid); and

WHEREAS, pursuant to Ordinance No. 2009-35, passed and adopted by the Governing Body on July 29, 2009, Resolution No. 2009-85 adopted on August 26, 2009 and Resolution 2009-94 adopted on September 30, 2009, the City has entered into a Loan Agreement dated September 14, 2009, with the New Mexico Finance Authority in an aggregate principal amount of \$29,615,000 (herein the "2009 College Acquisition Finance Authority Loan") payable from and constituting a subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues and the

Infrastructure Gross Receipts Tax Revenues (of which \$27,060,000 of such 2009 College Acquisition Finance Authority Loan remains unpaid); and

WHEREAS, pursuant to Ordinance No. 2010-27, passed and adopted by the Governing Body on November 10, 2010, the City issued its "City of Santa Fe Gross Receipts Tax Refunding Revenue Bonds, Series 2010A" (herein the "Series 2010A Bonds") in an aggregate principal amount of \$15,005,000 payable from and constituting a first (but not an exclusive first) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues, the Infrastructure Gross Receipts Tax Revenues (of which \$3,945,000 of such Series 2010A Bonds remain outstanding); and

WHEREAS, pursuant to Ordinance No. 2010-26, passed and adopted by the Governing Body on November 10, 2010, the City issued its "City of Santa Fe, New Mexico Subordinate Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2010B (herein the "Series 2010B Bonds") in an aggregate principal amount of \$10,490,000 payable from and constituting a subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues, and the Infrastructure Gross Receipts Tax Revenues (of which \$9,175,000 of such Series 2010B Bonds remains outstanding); and

WHEREAS, pursuant to Ordinance No. 2012-7, passed and adopted by the Governing Body on January 25, 2012, the City issued its "City of Santa Fe, New Mexico Gross Receipts Tax Improvement and Refunding Revenue Bonds, Series 2012A (herein the "Series 2012A Bonds") in an aggregate principal amount of \$32,725,000 (of which \$32,475,000 of such Series 2012A Bonds remain outstanding); and

WHEREAS, pursuant to Ordinance No. 2012-6, passed and adopted by the Governing Body on January 25, 2012, the City issued its "City of Santa Fe, New Mexico Gross Receipts Tax (Subordinate Lien)/Wastewater Systems Refunding Revenue Bonds, Series 2012B (herein the "Series 2012B Bonds") in an aggregate principal amount of \$14,280,000 payable from and constituting a subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues, the Environmental Services Gross Receipts Tax Revenues, and the Infrastructure Gross Receipts Tax Revenues and a first (but not an exclusive first) lien on the Waste Water System Revenues (of which \$11,665,000 of such Series 2012B Bonds remain outstanding); and

WHEREAS, pursuant to Ordinance No. 2012-35, passed and adopted by the Governing Body on November 14, 2012, the City issued its "City of Santa Fe, New Mexico Subordinate Lien Gross Receipts Tax Improvement Revenue Bonds, Series 2012C (herein the "Series 2012C Bonds") in an aggregate principal amount of \$4,685,000 payable from and constituting a subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues, and the Infrastructure Gross Receipts Tax Revenues (of which \$4,600,000 of such Series 2012C Bonds remain outstanding); and

WHEREAS, pursuant to Ordinance No. 2013-18, passed and adopted by the Governing Body on June 18, 2013, the City issued its "City of Santa Fe, New Mexico Gross Receipts Tax Refunding Revenue Bonds, Series 2013A ("herein the "Series 2013A Bonds") in an aggregate principal amount of \$10,880,000 (of which \$10,800,000 of such Series 2013A Bonds remain outstanding); and

WHEREAS, pursuant to Ordinance No. 2013-19, passed and adopted by the Governing Body on May 8, 2013, the City issued its "City of Santa Fe, New Mexico Subordinate Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2013B (herein the "Series 2013B Bonds") in an aggregate principal amount of \$13,780,000 payable from and constituting a subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues, and the Infrastructure Gross Receipts Tax Revenues (of which \$13,575,000 of such Series 2013B Bonds remain outstanding); and

WHEREAS, except for the outstanding 2004 Railyard Project Finance Authority Taxable Loan, the Series 2005 Bonds, the Series 2006 Bonds, the Series 2006B Bonds, the Series 2006C Bonds, the 2006 Railyard Project Finance Authority Taxable Loan, the Series 2008 Bonds, the 2008 Land Acquisition Finance Authority Loan, the 2009 College Acquisition Finance Authority Loan, the Series 2010A Bonds, the Series 2010B Bonds, the Series 2012A Bonds, the Series 2012B Bonds, the Series 2012C Bonds, the Series 2013A Bonds, and the Series 2013B Bonds, there are no obligations presently outstanding to which the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues, the Infrastructure Gross Receipts Tax Revenues or the Environmental Services Gross Receipts Tax Revenues have been pledged by the City; and

WHEREAS, the Governing Body hereby determines that issuance of the "City of Santa Fe Gross Receipts Tax Improvement Revenue Bonds, Series 2014" (the "Bonds" or the "Series 2014 Bonds") to pay the cost of public projects related to public utilities, public works, parks and recreation, and community services as authorized by law and the City's home rule charter (the "Improvement Project"), will provide for the public health, peace and safety of the City and its citizens and will reduce debt service costs for the City; and

WHEREAS, the Bonds shall be issued pursuant to Sections 3-31-1 through 3-31-12, NMSA 1978, and with a first (but not an exclusive first) lien on the Pledged Revenues; and

WHEREAS, the City has received an offer to purchase the Bonds from George K. Baum & Company, as representative of the underwriters of the Bonds pursuant to a Bond Purchase Agreement; and

WHEREAS, Section 3-31-6(C) NMSA 1978, provides:

"C. Any law which authorizes the pledge of any or all of the pledged revenues to the payment of any revenue bonds issued pursuant to Sections 3-31-1 through 3-31-12, NMSA 1978, or which affects the pledged revenues, or any law supplemental thereto or otherwise appertaining thereto, shall not be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any such outstanding revenue bonds, unless

such outstanding revenue bonds have been discharged in full or provision has been fully made therefor;" and

WHEREAS, the Exchange Act permits a municipality, including the City, that has issued or proposes to issue bonds to enter into an agreement for an exchange of interest rates as provided therein; and

WHEREAS, in connection with the Bonds or Parity Obligations which may be issued in the future by the City, the Governing Body may determine to enter into a Qualified Exchange Agreement for all or a portion of the Bonds or Parity Obligations which may provide for the payment by the City of a Variable Exchange Rate or a Fixed Exchange Rate and the payment by the Qualified Counterparty of a Fixed Exchange Rate or Variable Exchange Rate; and

WHEREAS, there has been on deposit with the City Clerk and presented to the Governing Body:

- (A) the proposed form of Bond Purchase Agreement;
- (B) the proposed form of Continuing Disclosure Undertaking; and
- (C) the proposed forms of the Preliminary Official Statement and Official Statement; and

WHEREAS, the Governing Body has determined that it is in the best interest of the City to accept the offer of the Underwriter to purchase the Bonds and to enter into the Related Documents.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE, NEW MEXICO:

Section 1. Definitions. The terms in this section are defined for all purposes of this ordinance and of any ordinance amendatory hereof or supplemental hereto, or relating hereto, and of any instrument or document appertaining hereto, except where the context by clear implication herein otherwise requires, shall have the following meanings:

"2004 Railyard Project Finance Authority Taxable Loan" means the Loan with the New Mexico Finance Authority, dated September 24, 2004 and authorized by Ordinance No. 2004-28.

"2006 Railyard Project Finance Authority Taxable Loan" means the Loan with the New Mexico Finance Authority, dated October 20, 2006 and authorized by Ordinance No. 2006-54.

"2008 Land Acquisition Finance Authority Loan" means the Loan with the New Mexico Finance Authority, dated August 1, 2008 and authorized by Ordinance No. 2008-35.

"2009 College Acquisition Finance Authority Loan" means the Loan with the New Mexico Finance Authority, dated September 14, 2009 and authorized by Ordinance No. 2009-35, Resolution 2009-85 and Resolution No. 2009-94.

"Act" means the general laws of the State, including Sections 3-31-1 through 3-31-12 NMSA 1978, as amended, and enactments of the Governing Body relating to the issuance of the Bonds, including this ordinance.

"Acquisition Fund" means the "City of Santa Fe, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2014 Improvement Project Acquisition Fund" created in Section 17 of this ordinance.

"Authorized Officer" means the following officers of the City: Mayor, City Manager, Finance Director, or other officer of the City when designated by a certificate signed by the Mayor of the City from time to time, a certified copy of which shall be delivered to the Paying Agent and the Registrar.

"Bonds," or "Series 2014 Bonds" means the "City of Santa Fe Gross Receipts Tax Improvement Revenue Bonds, Series 2014" which are authorized by this ordinance.

"Bond Counsel" means an attorney or firm of attorneys nationally recognized for expertise in the area of municipal bonds and the exemption of interest on municipal bonds from federal income taxation.

"Bond Fund" or "Bond Service Fund" means the "City of Santa Fe Gross Receipts Tax Improvement Revenue Bonds, Series 2014, Bond Service Fund," established in Paragraph A of Section 18 of this ordinance.

"Bond Purchase Agreement" means the bond purchase agreement between the City and the Underwriter.

"Business Day" means any day other than (i) a Saturday or Sunday, (ii) any day on which the following offices are authorized or required to remain closed: offices of the City and of banks located in the cities in which the principal offices of the Paying Agent, Registrar, and Escrow Bank are located or (iii) a day on which the New York Stock Exchange is closed.

"City," "Municipal," or "Municipality" means the municipal corporation and body corporate and politic known as the City of Santa Fe, Santa Fe County, New Mexico.

"Continuing Disclosure Undertaking" means the continuing disclosure undertaking with respect to the Bonds to be executed on the day of issuance and delivery of the Bonds to the Underwriter.

"Costs of Issuance" means all costs relating to issuance of the Bonds, including, without limitation, costs of advertising and publication, costs of preparing the Bonds, fees and expenses of the financial advisor, bond counsel, the Paying Agent, the Registrar, the Escrow

Bank, rating fees and other reasonable and necessary fees and costs, including applicable gross receipts taxes, related to the issuance of the Bonds.

"Credit Facility" means a letter of credit, standby bond purchase agreement, line of credit, bond insurance policy or reserve account insurance policy, guaranty or similar agreement provided by a bank, insurer or other provider of a Credit Facility rated, at the time the Credit Facility is provided, "A" or better by Fitch and S&P (if such rating agencies are then rating the Bonds), including any substitute therefor, to provide support to pay the purchase price of, or the payment of the principal of and interest on, Obligations.

"Cross-over Refunding Bonds" means bonds or obligations issued for the purpose of refunding Obligations if the proceeds thereof are irrevocably deposited in escrow to secure repayment on an applicable redemption date or maturity date of the principal of and redemption premium on the related Obligations being refunded and the earnings on such escrow are required to be used to pay interest on the Cross-over Refunding Bonds.

"Debt Service Requirements" for any period means the sum of: (i) the amount required to pay the interest, or to make reimbursements for payments of interest, becoming due on the applicable Obligations during such period; plus (ii) the amount required to pay the principal or accreted value, or to make reimbursements for the payment of principal or accreted value, becoming due on the applicable Obligations during that period, whether at maturity, an accretion term date or upon mandatory sinking fund redemption dates, plus (iii) any net periodic payments on a notional amount required to be made by the City pursuant to a Qualified Exchange Agreement minus (iv) any net periodic payments on a notional amount to be received by the City pursuant to a Qualified Exchange Agreement.

(a) No payments required on the applicable Obligations shall be included in any computation of Debt Service Requirements for any computation period prior to the maturity or otherwise certain due dates thereof which may occur because of the exercise of an option by the City, or which may otherwise become due by reason of any other circumstance or contingency, including acceleration, which constitute other than regularly scheduled payments of principal, accreted value, interest or other regularly scheduled payments on the applicable Obligations.

(b) Debt Service Requirements required to be made pursuant to a Qualified Exchange Agreement shall be based upon the actual amount required to be paid by the City, if any, to the Qualified Counterparty. In determining that amount, any payments required to be made by either party to the Qualified Exchange Agreement at a Variable Exchange Rate shall be computed, in determining the obligation of the City under the Qualified Exchange Agreement, using the procedures set forth in the applicable sections of this ordinance.

(c) The computation of interest for the purposes of this definition shall be made without considering the interest rate payable pursuant to a Credit Facility, unless, at the time of computation of Debt Service Requirements, payments on Obligations are owed to, or Obligations are owned or held by, the provider of a Credit Facility pursuant to the provisions of that Credit Facility.

(d) The accreted value of capital appreciation bonds shall be included in the calculation of interest and principal only for the applicable year during which the accreted value becomes payable.

(e) In any computation of Debt Service Requirements relating to the issuance of additional Parity Obligations:

(1) There shall be deducted from that computation (i) amounts on deposit in an escrow account related to an issue of Cross-over Refunding Bonds and (ii) proceeds of a series of Obligations deposited to the credit of an account for the payment of capitalized interest on Obligations included as part of the computation during the applicable period.

(2) There may be made the adjustment to the Debt Service Requirements applicable to Bond Anticipation Notes described in Paragraph E of Section 21 of this ordinance.

(f) Except as provided in Paragraph F of Section 21, the purchase or tender price of Put Obligations resulting from the optional or mandatory tender or presentment for purchase of those Put Obligations shall not be included in any computation of Debt Service Requirements.

"Depository" means The Depository Trust Company, New York, New York, or such other securities depository as may be designated by an officer of the City.

"Environmental Services Gross Receipts Tax" means the environmental services gross receipts tax imposed pursuant to Section 7-19D-10 NMSA 1978 by the Environmental Services Gross Receipts Tax Ordinance on persons engaging in business in the City in the amount of 1/16th of one percent (0.0625%) of the gross receipts of such persons.

"Environmental Services Gross Receipts Tax Ordinance" means the City Ordinance No. 1993-20 imposing the Environmental Services Gross Receipts Tax, as amended.

"Environmental Services Gross Receipts Tax Revenue Fund" means the "City of Santa Fe, New Mexico Environmental Services Gross Receipts Tax Revenue Fund," maintained by the City and continued by Paragraph D of Section 17 of this ordinance, into which the City shall deposit the Environmental Services Gross Receipts Tax Revenues.

"Environmental Services Gross Receipts Tax Revenues" means the environmental services gross receipts tax revenues received by the City pursuant to Section 7-19D-10 NMSA 1978 and the Environmental Services Gross Receipt Tax Ordinance.

"Exchange Act" means Section 6-18-8.1 NMSA 1978, as amended and supplemented.

"Exchange Termination Payment" means the net amount payable pursuant to a Qualified Exchange Agreement by the City or a Qualified Counterparty to compensate the other party for any losses and costs that such other party may incur as a result of the early termination of the obligations, in whole or in part, of the parties under such Qualified Exchange Agreement.

"Federal Securities" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

"Fiscal Year" for the purposes of this ordinance means the twelve months commencing on the first day of July of any calendar year and ending on the last day of June of the next calendar year; but it may mean any other 12-month period which the City hereafter may establish.

"Fitch" means Fitch Ratings Group, its successors and their assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the City.

"Fixed Exchange Rate" means a fixed rate of interest payable by the City or a Qualified Counterparty pursuant to a Qualified Exchange Agreement.

"Governing Body" means the members of the governing body designated as councilors who, together with the mayor, are the governing body of the City.

"Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or certificates or receipts established by the United States Government or its agencies or instrumentalities representing direct ownership of future interests or principal payments on direct obligations of, or obligations fully guaranteed by, the United States of America or any of its agencies or instrumentalities the obligations of which are backed by the full faith and credit of the United States.

"Historic Test Period" means any twelve consecutive calendar months designated by an Authorized Officer from time to time out of the eighteen-calendar months next preceding the date of adoption of the City ordinance authorizing the issuance of Parity Obligations without regard to any resolution or ordinance supplementing or amending the authorizing ordinance.

"Improvement Project" means defraying the cost of public projects related to public utilities, public works, parks and recreation, and community services as authorized by law and the City's Home Rule Powers.

"Independent Accountant" means (A) an accountant employed by the State of New Mexico and under supervision of the State Auditor of the State of New Mexico, or (B) any registered or certified public accountant or firm of such accountants duly licensed to practice and practicing as such under the laws of the State of New Mexico, appointed and paid by the City, who (1) is, in fact, independent and not under the domination of the City, (2) does not have any substantial interest, direct or indirect, with the City, and (3) is not connected with the City as an

officer or employee of the City, but who may be regularly retained to make annual or similar audits of the books or records of the City.

"Infrastructure Gross Receipts Tax" means the infrastructure gross receipts tax imposed pursuant to Section 7-19D-11 NMSA 1978 by the Infrastructure Gross Receipts Tax Ordinance on persons engaged in business in the City in an amount of 1/16th of one percent (0.0625%) of the gross receipts of such persons.

"Infrastructure Gross Receipts Tax Ordinance" means City Ordinance No. 1993-21 imposing the Infrastructure Gross Receipts Tax, as amended.

"Infrastructure Gross Receipts Tax Revenue Fund" means the "City of Santa Fe Infrastructure Gross Receipts Tax Revenue Fund" maintained by the City and continued by Paragraph C of Section 17 of this ordinance, into which the City shall deposit the Infrastructure Gross Receipts Tax Revenues.

"Infrastructure Gross Receipts Tax Revenues" means the infrastructure gross receipts tax revenues received by the City pursuant to Section 7-19D-11 NMSA 1978 and the Infrastructure Gross Receipts Tax Ordinance.

"Insured Bank" means any federally or state-chartered savings and loan association or federally or state-chartered commercial bank, the deposits of which are insured by the Federal Deposit Insurance Corporation and which has, or is the lead bank of a parent holding company which has (i) unsecured, uninsured and unguaranteed obligations which are rated AA or better by Fitch and S&P or (ii) combined capital, surplus and undivided profits of not less than \$10,000,000.

"Moody's" means Moody's Investors Service, its successors and their assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the City.

"Obligations" means bonds, notes or any other instrument which evidences a borrowing or other obligation of the City, including Qualified Exchange Agreements, secured by Pledged Revenues, issued or incurred for any purpose permitted by the Act or the Exchange Act, as amended from time to time.

"One-Half Percent Municipal Gross Receipts Tax Ordinance" means the City of Santa Fe Ordinance No. 1981-45 imposing a one-half of one percent municipal gross receipts tax.

"One-Half Percent Municipal Gross Receipts Tax Revenue Fund" means the "City of Santa Fe, New Mexico One-Half Percent Municipal Gross Receipts Tax Revenue Fund" maintained by the City and continued by Paragraph B of Section 18 of this ordinance, into which the City shall deposit the One-Half Percent Municipal Gross Receipts Tax Revenues.

"One-Half Percent Municipal Gross Receipts Tax Revenues" means those revenues received by the City pursuant to the Municipal Local Option Gross Receipts Taxes Act, Sections 7-19D-1 through 7-19D-12 NMSA 1978, and the One-Half Percent Municipal Gross Receipts Tax Ordinance.

"Parity Obligations" means the Bonds, the Series 2013A Bonds, the Series 2012A Bonds, the Series 2010A Bonds, the Series 2008 Bonds, the Series 2006B Bonds, and the Series 2006 Bonds, scheduled periodic payments (but not Exchange Termination Payments) required to be made by the City pursuant to a Qualified Exchange Agreement, and any other Obligations hereafter issued or incurred payable from the Pledged Revenues and issued with a lien on the Pledged Revenues on parity with the lien thereon of the Bonds.

"Paying Agent" means BOKF, N.A., dba Bank of Albuquerque., as agent for the City for the payment of the Bonds, the interest thereon, and any successor.

"Permitted Investments" means any of the following which at the time of such investment are legal investments for the City pursuant to adopted City investment policies and the laws of the State:

(a) Government Obligations;

(b) Obligations of, or obligations guaranteed as to principal and interest by any agency or instrumentality of the United States which are backed by the full faith and credit of the United States, including, but not limited to: General Services Administration--participation certificates; Government National Mortgage Association (GNMA)--GNMA guaranteed mortgage-backed securities and GNMA guaranteed participation certificates; U.S. Department of Housing & Urban Development--local authority bonds; and U.S. Export-Import Bank--all fully guaranteed obligations;

(c) Obligations of the following government-sponsored agencies: Federal Home Loan Mortgage Corporation--participation certificates and senior debt obligations; Farm Credit System (formerly: Federal Land Banks and Banks for Cooperatives)--consolidated system-wide bonds and notes; Federal Home Loan Banks--consolidated debt obligations; Federal National Mortgage Association--senior debt obligations and mortgage-backed securities (excluding stripped mortgage securities which are valued greater than par on the portion of unpaid principal); Student Loan Marketing Association--senior debt obligations (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date) and letter of credit backed issues; Financing Corporation--debt obligations; and Resolution Funding Corporation--debt obligations;

(d) ~~Commercial paper (having original maturities of not more than 270 days) rated, at the time of purchase, "P-1" by Moody's and "A-1" or better by S&P;~~

(de) Bank time deposits evidenced by certificates of deposit and bankers acceptances issued by an Insured Bank, provided that such time deposits and bankers' acceptances (1) do not exceed at any one time in the aggregate five percent (5%) of the

combined total of the capital, surplus and undivided profits of such Insured Bank, or (2) are secured by obligations described in paragraphs (a), (b), (c) and (h) of this definition which obligations at all times have a market value (exclusive of accrued interest) at least equal to 102% of such time deposits so secured;

(ef) Obligations, other than specified private activity bonds (as defined in Section 57(a)(5)(C) of the Internal Revenue Code, as amended (the "Tax Code")), the interest on which is excluded from gross income of the recipient for federal income tax purposes and any other instrument which does not constitute "investment property" under Section 148 of the Tax Code (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date), as amended from time to time, which is rated in the highest major Rating Category by S&P and Fitch (if such rating agency is then rating the Bonds);

(fg) Money market instruments and other securities of commercial banks, broker-dealers or recognized financial institutions, which securities or instruments are rated in the highest Rating Category by S&P and Fitch, (if such rating agency is then rating the Bonds), or which securities are guaranteed by a person or entity whose long-term debt obligations are rated in the highest Rating Category by S&P and Fitch (if such rating agency is then rating the Bonds) including, without limitation, securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the provisions or 15 U.S.C. Sections 80(a)-1 et. seq., which invest only in, or whose securities are secured only by, obligations of the type set forth in paragraphs (a), (b), (c) and (h) of this definition;

(gh) Stripped Securities: (1) U.S. Treasury STRIPS and (2) REFCORP STRIPS (stripped by Federal Reserve Bank of New York);

(hi) Repurchase agreements involving the purchase and sale of, and guaranteed investment contracts, the par value of which is collateralized by a perfected first pledge of, or security interest in, or the payments of which are unconditionally guaranteed by, securities described in parts (a), (b), (c) and (h) of this definition, which collateral is held by the City, or for the benefit of the City, by a party other than the provider of the guaranteed investment contract or repurchase agreement, with a collateralized value of at least 102% of the par value of such repurchase agreement or guaranteed investment contract or 102% of the market value thereof, valued at intervals of no less than monthly and which collateral is not subject to any other pledge or security interest; and

(ij) Such other investments as are now or may be hereafter authorized as legal investments for the City by the legislature of the State under Section 6-10-10, NMSA 1978, or a similar statutory provision applicable to the City, provided that such investment is rated, at the time of purchase, "A" or better by Fitch and "A" or better by S&P (if such rating agency is then rating the Bonds).

"Pledged Gross Receipts Tax Revenues" or "Pledged Revenues" means (1) the State-Shared Gross Receipts Tax Revenues; (2) the One-Half Percent Municipal Gross Receipts

Tax Revenues; (3) the Infrastructure Gross Receipts Tax Revenues; (4) the portion of the gross receipts tax distribution to the City made pursuant to Section 7-1-6.46 NMSA 1978, which represents the amount of State-Shared Gross Receipts Tax Revenues, One-Half Percent Municipal Gross Receipts Tax Revenues, and Infrastructure Gross Receipts Tax Revenues that would have been remitted to the City but for the deductions (effective January 1, 2005) provided by Section 7-9-92 and 7-9-93 NMSA 1978 and any similar distributions made to the City in lieu of State-Shared Gross Receipts Tax Revenues, One-Half Percent Municipal Gross Receipts Tax Revenues and Infrastructure Gross Receipts Tax Revenues pursuant to law; and (5) any other gross receipts tax revenues received by the City, whether from distribution by the State or pursuant to gross receipts taxes imposed by the City, and hereafter (i.e. after the adoption of this ordinance) pledged to the payment of the Bonds by affirmative act of the Governing Body.

"Preliminary Official Statement" and "Official Statement" mean the disclosure documents utilized by the Underwriter in connection with the offer and sale of the Bonds to investors.

"Put Obligations" means any Obligations which have put or similar features requiring the City to purchase such Obligations upon notice from the owners thereof.

"Qualified Counterparty" means, with respect to a Qualified Exchange Agreement, any party whose senior long term debt obligations, or whose obligations under a Qualified Exchange Agreement are guaranteed by a party whose senior long term debt obligations, are rated (at the time of execution of the Qualified Exchange Agreement) in one of the top two Rating Categories by Fitch and S&P.

"Qualified Exchange Agreement" means any financial arrangement between the City and a Qualified Counterparty which satisfies the requirements of the Exchange Act at the time the agreement is entered into.

"Rating Category" means a generic securities rating category, without regard, in the case of a long-term rating category, to any refinement or gradation of such long-term rating category by a numerical modifier or otherwise.

~~"Rebate Fund" means "City of Santa Fe Gross Receipts Tax Improvement Revenue Bonds, Series 2014 Bond Rebate Fund" created in Paragraph F of Section 18 of this ordinance.~~

"Registrar" means BOKF, N.A. dba Bank of Albuquerque, as registrar and transfer agent for the Bonds, and any successor.

"Regular Record Date" means the 15th day of the calendar month (whether or not a business day) preceding each regularly scheduled interest payment date on the Bonds.

"Related Documents" means the Bond Purchase Agreement, the Continuing Disclosure Undertaking and any other document or agreement containing an obligation of the City as may be required in connection with the issuance of the Bonds.

"S&P" means Standard & Poor's Ratings Service, its successors and their assigns, and, if such entity is dissolved or liquidated or no longer performs the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the City.

"Series 2005 Bonds" or "2005 Bonds" means the "City of Santa Fe Municipal Recreation Complex/Subordinate Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2005" authorized by Ordinance No. 2005-30.

"Series 2006 Bonds" or "2006 Bonds" means the "City of Santa Fe Gross Receipts Tax Improvement Revenue Bonds, Series 2006" authorized by Ordinance No. 2006-04.

"Series 2006B Bonds" or "2006B Bonds" means the "City of Santa Fe Gross Receipts Tax Refunding Revenue Bonds, Series 2006B" authorized by Ordinance No. 2006-27.

"Series 2006C Bonds" or "2006C Bonds" means the "City of Santa Fe Subordinate Lien Gross Receipts Tax/Wastewater System Improvement Revenue Bonds, Series 2006C" authorized by Ordinance No. 2006-51.

"Series 2008 Bonds" or "2008 Bonds" means the "City of Santa Fe Gross Receipts Tax Revenue Bonds, Series 2008" authorized by Ordinance No. 2008-11.

"Series 2010A Bonds" or "2010A Bonds" means the City of Santa Fe Gross Receipts Tax Refunding Revenue Bonds, Series 2010A" authorized by Ordinance No. 2010-27.

"Series 2010B Bonds" or "2010B Bonds" means the "City of Santa Fe Subordinate Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2010B" authorized by Ordinance No. 2010-27.

"Series 2012A Bonds" or "2012A Bonds" means the "City of Santa Fe Gross Receipts Tax Refunding Revenue Bonds, Series 2012A" authorized by Ordinance No. 2012-7.

"Series 2012B Bonds" or "2012B Bonds" means the "City of Santa Fe Gross Receipts Tax (Subordinate Lien)/Wastewater System Refunding Revenue Bonds, Series 2012B" authorized by Ordinance No. 2012-6.

"Series 2012C Bonds" or "2012C Bonds" means the "City of Santa Fe Gross Receipts Tax (Subordinate Lien)/Gross Receipts Tax Improvement Revenue Bonds, Series 2012C" authorized by Ordinance No. 2012-35.

"Series 2013A Bonds" or "2013A Bonds" means the "City of Santa Fe Gross Receipts Tax Refunding Revenue Bonds, Series 2013A" authorized by Ordinance No. 2013-18.

"Series 2013B Bonds" or "2013B Bonds" means the "City of Santa Fe Gross Receipts Tax (Subordinate Lien)/ Gross Receipts Tax Refunding Revenue Bonds, Series 2013B" authorized by Ordinance No. 2013-19.

"Series Date" means the date of issuance and delivery of the Bonds to the Underwriter.

"Special Record Date" means a special date fixed to determine the names and addresses of registered owners of the Bonds for purposes of paying interest on a special interest payment date for the payment of defaulted interest thereon, all as further provided in Section 5B hereof.

"State-Shared Gross Receipts Tax Revenues" means the revenues distributed to the City monthly by the New Mexico Department of Taxation and Revenue pursuant to Sections 7-1-6 and 7-1-6.4, NMSA 1978, at the rate authorized (currently 1.225% of the gross receipts of persons doing business within the City) from the proceeds of a state-wide gross receipts tax imposed pursuant to Chapter 7, Article 9, NMSA 1978.

"State-Shared Gross Receipts Tax Revenue Fund" means the "City of Santa Fe, New Mexico State-Shared Gross Receipts Tax Revenue Fund" maintained by the City and continued by Paragraph 17 Section A of this ordinance, into which the City shall deposit the State-Shared Gross Receipts Tax Revenues.

"Subordinate Obligations" means the Series 2013B Bonds, the Series 2012B Bonds, the Series 2012C Bonds, the Series 2010B Bonds, the 2009 College Acquisition Finance Authority Loan, the 2008 Land Acquisition Finance Authority Loan, the Series 2006C Bonds, the 2006 Railyard Project Finance Authority Taxable Loan, the Series 2005 Bonds, the 2004 Railyard Project Finance Authority Taxable Loan, any Exchange Termination Payments, and any other Obligations hereafter issued or incurred payable from the Pledged Revenues and issued with a lien on the Pledged Revenues junior and inferior to the lien thereon of the Bonds.

"Tax Compliance Certificate" means the Tax Compliance Certificate delivered by the City at the time of issuance of the Bonds, as the same may be supplemented in accordance with its terms.

"Underwriter" means George K. Baum & Company, as representative of the underwriters of the Bonds.

"Variable Exchange Rate" means a Variable Interest Rate payable by the City or a Qualified Counterparty pursuant to a Qualified Exchange Agreement.

"Variable Interest Rate" means an interest rate which varies or fluctuates from time to time.

Any provision of this ordinance regarding a Qualified Counterparty shall be deemed to be of no effect if no Qualified Exchange Agreement is in effect or if a Qualified Counterparty is in default in its obligations under a Qualified Exchange Agreement and no amount is due and owing under a Qualified Exchange Agreement.

Section 2. Ratification. All action heretofore taken (not inconsistent with the express provisions of this ordinance) by the Governing Body and officers of the City directed toward the Improvement Project and the Refunding Project, and toward the authorization, sale and issuance of the Bonds to the Underwriter herein authorized be, and the same hereby is ratified, approved and confirmed.

Section 3. Authorization of the Improvement Project. The Improvement Project is hereby authorized at a total cost not to exceed the proceeds of the Bonds, excluding any such cost defrayed or to be defrayed by any source other than proceeds of the Bonds and the necessity thereof is hereby so declared.

Section 4. Authorization of Bonds. For the purpose of protecting the public health, conserving the property and advancing the general welfare of the citizens of the City, and for the purpose of defraying the cost of the Improvement Project, it is hereby declared that the interest and necessity of the City and the inhabitants of the City require the issuance by the City of its fully registered (i.e., registered as to payment of both principal and interest) revenue bonds without coupons to be designated "City of Santa Fe Gross Receipts Tax Improvement Bonds, Series 2014," in an aggregate principal amount of Fifteen Million Four Hundred Sixty Thousand Dollars (\$15,460,000). The Bonds shall be payable and collectible, both as to principal and interest, solely from the Pledged Revenues. The Bonds shall be sold by a private sale to the Underwriter pursuant to the Bond Purchase Agreement at the price established in the Bond Purchase Agreement which is hereby ratified and approved.

Section 5. Bond Details.

A. Basic Details. The Bonds shall be issued in the aggregate principal amount of \$15,460,000 for the Improvement Project. The Bonds shall be dated the date of their issuance and delivery to the Underwriter (herein "Series Date"), and are issuable in the denomination of \$5,000 each or any integral multiple thereof (provided that no Bond may be in a denomination which exceeds the principal coming due on any maturity date and no individual Bond will be issued for more than one maturity). The Bonds shall be numbered consecutively from 1 upwards.

The Bonds shall bear interest from the Series Date, payable semi-annually on June 1 and December 1 each year, commencing on December 1, 2014, until their respective maturities and shall bear the rates of interest and shall mature on June 1 in each of the designated amounts and years as set forth below:

<u>Year</u> <u>Maturing</u>	<u>Amounts</u> <u>Maturing</u>	<u>Interest Rate</u> <u>(Per Annum)</u>
2020	\$ 390,000	5.00 %
2021	455,000	5.00
2022	545,000	2.25
2023	1,475,000	3.00
2024	1,515,000	5.00
2025	1,580,000	5.00

2026	1,670,000	5.00
2027	2,485,000	5.00
2028	2,605,000	5.00
2029	2,740,000	5.00

The net effective interest rate on the Bonds is less than the statutory maximum rate of twelve percent (12%) per annum.

B. Payment-Regular Record Date. The principal of any Bond shall be payable to the registered owner thereof as shown on the registration books kept by the Registrar which is hereby appointed as registrar (and transfer agent) for the Bonds, upon maturity or prior redemption thereof and upon presentation and surrender at the Paying Agent which also is hereby appointed as the paying agent for the Bonds. If any Bond shall not be paid upon such presentation and surrender at or after maturity or on a designated prior redemption date on which the City may have exercised its right to prior redeem any Bond pursuant to Section 6 of this ordinance, it shall continue to draw interest at the rate borne by the Bond until the principal thereof is paid in full. Payment of interest on any Bond shall be made to the registered owner of the Bond as of the Regular Record Date by check or draft mailed by the Paying Agent, on or before each interest payment date (or, if such interest payment date is not a Business Day, on or before the next succeeding Business Day), to the registered owner thereof on the Regular Record Date at his address as it last appears on the registration books kept by the Registrar on the Regular Record Date (or by such other arrangements as may be mutually agreed to by the Paying Agent and any registered owner on such Regular Record Date). All such payments shall be made in lawful money of the United States of America. The person in whose name any Bond is registered at the close of business on any Regular Record Date with respect to any interest payment date shall be entitled to receive the interest payable thereon on such interest payment date notwithstanding any transfer or exchange thereof subsequent to such Regular Record Date and prior to such interest payment date; but any such interest not so timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name any Bond is registered at the close of business on a Special Record Date fixed by the Registrar for the payment of any such defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for defaulted interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto in the manner required by the Depository or by first-class mail, to the registered owners of the Bonds as of a date selected by the Registrar, stating the Special Record Date and the date fixed for the payment of such defaulted interest.

C. Book-Entry. The Bonds may be issued or registered, in whole or in part, in book-entry form from time to time with no physical distribution of bond certificates made to the public, with a Depository acting as securities depository for the Bonds. A single certificate for each maturity date of the Bonds issued in book-entry form will be delivered to the Depository and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in authorized denominations, with transfer of ownership effected on the books of the Depository and its participants ("Participants"). As a condition to delivery of the Bonds in book-entry form, the Underwriter will, immediately after acceptance of delivery thereof, deposit, or cause to be deposited, the Bond certificates with the Depository, registered in the name of the Depository or

its nominee. Principal and interest will be paid to the Depository or its nominee as the registered owner of the Bonds. The transfer of principal and interest payments to Participants will be the responsibility of the Depository; the transfer of principal and interest payments to the beneficial owners of the Bonds (the "Beneficial Owners") will be the responsibility of Participants and other nominees of Beneficial Owners maintaining a relationship with Participants (the "Indirect Participants"). The City will not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Depository, Participants or Indirect Participants.

If (i) the Bonds are not eligible for the services of the Depository, (ii) the Depository determines to discontinue providing its services with respect to the Bonds or (iii) the City determines that a continuation of the system of book-entry transfers through the Depository ceases to be beneficial to the City or the Beneficial Owners, the City will either identify another Depository or certificates for the Bonds will be delivered to the Beneficial Owners or their nominees, and the Beneficial Owners or their nominees, upon authentication of Bonds and registration of those Bonds in the Beneficial Owners' or nominees' names, will become the owners of the Bonds for all purposes. In that event, the City shall mail an appropriate notice to the Depository for notification to Participants, Indirect Participants and Beneficial Owners of the substitute Depository or the issuance of bond certificates to Beneficial Owners or their nominees, as applicable.

Authorized Officers of the City are authorized to sign agreements with Depositories relating to the matters set forth in this Section.

Notwithstanding any other provision of this ordinance, so long as all of the Bonds are registered in the name of the Depository or its nominee, all payments of principal and interest on the Bonds, and all notices with respect to the Bonds, shall be made and given by the Paying Agent, Registrar or the City to the Depository as provided in this ordinance and by the Depository to its Participants or Indirect Participants and notices to the Beneficial Owners of the Bonds in the manner provided in an agreement or letter of the City to the Depository.

Section 6. Redemption.

A. Optional Redemption. The Bonds maturing on and after June 1, 2025, shall be subject to redemption prior to maturity at the City's option in one or more units of principal of \$5,000 on and after June 1, 2024, in whole or in part at any time, in such order of maturities as the City may determine (and by lot if less than all of the Bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner considered appropriate and fair) at a redemption price equal to the principal amount of the Bonds or portions thereof to be redeemed plus accrued interest, if any, to the date fixed for redemption.

B. Notice by City. At least 60 days prior to any date selected by the City for optional redemption of any of the Bonds, the City shall give written instructions to the Registrar with respect to the optional redemption. The Registrar shall not be required to give notice of any optional redemption unless the Registrar has received written instructions from the City in regard thereto at least 60 days prior to such redemption date (unless such deadline is waived by the Registrar). Additionally, notice of optional redemption shall be given by the City by sending a

copy of such notice by first-class, postage prepaid mail, not less than thirty days prior to the optional redemption date to the Paying Agent, if the Registrar is not the Paying Agent.

C. Notice by Registrar. Additionally, notice of redemption shall be given by the Registrar by sending a copy of such notice in the manner required by the Depository or by first-class, postage prepaid mail, not more than 60 days and not less than 30 days prior to the redemption date to each registered owner of each Bond selected for redemption as shown on the registration books kept by the Registrar as of the date of mailing of notice. Failure to give such notice by mailing to the registered owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any of the Bonds.

D. Other Redemption Details. The notice required by paragraph C of this Section shall specify the number or numbers of the Bond or Bonds or portions thereof to be so redeemed (if less than all are to be redeemed); and all notices required by this Section shall specify the date fixed for redemption, and shall further state that on such redemption date there will become and be due and payable upon each \$5,000 unit of principal so to be redeemed at the Paying Agent the principal thereof, accrued interest, if any, to the redemption date, and the applicable prior redemption premium thereon (if any), and that from and after such date interest will cease to accrue. Accrued interest to the redemption date will be paid by check or draft mailed to the registered owner (or by alternative means if so agreed to by the Paying Agent and the registered owner). Notice having been given in the manner hereinbefore provided, the Bond or Bonds so called for redemption shall become due and payable on the redemption date so designated; and upon presentation thereof at the Paying Agent, the City will pay the Bond or Bonds so called for redemption and the applicable prior redemption premium (if any). In the event that only a portion of the principal amount of a Bond is so redeemed, a new Bond representing the unredeemed principal shall be duly completed, authenticated and delivered by the Registrar to the registered owner pursuant to Section 9 of this ordinance and without charge to the registered owner thereof. The Registrar and Paying Agent shall comply with any other terms regarding redemption and notice of redemption as required by any applicable agreement with a Depository.

E. Conditional Redemption. If money or Government Obligations sufficient to pay the redemption price of the Bonds to be called for redemption are not on deposit with the Paying Agent prior to the giving of notice of redemption pursuant to Paragraph D of this Section 6, such notice shall state such Bonds will be redeemed in whole or in part on the redemption date in a principal amount equal to that part of the redemption price received by the Paying Agent on the applicable redemption date. If the full amount of the redemption price is not received as set forth in the preceding sentence, the notice shall be effective only for those Bonds for which the redemption price is on deposit with the Paying Agent. If all Bonds called for redemption cannot be redeemed, the Bonds to be redeemed shall be selected in a manner deemed reasonable and fair by the City and the Registrar shall give notice, in the manner in which the original notice of redemption was given, that such money was not received and the information required by paragraph E of this Section. In that event, the Registrar shall promptly return to the Owners thereof the Bonds or certificates which it has received evidencing the part thereof which have not been redeemed.

Section 7. Negotiability. Subject to the provisions specifically made or necessarily implied herein, the Bonds shall be fully negotiable, and shall have all the qualities of negotiable paper, and the registered owner or owners thereof shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code.

Section 8. Execution.

A. Filing Manual Signatures. Prior to the execution and authentication of any Bond pursuant to Sections 6-9-1 through 6-9-6, NMSA 1978, the Mayor and City Clerk may each forthwith file with the Secretary of State of New Mexico, his or her manual signature certified by him or her under oath; provided, that such filing shall not be necessary for any officer where any previous such filing may have legal application to the Bonds.

B. Method of Execution. Each Bond of the issue shall be signed and executed by the facsimile or manual signature of the Mayor under facsimile or manual imprint of the seal of the City, which shall be printed, stamped, engraved or otherwise placed thereon; each Bond shall be executed and attested with the facsimile or manual signature of the City Clerk; and each Bond shall be authenticated by the manual signature by an Authorized Officer of the Registrar as hereafter provided. The Bonds bearing the facsimile or manual signature of the officers in office at the time of the authorization thereof shall be the valid and binding obligations of the City (subject to the requirement of authentication by the Registrar as hereinafter provided) notwithstanding that before the delivery thereof and payment therefor, or before the issuance thereof upon transfer or exchange, any or all of the persons whose facsimile signatures appear thereon shall have ceased to fill their respective offices. The Mayor and City Clerk of the City shall, by the execution of a signature certificate pertaining to the Bonds, adopt as and for their respective signatures the facsimiles thereof appearing on the Bonds; and, at the time of the execution of the signature certificate, the Mayor and City Clerk may each adopt as and for his or her facsimile signature the facsimile signature of his or her predecessor in office in the event that such facsimile signature appears upon any of the Bonds.

C. Certificate of Authentication. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication, substantially in the form hereinafter provided, has been duly executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an Authorized Officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued under this ordinance.

Section 9. Provisions Relating to Registration, Transfer, Replacement and Cancellation of and Registration Records for the Bonds.

A. Registration Books -- Transfer and Exchange -- Authentication. Books for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer of any Bonds at the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or

numbers not contemporaneously outstanding. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same maturity of other authorized denominations. The Registrar shall authenticate and deliver a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as provided in this ordinance shall be without charge to the owner or any transferee, but the Registrar may require the payment by the owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

B. Times When Transfer or Exchange Not Required. The Registrar shall not be required (1) to transfer or exchange all or a portion of any Bond subject to prior redemption during the period of fifteen days next preceding the mailing of notice to the registered owners calling any Bonds for prior redemption pursuant to Section 6 of this ordinance or (2) to transfer or exchange all or a portion of a Bond after the mailing to registered owners of notice calling such Bond or portion thereof for prior redemption.

C. Payment - Registered Owners. The person in whose name any Bond is registered on the registration books kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of defaulted interest as provided in Section 5B of this ordinance; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative, but such registration may be changed upon transfer of such Bond in the manner and subject to the conditions and limitations provided in this ordinance. All such payments shall be valid and effectual to discharge the liability upon the Bond to the extent of the sum or sums so paid.

D. Replacement Bonds. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it may reasonably require, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same subseries and maturity, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

E. Delivery of Bond Certificates to Registrar. The officers of the City are authorized to deliver to the Registrar fully executed but unauthenticated Bonds in such quantities as may be convenient to be held in custody by the Registrar pending use as provided in this ordinance.

F. Cancellation of Bonds. Whenever any Bond shall be surrendered to the Paying Agent upon payment of the Bond, or to the Registrar for transfer, exchange or replacement as provided in this ordinance, the Bond shall be promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the City.

Section 10. Successor Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed under this ordinance shall resign or is prohibited by law from continuing as Registrar or Paying Agent, or if the City shall reasonably determine that the Registrar or Paying Agent has become incapable of fulfilling its duties under this ordinance, the City may, upon notice mailed to each registered owner of Bonds at the address last shown on the registration books, appoint a successor Registrar or Paying Agent, or both. Every such successor Registrar or Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareholder's equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than \$50,000,000. It shall not be required that the same institution serve as both Registrar and Paying Agent hereunder, but the City shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder.

Section 11. Special Limited Obligations. The Bonds and all payments of principal and interest thereon, (whether at maturity or on a redemption date) and the obligations of the City for all other payments, fees, costs, interest and expenses of the City under this ordinance and under the Related Documents, including all payments due from the City under a Qualified Exchange Agreement, shall be special limited obligations of the City. The principal of and interest on the Bonds and all obligations of the City under the Related Documents shall be payable solely from the Pledged Revenues (and in the case of Exchange Termination Payments, after payment of Parity Obligations and Subordinate Obligations), which revenues are hereby pledged.

Owners of the Bonds and other parties to the Related Documents, including a Qualified Counterparty, may not look to any general or other fund of the City for the payment of the principal of or interest on, or the fees, costs and expenses relating to, such obligations, except the designated special funds pledged therefor. Neither the Bonds nor the obligations of the City under the Related Documents shall constitute an indebtedness of the City within the meaning of any constitutional, charter or statutory prohibition or limitation, nor shall they be considered or held to be general obligations of the City, and the Bonds, any Related Document and any Qualified Exchange Agreement shall recite that they are payable and collectable solely out of the Pledged Revenues (and in the case of Exchange Termination Payments, after payment of Parity Obligations and Subordinate Obligations), and from the other sources stated in this Section, and that the Owners of the Bonds, any other party or a Qualified Counterparty may not look to any general or other municipal fund for the payment of the principal or interest, as applicable, on the Bonds or for the payment of any amounts owed under the Related Documents.

Nothing herein shall prevent or prohibit the City from applying other funds of the City legally available therefor to the payment or redemption of the Bonds or to the payment of any amounts owed under a Related Document, in its sole discretion.

Section 12. Form of Bonds, Certificate of Authentication and Assignment. The Bonds, Registrar's Certificate of Authentication and Form of Assignment shall be in substantially the following forms, with such changes therein as are not inconsistent with this ordinance:

(Form of 2014 Bond)

UNITED STATES OF AMERICA
COUNTY OF SANTA FE
STATE OF NEW MEXICO

No. _____

\$ _____

CITY OF SANTA FE
GROSS RECEIPTS TAX IMPROVEMENT REVENUE BOND
SERIES 2014

INTEREST RATE	MATURITY DATE	SERIES DATE	CUSIP
_____% per annum	_____, ____	_____, 2014	_____

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ DOLLARS

The City of Santa Fe (herein "City"), in the County of Santa Fe and State of New Mexico, for value received, hereby promises to pay upon presentation and surrender of this bond, solely from the special funds provided therefor as hereinafter set forth, to the registered owner named above, or registered assigns, on the Maturity Date specified above, upon the presentation and surrender hereof at BOKF, N.A. dba Bank of Albuquerque, in Albuquerque, New Mexico, as paying agent, or its successor (herein the "Paying Agent"), the Principal Amount stated above, in lawful money of the United States of America, and to pay to the registered owner hereof as of the Regular Record Date (being the 15th day of the calendar month whether or not a business day preceding each regularly scheduled interest payment date as defined in Ordinance No. 2014-__ - adopted __ 2014, which authorizes this bond and which is referred to herein as the "Bond Ordinance"), by check or draft mailed to such registered owner, on or before each interest payment date as hereinafter provided (or, if such interest payment date is not a business day, on or before the next succeeding business day), at his address as it last appears on the Regular Record Date on the registration books kept for that purpose by BOKF, N.A. dba Bank of Albuquerque, in Albuquerque, New Mexico, as registrar (i.e., transfer agent) for the bonds, or its successor (herein the "Registrar") or by such other arrangement as may be agreed to by the Paying Agent and the registered owner hereof, interest on such sum in lawful money of the United States of America from the Series Date specified above or the most recent interest payment date to which interest has been fully paid or duly provided for in full (as more fully provided in the Bond Ordinance) until maturity at the per annum Interest Rate specified above, payable on December 1, 2014 and semiannually thereafter on June 1 and December 1 in each year. Any such interest not so timely paid or duly provided for shall cease to be payable to the registered owner as of the Regular Record Date and shall be payable to the registered owner as of a Special Record Date (as defined in the Bond Ordinance), as further provided in the Bond Ordinance. If upon presentation and surrender to the Paying Agent at or after maturity, payment

of this bond is not made as herein provided, interest hereon shall continue at the rate herein designated until the principal hereof is paid in full. If the Bonds are issued in book-entry only form, an authorized officer of the City and the applicable securities depository ("Depository") may make other arrangements for the payments on the Bonds.

The bonds of the series of which this bond is a part maturing on and after June 1, 2025, are subject to prior redemption at the City's option in one or more units of principal of \$5,000 on and after June 1, 2024, in whole or in part at any time, in such order of maturities as the City may determine (and by lot if less than all of the Bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner considered appropriate and fair), at a redemption price equal to the principal amount of the Bonds or portion thereof to be redeemed plus accrued interest, if any, to the redemption date.

Redemption shall be made upon notice to each registered owner of each bond selected for redemption as shown on the registration books kept by the Registrar in the manner and upon the conditions provided in the Bond Ordinance.

The bonds of the series of which this is one are fully registered (i.e., registered as to payment of both principal and interest), and are issuable in the denomination of \$5,000 or any denomination which is an integral multiple of \$5,000 (provided that no bond may be in a denomination which exceeds the principal coming due on any maturity date and no individual bond will be issued for more than one maturity). Upon surrender of any of such bonds at the Registrar with a written instrument satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney, such bond may, at the option of the registered owner or his duly authorized attorney, be exchanged for an equal aggregate principal amount of such bonds of the same maturity of other authorized denominations, subject to such terms and conditions as set forth in the Bond Ordinance.

This bond is fully transferable by the registered owner hereof in person or by his duly authorized attorney on the registration books kept by the Registrar upon surrender of this bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon such transfer a new fully registered bond of authorized denomination or denominations of the same aggregate principal amount and maturity will be issued to the transferee in exchange for this bond, subject to such terms and conditions as set forth in the Bond Ordinance. The City and the Registrar and Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of making payment and for all other purposes.

This bond is one of a series of bonds designated "City of Santa Fe Gross Receipts Tax Improvement Revenue Bonds, Series 2014," of like tenor and date, except as to interest rate, number and maturity, authorized for the purpose of defraying the cost of public projects related to public utilities, public works, parks and recreation, and community services and refunding outstanding bonds of the City, all as set forth in the Bond Ordinance.

This bond is issued pursuant to and in strict compliance with the Constitution and laws of the State of New Mexico.

This bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation, shall not be considered or be held to be a general obligation of the City, and is payable and collectible solely out of the City's Pledged Gross Receipts Tax Revenues pursuant to the pledge made by and as defined in the Bond Ordinance, which revenues are so pledged; and the holder of this bond may not look to any general or other fund for the payment of the principal and interest on this obligation, except the special funds pledged therefor. Payment of the bonds of the series of which this bond is one and the interest thereon shall be made solely from, and as security for such payment, there are pledged pursuant to the Bond Ordinance special funds identified as the "One-Half Percent Gross Receipts Tax Revenue Fund," the "Infrastructure Gross Receipts Tax Revenue Fund" and the "State-Shared Gross Receipts Tax Revenue Fund" into which the City covenants to pay the Pledged Gross Receipts Tax Revenues, concurrently with debt service payments for outstanding parity bonds, sums sufficient to pay when due the principal of and the interest on the bonds of the series of which this bond is one. For a description of the funds, the nature and extent of the security afforded thereby for the payment of the principal of and interest on the bonds, and other details concerning the bonds, reference is made to the Bond Ordinance. The bonds of the series of which this bond is one are equally and ratably secured by a first lien on the City's Pledged Gross Receipts Tax Revenues; the Bonds constitute an irrevocable first lien, but not necessarily an exclusive first lien, upon the Pledged Gross Receipts Tax Revenues. Parity bonds and other obligations, in addition to the series of which this bond is one, may be issued and made payable from the City's Pledged Gross Receipts Tax Revenues having a lien thereon inferior and junior to the lien or, subject to designated conditions, having a lien thereon on a parity with the lien of the bonds of the series of which this bond is one, in accordance with the provisions of the Bond Ordinance. No obligations may be issued with a lien on the Pledged Gross Receipts Tax Revenues which is superior to the lien thereon of the Bonds.

The City covenants and agrees with the registered owner of this bond and with each and every person who may become the registered owner hereof that it will keep and perform all of the covenants of the Bond Ordinance.

This bond is subject to the conditions, and every registered owner hereof by accepting the same agrees with the obligor and every subsequent registered owner hereof that the principal of and the interest on this bond shall be paid, and this bond is transferable, free from, and without regard to any equities between the obligor and the original or any intermediate registered owner hereof for any setoffs or cross-claims.

It is further certified, recited and warranted that all the requirements of law have been fully complied with by the Governing Body and officers of the City in the issuance of this bond; and that it is issued pursuant to and in strict conformity with the Constitution and laws of the State of New Mexico, and particularly the terms and provisions of Sections 3-31-1 through 3-31-12, NMSA 1978, as amended, and all laws thereunto enabling and supplemental thereto.

This bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the certificate of authentication herein.

IN WITNESS WHEREOF, the City of Santa Fe has caused this bond to be signed, subscribed, and executed, and attested with the facsimile signatures of its Mayor and its City Clerk, respectively and has caused the facsimile of its corporate seal to be affixed on this bond, all as of the Series Date.

CITY OF SANTA FE

[(FACSIMILE SEAL)]

By _____ (Facsimile Signature)
Mayor

ATTEST:

By _____ (Facsimile Signature)
City Clerk

(Form of Registrar's Certificate of Authentication)

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This is one of the bonds described in the within-mentioned Bond Ordinance, and this bond has been duly registered on the registration books kept by the undersigned as Registrar for such Bonds.

BOKF, N.A. dba Bank of Albuquerque,
Albuquerque, New Mexico,
as Registrar

By _____
Authorized Officer

(End of Form of Registrar's Certificate of Authentication)

(Form of Assignment)

ASSIGNMENT

For value received, _____
hereby sells, assigns and transfers unto _____ the within bond and hereby
irrevocably constitutes and appoints _____ attorney, to transfer the same on the
books of the Registrar, with full power of substitution in the premises.

Signature Guaranteed:

Name and Address of Transferee

Dated: _____

Social Security Number or other
Tax Identification Number

(End of Form of Assignment)

(End of Form of 2014 Bond)

Section 13. Period of Project's Usefulness. It is hereby determined and recited that the useful life of the Improvement Project is not less than the final maturity date of the Bonds.

Section 14. Delivery of Bonds and Initial Registration. When the Bonds have been duly executed, authenticated, registered and sold, the City Finance Director shall deliver them to the Underwriter on receipt of the agreed purchase price. The Registrar shall initially register the Bonds in the name of the Depository.

Section 15. Approval and Execution of Documents and Delegated Authority.

A. Approval of Documents; Ratification. The forms of Preliminary Official Statement, final Official Statement, the Continuing Disclosure Undertaking, the Bond Purchase Agreement and the Escrow Agreement as filed with the City Clerk are hereby approved.

B. Delegated Authority and Execution of Documents. The officers, agents and employees of the City are authorized, empowered and directed to take all action required by this ordinance, and all such other action as may be necessary or appropriate to effectuate the provisions of this ordinance, the Related Documents and any other documents as may be necessary or appropriate to carry out and comply with the provisions of this ordinance.

The Mayor is authorized and directed to execute and the City Clerk is authorized and directed to affix the seal of the City to and attest where applicable, the Bond Purchase Agreement, the final Official Statement, the Escrow Agreement and the Continuing Disclosure Undertaking in substantially the form as hereby approved or with such changes therein as are not inconsistent with this ordinance and as shall be approved by the Mayor, his execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions thereof from the form presented to the Governing Body. The Mayor is further authorized and directed to execute and the City Clerk is authorized and directed to affix the seal of the City to and attest where applicable, a Tax Compliance Certificate in such form as shall be approved by the Mayor, his execution thereof to constitute conclusive evidence of his approval. From and after adoption of this ordinance and the execution and delivery of the Bond Purchase Agreement, the Tax Compliance Certificate, the final Official Statement, the Escrow Agreement and the Continuing Disclosure Undertaking, the officers, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement, the final Official Statement, the Tax Compliance Certificate, the Escrow Agreement and the Continuing Disclosure Undertaking as executed.

The Mayor, City Clerk, City Finance Director, any other officer or employee of the City and the Underwriter are authorized and directed to distribute the Preliminary Official Statement and an Official Statement related to the sale of the Bonds. The use and distribution of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the sale of the Bonds to the public is hereby authorized, approved and acknowledged.

Section 16. Use of Bond Proceeds; Underwriter Not Responsible. Except as herein otherwise specifically provided in this ordinance, the proceeds from the sale of the Bonds shall be used and paid solely for the valid costs of the Improvement Project.

A. Acquisition Fund Deposit. An amount of proceeds received from the sale of the Improvement Bonds shall be deposited in the Acquisition Fund and used to pay the costs of the Improvement Project.

B. Payment of Costs of Issuance. An amount of proceeds received from the sale of the Bonds shall be used to pay Costs of Issuance, and to the extent not needed to pay Costs of Issuance, shall be deposited in the Acquisition Fund.

C. Underwriter Not Responsible. The validity of the Bonds is not dependent on nor affected by the validity or regularity of any proceedings related to the completion of the Improvement Project as defined in this ordinance. The Underwriter of the Bonds, and any subsequent owner of any Bonds, shall in no manner be responsible for the application or disposal by the City or by any officer or any employee or other agent of the City of the moneys derived from the sale of the Bonds or of any other moneys designated in this ordinance.

Section 17. Funds and Accounts. The City hereby creates, or continues, as applicable, the following special and separate trust funds:

A. Acquisition Fund. Creates the Acquisition Fund to be maintained by the City.

B. State-Shared Gross Receipts Tax Revenue Fund. The "City of Santa Fe, New Mexico State-Shared Gross Receipts Tax Revenue Account of the General Fund of the City," to be maintained by the City and deposited in an Insured Bank, into which the City shall deposit the State-Shared Gross Receipts Tax Revenues.

C. One-Half Percent Municipal Gross Receipts Tax Revenue Fund. The "City of Santa Fe, New Mexico One-Half Percent Municipal Gross Receipts Tax Revenue Fund," to be maintained by the City and deposited in an Insured Bank, into which the City shall deposit the One-Half Percent Municipal Gross Receipts Tax Revenues.

D. Infrastructure Gross Receipts Tax Revenue Fund. The "City of Santa Fe, New Mexico Infrastructure Gross Receipts Tax Revenue Fund," to be maintained by the City and deposited in an Insured Bank, into which the City shall deposit the Infrastructure Gross Receipts Tax Revenues.

E. Environmental Services Gross Receipts Tax Revenue Fund. The "City of Santa Fe, New Mexico Environmental Services Gross Receipts Tax Revenue Fund," to be maintained by the City and deposited in an Insured Bank, into which the City shall deposit the Environmental Services Gross Receipts Tax Revenues.

Section 18. Administration of Pledged Gross Receipts Tax Revenue Funds. So long as any of the Bonds shall be outstanding, either as to principal or interest or both, the following payments shall be made monthly from the Pledged Gross Receipts Tax Revenues:

A. Bond Service Fund Payments. First, as a first charge on the Pledged Gross Receipts Tax Revenues and on a parity with other outstanding Parity Obligations, the following amounts shall be withdrawn from the One-Half Percent Municipal Gross Receipts Tax Revenue Fund, and from the Infrastructure Gross Receipts Tax Revenue Fund if the moneys in the One-Half Percent Municipal Gross Receipts Tax Revenue Fund are not sufficient to make the required payment, and, if such moneys are still insufficient, then from the State-Shared Gross Receipts Tax Revenue Fund (unless the City determines that such amounts shall be withdrawn from such funds in some other order) and shall be concurrently credited to the "City of Santa Fe Gross Receipts Tax Improvement and Refunding Revenue Bonds, Series 2014, Bond Service Fund" (herein the "Bond Fund") hereby created and to be maintained by the City:

(1) Interest Payments. Monthly, commencing on the first day of the first month following the delivery of the Bonds, an amount in equal monthly installments necessary, together with any moneys therein and available therefor, to pay the next maturing installment of interest on the Bonds then outstanding and monthly thereafter commencing on each interest payment date, one-sixth ($1/6$ th) of the amount necessary to pay the next maturing installment of interest on the outstanding Bonds, and

(2) Principal Payments. Monthly, commencing on the first day of the first month following delivery of the Bonds, an amount in equal monthly installments necessary, together with any moneys therein and available therefor, to pay the next maturing installment of principal on the Bonds then outstanding and monthly thereafter commencing on the first day of the twelfth month preceding each principal payment date, one-twelfth ($1/12$ th) of the amount necessary to pay the next maturing installment of principal on the Bonds.

If prior to any interest payment date or principal payment date, there has been accumulated in the Bond Fund the entire amount necessary to pay the next maturing installment of interest or principal, or both, the payment required in subparagraphs (1) and (2) (whichever is applicable) of this paragraph, may be appropriately reduced and the required monthly amounts again shall be so credited to such account commencing on such interest payment date or principal payment date (whichever is applicable).

B. Debt Service Reserve Fund. No debt service reserve fund will be created or required for the Bonds.

C. Termination Upon Deposits to Maturity. No payment need be made into the Bond Fund if the amount in such fund totals a sum at least equal to the entire amount of the Bonds then outstanding, both as to principal and interest to their respective maturities, and both accrued and not accrued, in which case, moneys in the Bond Fund in an amount at least equal to such principal and interest requirements shall be used solely to pay such as the same accrue and any moneys in excess thereof in the Bond Fund and any other moneys derived from the Pledged Revenues may be used in any lawful manner determined by the City.

D. Defraying Delinquencies in the Bond Fund; Use of Moneys in the Bond Fund. If, in any month, amounts in the One-Half Percent Municipal Gross Receipts Tax Revenue Fund are insufficient to make the payments into the Bond Fund required by Paragraph A of this Section 18, there shall be withdrawn first from the Infrastructure Gross Receipts Tax Revenue Fund and then from the State-Shared Gross Receipts Tax Revenue Fund, and deposited in the Bond Fund the additional amounts necessary to make the payments into the Bond Fund required by Paragraph A of this Section 18. The moneys in the Bond Fund shall be used solely and only for the purpose of paying the principal of and the interest on the Bonds issued under this ordinance; provided, however, that any moneys in the Bond Fund in excess of accrued and unaccrued principal and interest requirements to the respective maturities of the outstanding Bonds may be used in any lawful manner.

E. Payment of Additional Obligations and Qualified Exchange Agreements. Second, either concurrently with or subsequent to the payments required by Paragraph A of this Section 18, depending upon whether the additional Obligations are Parity Obligations or Subordinate Obligations as provided in this ordinance, the Pledged Gross Receipts Tax Revenues shall be used by the City for the payment of Debt Service Requirements on additional Obligations, if any, hereafter authorized to be issued and payable from the Pledged Revenues as the same accrue. In the event that such obligations are Parity Obligations, the payments of Debt Service Requirements on such additional Obligations shall be made concurrently with the payments required by Paragraphs A and D of this Section 18 (provided that such payments may be made at any intervals as may be provided in the ordinance or resolution authorizing such additional Obligations). The following amounts required to be paid by the City shall be paid from Pledged Gross Receipts Tax Revenues with the same priority as other payments of Debt Service Requirements on Parity Obligations:

(1) Any amount to reimburse or pay a bond insurer or reserve account insurer or guarantor, or to make payments or reimbursements pursuant to another Credit Facility, for payments of Debt Service Requirements made on Parity Obligations; and amounts payable to a Qualified Counterparty under a Qualified Exchange Agreement, excluding Exchange Termination Payments, if such payments are designated in a City ordinance relating to that Qualified Exchange Agreement as having a lien on Pledged Revenues on a parity with the lien thereon of Parity Obligations;

(2) Reimbursement of any reserve fund Credit Facility obtained for any issue of Parity Obligations; and

(3) Cash deposits to any required reserve fund established with respect to any issue of Parity Obligations.

Each payment of Debt Service Requirements on Parity Obligations shall be transferred to the Paying Agent for payment of Parity Obligations, or directly to a Qualified Counterparty, bond insurer, reserve account insurer or guarantor or other provider of a Credit Facility entitled to receive payments on Parity Obligations, on or before the due date of such payment.

~~F. Rebate Fund. There is hereby created a separate account to be known as the "City of Santa Fe Gross Receipts Tax Improvement Revenue Bonds, Series 2014, Bond Rebate Fund" (the "Rebate Fund"), to be held by the City. All of the amounts on deposit in the accounts created and established by this ordinance and all amounts pledged to the payment of debt service for the Bonds shall be invested in compliance with the requirements of Paragraph J of Section 24 of this ordinance. There shall be transferred into the Rebate Fund from the Pledged Gross Receipts Tax Revenue Funds, such amounts as are required to be deposited therein to meet the City's obligations under the covenant contained in Paragraph J of Section 24 of this ordinance, in accordance with Section 148(f) of the Tax Code. Amounts on deposit in the Rebate Fund shall not be subject to the lien and pledge of this ordinance to the extent such amounts are required to be paid to the United States Treasury. The City hereby finds and determines that payment to the United States in an amount equal to interest and other gain from the investment of moneys accumulated in the Bond Fund and any other account into which Pledged Revenues are transferred, to the extent such interest or other gain is subject to the rebate requirements of Section 148(f) of the Tax Code, shall be subject to a lien thereon in favor of the United States Treasury and pledged to the United States Treasury for the benefit of the owners of the Bonds from time to time. From time to time, if the City determines that there is on deposit in the Rebate Fund more money than is needed to satisfy the rebate obligation, then such excess shall be transferred and credited to the Bond Fund and used to pay Debt Service Requirements.~~

FG. Payment of Expenses and Certain Obligations which are not Parity Obligations. After and subject to the payments required, and provisions contained in, any of the preceding paragraphs of this Section, any remaining Pledged Gross Receipts Tax Revenues shall be used, to the extent necessary, for payment of: (i) any other amounts, expenses, fees and interest owed by the City relating to the issuance, delivery, servicing, payment, redemption and refunding of Parity Obligations and (ii) other Obligations relating to Parity Obligations owed by the City pursuant to the Related Documents, any Qualified Exchange Agreement (excluding Exchange Termination Payments), bond insurance policy, reserve fund insurance policy or similar documents which are not payable pursuant to any other prior paragraph of this Section.

GH. Subordinate Obligations. After and subject to the payments required by, and provisions contained in, the preceding paragraphs of this Section 18, any remaining Pledged Gross Receipts Tax Revenues shall be used, as necessary, by the City for the payment of the principal of, and interest on, all Obligations with a lien on the Pledged Revenues which is subordinate and junior to the lien of the Parity Obligations on Pledged Revenues, including without limitation, the 2004 Railyard Project Finance Authority Taxable Loan, the 2005 Bonds, the 2006C Bonds, the 2006 Railyard Project Finance Authority Taxable Loan, the 2008 Land Acquisition Finance Authority Loan, the 2009 College Acquisition Finance Authority Loan, the Series 2010B Bonds, the Series 2012B Bonds, the Series 2012C Bonds, the Series 2013B Bonds, and any Exchange Termination Payments.

HI. Use of Surplus Revenues. After making the payments required to be made by Paragraphs A to H of this Section 18, the remaining Pledged Gross Receipts Tax Revenues, if any, may be applied to any other lawful purposes. The One-Half Percent Municipal Gross Receipts Tax Revenues received by the City pursuant to the One-Half Percent Municipal Gross

Receipts Tax Ordinance shall be used only for the purposes authorized by that ordinance. The Infrastructure Gross Receipts Tax Revenues received by the City pursuant to the Infrastructure Gross Receipts Tax Ordinance shall be used only for the purposes authorized by that ordinance. The Environmental Services Gross Receipts Tax Revenues received by the City pursuant to the Environmental Services Gross Receipts Tax Ordinance shall be used only for the purposes authorized in that ordinance.

IJ. Variable Interest Rate. In making the computations required by this Section, interest on Obligations which bear a Variable Interest Rate shall be computed: (i) at the actual Variable Interest Rate or Variable Exchange Rate for the computation period, if such rate can be computed exactly, or (ii) if the Variable Interest Rate or Variable Exchange Rate cannot be computed exactly, at the actual rate for the immediately preceding computation period.

Section 19. General Administration of Funds. The funds and accounts designated in Sections 16 through 18 of this ordinance shall be administered as follows:

A. Investment of Money. Any moneys in any fund designated in Sections 16 through 18 may be invested in any Permitted Investments. The obligations so purchased as an investment of moneys in a fund shall be deemed at all times to be part of the fund, and the interest accruing thereon and any profit realized therefrom shall be credited to the fund, and any loss resulting from each investment shall be charged to the fund. The City Finance Director shall present for redemption or sale on the prevailing market any obligations so purchased as an investment of moneys in the fund whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund.

B. Deposits of Funds. Except for direct investments in Permitted Investments allowed by Paragraph A of this Section 19, the moneys and investments comprising each of the funds and accounts hereinabove designated in Sections 16 through 18 of this ordinance shall be maintained and kept separate from all other funds and accounts in an Insured Bank or Insured Banks. The amounts prescribed shall be paid to the appropriate funds as specified in Sections 16 through 18. Each payment shall be made into the proper bank account and credited to the proper fund not later than the last day designated; provided that when the designated date is a Sunday or a legal holiday, then such payment shall be made on the next preceding secular day. Nothing in this ordinance shall prevent the establishment of one such bank account or more (or consolidation with any existing bank account), for all of the funds and accounts in Sections 16 through 18 of this ordinance.

Section 20. Lien on Pledged Revenues. The Pledged Gross Receipts Tax Revenues and the amounts and securities on deposit in the Bond Fund, and the proceeds thereof, are hereby authorized to be pledged to, and are hereby pledged, and the City grants a security interest therein, for the payment of the principal of and interest on the Bonds, subject to the uses thereof permitted by, and the priorities set forth in, this ordinance. The Bonds constitute an irrevocable first lien (but not an exclusive first lien) on the Pledged Revenues on parity with the lien thereon of Parity Obligations.

Section 21. Additional Bonds and Other Obligations.

A. Limitations Upon Issuance of Parity Obligations. No provision of this ordinance shall be construed in such a manner as to prevent the issuance by the City of additional Obligations payable from Pledged Revenues and constituting a lien upon such revenues on parity with or subordinate to the lien of the Bonds on Pledged Revenues.

Before any additional Parity Obligations are actually issued (excluding refunding bonds the proceeds of which are used to refund Parity Obligations as provided in Section 22, but including Parity Obligations which are refunding bonds which refund subordinate obligations), the following conditions shall be met:

(i) The Parity Obligations must be Obligations; and

(ii) The City shall then be current in all of the deposits required to be made with respect to the Parity Obligations (including, if applicable, any obligation to fund any reserve account required by the terms of any ordinance authorizing the issuance of any such Obligations), as set forth in Section 18; and

(iii) (a) No additional Parity Obligations shall be issued unless the Pledged Gross Receipts Tax Revenues for the Historic Test Period shall have been sufficient to pay an amount representing two hundred percent (200%) of the combined maximum annual Debt Service Requirements coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor); and

(b) The One-Half Percent Municipal Gross Receipts Tax Revenues and the Infrastructure Gross Receipts Tax Revenues, together with the other gross receipts tax revenues received by the City, whether from distribution by the State or pursuant to gross receipts taxes imposed by the City (other than the State-Shared Gross Receipts Tax Revenues) pledged to the Parity Obligations and the Parity Obligations proposed to be issued, for the Historic Test Period shall be sufficient to pay an amount representing one hundred percent (100%) of the combined maximum annual Debt Service Requirements coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor); and

(c) No additional Parity Obligations shall be issued unless the Pledged Gross Receipts Tax Revenues for the Historic Test Period shall have been sufficient to pay an amount representing one hundred fifty percent (150%) of the combined maximum annual Debt Service Requirements coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and Subordinate Obligations (excluding Exchange Termination Payments) and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor); and

(d) In making the computations required by this subparagraph (iii) other gross receipts tax revenues, including without limitation, the Environmental Services Gross Receipts Tax Revenues, received by the City, whether from distribution by the State or

pursuant to gross receipts taxes imposed by the City (other than State-Shared Gross Receipts Tax Revenues) pledged to the Parity Obligations, Subordinate Obligations and the Parity Obligations proposed to be issued, may be included only to the extent such gross receipts tax revenues are pledged to a particular series of such outstanding Obligations or proposed Parity Obligations and only to the extent of the maximum annual Debt Service Requirements on such outstanding Obligations or proposed Parity Obligations.

B. Superior Obligations Prohibited; Subordinate Obligations Permitted.

(i) The City shall not be permitted to issue additional Obligations payable from Pledged Revenues with a lien on Pledged Revenues superior to the lien of Parity Obligations thereon; and

(ii) No provision of this ordinance shall be construed in such a manner as to prevent the issuance by the City of additional Obligations payable from the Pledged Revenues with a lien on Pledged Revenues subordinate and junior to the lien of the Bonds thereon, nor to prevent the issuance of Obligations refunding all or part of the Bonds as permitted by Section 22.

C. Variable Interest Rate. In making the computations required by this Section 21 and Section 22, Obligations which bear a Variable Interest Rate shall be deemed to bear interest at the maximum rate permitted for those Obligations.

D. Certificate of City Finance Director. A written certificate or opinion of the City Finance Director that the Pledged Revenues for the applicable Historic Test Period are sufficient to pay the amounts required in this Section 21 shall be required in making a determination that the requirements set forth in this Section have been satisfied and shall be conclusively presumed to be accurate in determining that such requirements have been satisfied.

E. Bond Anticipation Notes. Whenever the City shall have authorized the issuance of Parity Obligations under the Act and the City shall, at the time, be permitted by the laws of the State to issue notes representing loans in anticipation of the sale of such Parity Obligations ("Bond Anticipation Notes"), the City may by resolution or ordinance authorize the issuance of Bond Anticipation Notes in anticipation of the sale of such Parity Obligations, provided, however, that before any Bond Anticipation Notes are actually issued, the conditions of Paragraph A of Section 21 shall be met. Bond Anticipation Notes shall not be issued in an amount exceeding the principal amount of the Parity Obligations in anticipation of the sale of which such notes are proposed to be issued.

For the purposes of determining compliance with this Section, as of the date of issuance of any Bond Anticipation Notes, the aggregate principal amount of all outstanding Bond Anticipation Notes (including such proposed Bond Anticipation Notes) shall never exceed the principal amount of a hypothetical issue of Parity Obligations which could be issued hereunder having an assumed final maturity of twenty (20) years, bearing an assumed rate of interest equal to the highest rate then borne by any Bond Anticipation Note then outstanding (or, if none, the interest rate borne by the proposed Bond Anticipation Notes to be issued) and having debt service due in each Fiscal Year in approximately equal amounts.

F. Put Obligations. In making the computations required by this Section 21 and Section 22, the principal amount of any Put Obligations to be outstanding in the Fiscal Year when the combined maximum annual Debt Service Requirements come due shall be excluded from the maximum annual Debt Service Requirements only if the Credit Facility providing liquidity or standby purchase support for Put Obligations is rated, on the date the computations are made, "A" or better by Fitch or S&P (if such rating agencies are then rating the Bonds). If there is no Credit Facility for the Put Obligations or the rating requirement for the Credit Facility set forth in the preceding sentence is not satisfied, the principal amount of the Put Obligations to be outstanding in the Fiscal Year when combined maximum annual Debt Service Requirements come due shall be considered in computing maximum annual Debt Service Requirements.

Section 22. Refunding Bonds. The provisions of Section 21 hereof are subject to the following exceptions:

A. Privilege of Issuing Refunding Obligations. If at any time after the Bonds, or any part thereof, shall have been issued and remain outstanding, the City shall find it desirable to refund any outstanding Parity Obligations or other outstanding obligations payable from the Pledged Revenues, such bonds or other obligations, or any part thereof, may be refunded (but only with the consent of the registered owner or owners thereof, unless the bonds or other obligations, at the time of their required surrender for payment, shall then mature, or shall then be callable for prior redemption at the City's option), regardless of whether the priority of the lien for the payment of the refunding obligations on the Pledged Revenues is changed (except as provided in Paragraph A of Section 21 and in Paragraphs B and C of this Section 22).

B. Limitations Upon Issuance of Refunding Obligations. No refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued on a parity with the Bonds herein authorized, unless:

(1) The lien on the Pledged Revenues of the outstanding obligations so refunded is on a parity with the lien thereon of the Bonds herein authorized; or

(2) The refunding bonds or other refunding obligations are issued in compliance with Paragraph A of Section 21 of this ordinance.

C. Refunding Part of an Issue. The refunding bonds or other obligations so issued shall enjoy complete equality of lien with the portion of any bonds or other obligations of the same issue which is not refunded, if any there be; and the registered owner or owners of such refunding bonds or such other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the registered owner or owners of the bonds or other obligations of the same issue refunded thereby.

D. Limitations Upon Issuance of any Refunding Obligations. Any refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued with such details as the City may by ordinance provide, subject to the inclusion of any such rights and privileges designated in Paragraph C of this Section 22, but without any impairment of any

contractual obligations imposed upon the City by any proceedings authorizing the issuance of any unrefunded portion of such outstanding obligations of any one or more issues (including but not necessarily limited to the issue herein authorized). If only a part of the outstanding bonds and any other outstanding obligations of any issue or issues payable from the Pledged Revenues are refunded, then such obligations may not be refunded without the consent of the registered owner or owners of the unrefunded portion of such obligations, unless:

(1) The refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest requirements evidenced by such refunding obligations and by the outstanding obligations not refunded on and prior to the last maturity date of such unrefunded obligations, or

(2) The refunding bonds or other refunding obligations are issued in compliance with Paragraph A of Section 21 hereof, or

(3) The lien on the Pledged Revenues for the payment of the refunding obligations is subordinate to each such lien for the payment of any obligations not refunded.

E. Cross-over Refunding Bonds. If the refunding bonds to be issued are Cross-over Refunding Bonds, the ordinance providing for the issuance thereof shall provide (1) that until the date on which the principal portion of the related Obligations being refunded is to be paid or redeemed from the proceeds of such Cross-over Refunding Bonds, the Cross-over Refunding Bonds shall not be Parity Obligations and shall be payable solely from the escrow provided for in the related ordinance, and (2) a certificate of an Independent Accountant shall be prepared to demonstrate the sufficiency of the moneys and investments in the escrow to pay the principal of and interest on the Cross-over Refunding Bonds until the date on which the principal portion of the related Obligations being refunded is to be paid or redeemed and to pay or redeem the related Obligations being refunded.

Section 23. Equality of Bonds. The Bonds authorized to be issued hereunder and from time to time outstanding shall not be entitled to any priority one over the other in the application of the Pledged Revenues, regardless of the time or times of their issuance, it being the intention of the Governing Body that there shall be no priority among the Bonds regardless of the fact that they may be actually issued and delivered at different times.

Section 24. Protective Covenants. The City hereby covenants and agrees with each and every registered owner of the Bonds that:

A. Payment of Bonds Herein Authorized. The City will promptly pay the principal of and the interest on every Bond issued hereunder and secured hereby at the place, on the dates and in the manner specified herein and in the Bonds according to the true intent and meaning hereof. Such principal and interest are payable solely from the Pledged Revenues. Nothing in the Bonds, any Qualified Exchange Agreement or this ordinance shall be construed as obligating the City to pay principal or interest on any of the Bonds from, and the holders of the Bonds and any Qualified Counterparty may not look to, any general or other fund of the City, except those specifically set forth herein.

B. Records. So long as any of the Bonds remain outstanding, proper books of record and account will be kept by the City, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Pledged Revenues.

C. Audits. The City further agrees that it will, within 270 days following the close of each Fiscal Year, cause an audit of such books and accounts to be made by an Independent Accountant, showing the revenues and expenditures of the Pledged Revenues. The City agrees to furnish forthwith a copy of each of such audits and reports to the Underwriter upon request. Any registered owner of a Bond shall have the right to discuss, with the Independent Accountant or person making the audit, the report and the contents thereof and to ask for such additional information as he may reasonably require.

D. Extending Interest Payments. In order to prevent any accumulation of claims for interest after maturity, the City will not directly or indirectly extend or assent to extension of time for the payment of any claim for interest on any of the Bonds and it will not directly or indirectly be a party to or approve any arrangement for any such extension or for the purpose of keeping alive any of such interest.

E. Performing Duties. The City will faithfully and punctually perform all duties with respect to the Bonds required by the Constitution and laws of the State of New Mexico and the ordinances and resolutions of the City including but not limited to the proper segregation of the Pledged Revenues and their application of the respective funds.

F. Other Liens. Other than the outstanding Subordinate Obligations, the outstanding Parity Obligations and the Bonds as recited in this ordinance, there are no liens or encumbrances of any nature whatsoever on or against the Pledged Revenues. This ordinance does not prohibit the issuance of Parity Obligations with a lien on the Pledged Revenues on parity with the lien thereon of the Bonds.

G. City's Existence. The City will maintain its corporate identity and existence so long as any of the Bonds herein authorized remain outstanding unless another political subdivision by operation of law succeeds to the liabilities and rights of the City, without affecting to any substantial degree the privileges and rights of any registered Owner of any outstanding Bonds.

H. Duty With Respect to Pledged Revenues. If the statutes or any ordinance which materially affects the Pledged Revenues or any part of such ordinances, shall ever be held to be invalid or unenforceable, it shall be the duty of the City, to the extent authorized by law, to immediately take any action necessary to produce sufficient Pledged Revenues to comply with the contracted obligations of this ordinance, except as provided in Paragraph I of this Section 24.

I. Impairment of Contract. The City agrees that any law or ordinance or resolution of the City in any manner affecting the Pledged Revenues or the Bonds, or otherwise appertaining thereto, shall not be repealed or otherwise directly or indirectly modified, in such a

manner as to impair adversely any Bonds outstanding, unless such Bonds have been discharged in full or provision has been fully made therefor, or unless the consent of the required percentage of the registered owners of the then outstanding Bonds is obtained pursuant to Section 32 of this ordinance.

J. Tax Covenant. The City covenants that it will use, and will restrict the use and investment of, the proceeds of the Bonds in such manner and to such extent as may be necessary so that (a) the Bonds will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds under Sections 141, 148 or 149 of the Tax Code, including applicable regulations, rulings and judicial decisions, or (ii) be treated other than as bonds to which Section 103(a) of the Tax Code applies, and (b) the interest thereon will not be treated as a preference item under Section 57 of the Tax Code. The City further covenants (a) that it will take or cause to be taken such actions that may be required of it for the interest on the Bonds to be and to remain excluded from gross income for federal income tax purposes, (b) that it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (c) that it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purposes of the borrowings, (ii) restrict the yield on investment property, (iii) make timely and adequate rebate payments, yield reduction payments or payments of alternative amounts in lieu of rebate to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Tax Code.

Authorized Officers of the City are hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the City with respect to the Bonds as the City is permitted or required to make or give under the federal income tax laws, including, without limitation thereto, any of the elections provided for in or available under Section 148 of the Tax Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Bonds or interest thereon or assisting in the compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount, yield reduction payments or payments of penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate or yield reduction payments, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by the officer, (b) to take any and all other actions, make or obtain calculations, make payments, including amounts required to be rebated to the United States pursuant to Section 148(f) of the Tax Code, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Bonds, and (c) to give one or more appropriate certificates of the City, for inclusion in the transcript of the proceedings for the Bonds, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Bonds.

K. Limitation on Parity Obligations with Variable Interest Rates. The City shall not issue Parity Obligations with a Variable Interest Rate which, at the time of issuance, are assigned a lower rating than the rating then assigned to the Bonds by Fitch or S&P, unless the

written consent of such rating agency to a lower rating is obtained prior to issuance of such Parity Obligations.

L. Notice of Qualified Exchange Agreements to Rating Agencies. The City shall not enter into a Qualified Exchange Agreement which is a Parity Obligation or with respect to any Parity Obligations without first providing notice of such Qualified Exchange Agreement to Fitch and S&P and without first receiving written confirmation from Fitch and S&P that entering into such Qualified Exchange Agreement, in and of itself, would not result in a reduction of the ratings then assigned to the Bonds by Fitch and S&P.

M. Continuing Disclosure Undertaking. Authorized Officers of the City are authorized to sign such documents with respect to the City's continuing disclosure obligations as are necessary or desirable to comply with the Continuing Disclosure Undertaking and requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

Section 25. Defeasance. When all principal and interest in connection with the Bonds hereby authorized have been duly paid, the pledge and lien and all obligations hereunder shall thereby be discharged and the Bonds shall no longer be deemed to be outstanding within the meaning of this ordinance. There shall be deemed to be such due payment as to any Bond when the Governing Body has placed in escrow and in trust with a commercial bank located within or without the State of New Mexico and exercising trust powers, an amount sufficient (including the known minimum yield from Federal Securities in which such amount may initially be invested) to meet all requirements of principal and interest as the same become due to its maturity or designated redemption date as of which the City shall have exercised or obligated itself to exercise its option to call the Bond. The Federal Securities shall become due prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the Governing Body and such bank at the time of the creation of the escrow or the Federal Securities shall be subject to the redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule. Federal Securities within the meaning of this Section 25 shall include only direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America and which are not callable prior to maturity by the issuer of such obligations.

Section 26. Events of Default. Each of the following events is hereby declared an "event of default":

A. Nonpayment of Principal. If payment of the principal of any of the Bonds herein authorized to be issued shall not be made when the same become due and payable; or

B. Nonpayment of Interest. If payment of any installment of interest shall not be made when the same becomes due and payable; or

C. Incapable to Perform. If the City shall for any reason be rendered incapable of fulfilling its obligations (but not including any obligation of the City under any Qualified Exchange Agreement) hereunder; or

D. Default of any Provision. If the City shall default in the due and punctual performance of its covenants or conditions, agreements and provisions contained in the Bonds or in this ordinance on its part to be performed (other than defaults described in Subparagraphs A, B and C of this Section 26), and if such default shall continue for 60 days after written notice specifying such default and requiring the same to be remedied shall have been given to the City by the registered owners of 25% in principal amount of the Bonds then outstanding.

E. Bankruptcy or Insolvency of City. (1) The City shall (a) apply for or consent to the appointment of or the taking of possession by, a receiver, custodian, trustee, liquidator or the like of the City or of all or a substantial part of its property, (b) commence a voluntary case under the Federal Bankruptcy Code, or (c) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, or reorganization, or (2) a proceeding or case shall be commenced, without application or consent of the City, in any court of competent jurisdiction seeking (a) the liquidation, reorganization, dissolution, winding-up or adjustment of debts of the City, (b) appointment of a trustee, receiver, custodian, liquidator or the like of the City or of all or a substantial part of its assets, or (c) similar relief in respect of the City under any law relating to bankruptcy, insolvency, reorganization, winding-up or adjustment of debts.

Section 27. Remedies of Defaults. Upon the happening and continuance of any of the events of default as provided in Section 26 of this Ordinance, then and in every case the registered owner or owners of not less than 25% in principal amount of the Bonds then outstanding, including but not limited to a trustee or trustees, may proceed against the City, its Governing Body, and its agents, officers and employees to protect and enforce the rights of any registered owner of Bonds under this ordinance by mandamus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for specific performance of any covenant or agreement contained herein or award or execution of any power herein granted for the enforcement of any power, legal or equitable remedy as such registered owner or owners may deem most effectual to protect and enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any registered owner, or to require the Governing Body of the City to act as if it were the trustee of an expressed trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all registered owners of the Bonds then outstanding. The failure of any such registered owner so to proceed shall not relieve the City or any of its officers, agents or employees of any liability for failure to perform any duty. Each right or privilege of any such registered owner (or trustee thereof) is in addition and cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any registered owner shall not be deemed a waiver of any other right or privilege thereof.

Section 28. Duties Upon Default. Upon the happening of any of the events of default as provided in Section 26 of this ordinance, the City, in addition, will do and perform all proper acts on behalf of and for the registered owners of the Bonds to protect and preserve the security created for the payment of the principal of and interest on the Bonds promptly as the same become due. All proceeds derived from the Pledged Revenues, so long as any of the Bonds herein authorized, either as to principal or interest, are outstanding and unpaid, shall be paid into

the proper fund and used for the purposes therein provided. In the event the City fails or refuses to proceed as in this Section 28 provided, the registered owner or registered owners of not less than 25% in principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect and enforce the rights of the registered owners as hereinabove provided.

Section 29. Enforcement. Any registered owner of any one or more of the Bonds, may, either by law or in equity, by suit, action, mandamus or other appropriate proceedings in any court of competent jurisdiction enforce the payment of principal of, and interest on, any Bond on or after the date on which such payment is due, and may by suit, action, mandamus or other appropriate proceeding or proceedings enforce and compel the performance of such payment in accordance with the provisions of this ordinance.

Section 30. Severability. If any Section, paragraph, clause or provision of this ordinance shall be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

Section 31. Repealer Clause. All ordinances or parts of ordinances inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance or part of any ordinance heretofore repealed.

Section 32. Amendment.

A. Limitations upon Amendments. This ordinance may be amended or supplemented by ordinance or resolution of the Governing Body without the consent of registered owners:

(1) To cure any ambiguity, or to cure, correct or supplement any defect or inconsistent provision contained in this ordinance;

(2) To grant to the registered owners any additional rights, remedies, powers or authority that may lawfully be granted to them;

(3) To obtain or maintain a rating on the Bonds from any rating agency which amendment, in the judgment of Bond Counsel, does not materially adversely affect the registered owners of the Bonds;

(4) To achieve compliance with federal securities or tax laws;

(5) To make any other changes in this ordinance which, in the opinion of Bond Counsel, is not materially adverse to the registered owners; and

(6) To make any other changes in this ordinance in connection with the execution of a Qualified Exchange Agreement, which changes do not adversely affect the rating(s) assigned to the Bonds by Fitch and S&P (if such rating agencies are then rating the Bonds) and do not adversely affect the registered owners.

B. Additional Amendments. Except as provided above, this ordinance may only be amended or supplemented by ordinance adopted by the Governing Body in accordance with the laws of the State, without receipt by the City of any additional consideration, but with the written consent of the registered owners of a majority of the principal amount of the outstanding Bonds which are affected by the amendment or supplement (not including Bonds which are then owned by or for the account of the City); provided, however, that, without first obtaining the consent of all registered owners of the outstanding Bonds, no such ordinances shall have the effect of permitting:

- (1) An extension of the maturity of any Bond; or
- (2) A reduction in the principal amount of or interest rate on any Bond; or
- (3) The creation of a lien on or a pledge of Pledged Revenues ranking prior to the lien or pledge of Parity Obligations on Pledged Revenues; or
- (4) A reduction of the principal amount of Bonds required for consent to such amendment or supplement.

C. Proof of Instruments. The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction who by the laws of that jurisdiction is authorized to take acknowledgments of deeds within that jurisdiction that the person signing the instrument acknowledged before him the execution of that instrument, or may be proved by an affidavit of a witness to the execution sworn to before such officer.

D. Proof of Bonds. The principal amount and number of Bonds owned by any person executing such instrument and the date of holding that instrument may be proved by a certificate executed by a bank or trust company showing that on the date mentioned that person had on deposit with the bank or trust company the Bonds described in the certificate.

Section 33. Ordinance Irrepealable. After any of the Bonds herein authorized are issued, this ordinance shall be and remain irrepealable until the Bonds and interest thereon shall be fully paid, canceled and discharged as therein provided, or there has been defeasance as provided in Section 25 of this ordinance.

Section 34. Effective Date, General Summary for Publication. Upon due adoption of this ordinance, the ordinance shall be recorded and preserved by the City Clerk, authenticated by the signature of the Mayor and City Clerk, and the seal of the City impressed hereon, and the title and general summary of the subject matter contained in this ordinance (set out below) shall be published in a newspaper which maintains an office and is of general circulation in the City and this ordinance shall be in full force and effect after its publication in accordance with law.

Pursuant to Section 3-17-5 NMSA 1978, as amended, the title and a general summary of the subject matter contained in this ordinance shall be published in substantially the following form:

(Form of Summary of Ordinance for Publication)

CITY OF SANTA FE, NEW MEXICO

NOTICE IS HEREBY GIVEN of the title and of a general summary of the subject matter contained in an ordinance duly adopted and approved by the Governing Body of the City of Santa Fe on August 27, 2014. A complete copy of the ordinance is available for public inspection during the normal and regular business hours of the City Clerk in the office of the City Clerk, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

The title of the ordinance is:

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF SANTA FE, NEW MEXICO GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2014 IN AN AGGREGATE PRINCIPAL AMOUNT OF \$15,460,000 FOR THE PURPOSE OF DEFRAYING THE COST OF PUBLIC PROJECTS RELATED TO PUBLIC UTILITIES, PUBLIC WORKS, PARKS AND RECREATION, AND COMMUNITY SERVICES AS AUTHORIZED BY LAW AND THE CITY'S HOME RULE POWERS; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE FROM THE GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY; ESTABLISHING THE FORM, TERMS, MANNER OF EXECUTION AND OTHER DETAILS OF THE BONDS; APPROVING CERTAIN OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION WITH THE BONDS; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION WITH THE BONDS; REPEALING ALL ORDINANCES IN CONFLICT HERewith; AND RELATED MATTERS.

A general summary of the subject matter contained in such ordinance is set forth in the title.

COMPLETE COPIES OF THE ORDINANCE ARE ON FILE IN THE OFFICE OF THE CITY CLERK AT THE CITY HALL, 200 LINCOLN AVENUE, SANTA FE, NEW MEXICO, AND ARE AVAILABLE FOR INSPECTION AND/OR PURCHASE DURING REGULAR OFFICE HOURS. THIS NOTICE ALSO CONSTITUTES COMPLIANCE WITH SECTION 3-17-5 AND SECTIONS 6-14-4 THROUGH 6-14-7, NMSA 1978.

WITNESS my hand and the seal of the City on August 27, 2014.

CITY OF SANTA FE

(SEAL)

By _____
City Clerk

(End of Form of Ordinance for Publication)

(Remainder of page intentionally left blank)

PASSED, ADOPTED, SIGNED AND APPROVED THIS 27TH DAY OF AUGUST, 2014.

GOVERNING BODY OF THE
CITY OF SANTA FE

(SEAL)

By _____
Javier M. Gonzales, Mayor

ATTEST:

By _____
Yolanda Y. Vigil, City Clerk

APPROVED AS TO FORM:

By _____
Kelley A. Brennan, City Attorney

After discussion, Councilor __ moved for approval, with Councilor __ seconding the motion. Bill No. 2014-__ passed upon the following roll call vote:

Those voting AYE: _____

Those voting NAY: _____

Those not present: _____

The presiding officer thereupon declared that at least a three-fourths of all the members of the Governing Body having voted in favor of adoption of Bill No. 2014-__ the motion was carried and Ordinance No. 2014-__ was duly passed and adopted.

After consideration by the Governing Body of other business the meeting was duly adjourned.

GOVERNING BODY OF THE
CITY OF SANTA FE, NEW MEXICO

(SEAL)

By _____
Javier M. Gonzales, Mayor

ATTEST:

By _____
Yolanda Y. Vigil, City Clerk

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

I, Yolanda Y. Vigil, City Clerk of the City of Santa Fe, New Mexico, do hereby certify:

1. The foregoing pages constitute a full and correct copy of the record of the proceedings of the Governing Body of the City at a regular meeting thereof, held on August 27, 2014, taken from the official minutes of the Governing Body, a copy of which is set forth in the record of proceedings; the copy of that Ordinance as contained in the record of proceedings is a full, true and correct copy of the original of Ordinance No. 2014-__ as passed by the Governing Body at that meeting, and the original Ordinance has been duly authenticated by the signatures of the Mayor of the City and the City Clerk on that date, sealed with the corporate seal of the City, and recorded in my office in a book of ordinances kept for that purpose.

2. _____ () members of the Governing Body were present at that meeting, and the members of the Governing Body voted on the passage of that Ordinance as set forth in the record of proceedings.

3. Notice of the August 27, 2014 meeting of the Governing Body was duly given as required by the Open Meetings Act, Sections 10-15-1 through 10-15-4, NMSA 1978, and Resolution No. 2014-__ which is the current resolution of the City which establishes the reasonable notice policy of the City as required by the Open Meetings Act.

4. On August 5, 2014, a Notice of Public Hearing on Adoption of Bill No. 2014- was published in *The Santa Fe New Mexican*, a newspaper which maintains an office in and is of general circulation within the City. A true and correct copy of the affidavit of publication of the Notice of Public Hearing is attached hereto as Exhibit A.

5. On August 29, 2014, a Notice of Adoption of Ordinance No. 2014-__ was published by title and summary of its subject matter in *The Santa Fe New Mexican*, a newspaper which maintains an office in and is of general circulation within the City. A true and correct copy of the affidavit of publication of the Notice of Adoption is attached hereto as Exhibit B.

6. No other business concerning that Ordinance was taken at that meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the City of Santa Fe, New Mexico this day of 2014.

CITY OF SANTA FE

(SEAL)

By Yolanda Y. Vigil, City Clerk

EXHIBIT A
(Notice of Public Hearing)

EXHIBIT B
(Notice of Adoption)

CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2014-__

INTRODUCED BY:

Referendum & Initiative Petition

A RESOLUTION

CALLING FOR A SPECIAL MUNICIPAL ELECTION TO BE HELD IN THE CITY OF SANTA FE ON MARCH 1, 2016, IN CONJUNCTION WITH THE REGULAR MUNICIPAL ELECTION, FOR THE PURPOSE OF VOTING FOR OR AGAINST MUNICIPAL QUESTIONS RESULTING FROM A REFERENDUM AND INITIATIVE RELATED TO REDUCING MARIJUANA PENALTIES.

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

Section 1. DATE AND PURPOSE OF ELECTION. A special municipal election shall be held in conjunction with the regular municipal election on March 1, 2016 for the purposes of:

A. Voting for or against an ordinance repealing Paragraph A of Subsection 16-15.1 SFCC 1987 to reduce the penalties for possession of one ounce or less of marijuana; and

B. Voting for or against an ordinance adding new material to Paragraph A of Subsection 16-15.2 SFCC 1987 to reduce the penalties for possession of marijuana paraphernalia; and creating a new section 20-6 SFCC 1987 to establish that possession of one ounce or less of marijuana and possession of marijuana paraphernalia are civil infractions.

1 Section 2. **MUNICIPAL QUESTIONS TO BE SUBMITTED.** The following
2 municipal questions shall be submitted to the qualified electors of the City of Santa Fe:

3 **MUNICIPAL QUESTION 1**

4 **CITY OF SANTA FE REFERENDUM**

5 **An Ordinance Repealing Paragraph A of Subsection 16-15.1 SFCC 1987 to**
6 **Reduce the Penalties for Possession of One Ounce or Less of Marijuana.**

7 **16-15.1 Intent; [Marijuana;] Synthetic Cannabinoids; Possession**
8 **Prohibited.**

9 ~~[A. — It is unlawful for a person intentionally to possess one (1) ounce or~~
10 ~~less of marijuana. It is not a violation of this section for a person to possess marijuana~~
11 ~~obtained pursuant to a valid prescription or order of a practitioner while acting in the~~
12 ~~course of his professional practice or as authorized by the Controlled Substances Act,~~
13 ~~Section 30-31-1 NMSA-1978.]~~

14 [B]A. It is unlawful for a person intentionally to possess one (1) ounce or
15 less of synthetic cannabinoids for the purpose of causing a condition of or inducing
16 symptoms of intoxication, elation, euphoria, dizziness, excitement, irrational
17 behavior, exhilaration, stupefaction or dulling of the senses, or for the purpose of, in
18 any manner, changing, distorting or disturbing the audio, visual or mental processes.

19 [C]B. A person who violates this section shall, for the first offense, be
20 guilty of a petty misdemeanor and shall be punished by a fine of not less than fifty
21 dollars (\$50.00) or more than one hundred dollars (\$100.) and by imprisonment for
22 not more than fifteen (15) days.

23 [D]C. The municipal court does not have jurisdiction over subsequent
24 offenses.

25 FOR THE ORDINANCE ○

1 The provisions of this subsection do not apply to:

2 (1) Department of health employees or their designees while they are
3 directly and immediately engaged in activities related to the harm reduction program
4 authorized by the Harm Reduction Act; or

5 (2) The sale or distribution of hypodermic syringes and needles by
6 pharmacists licensed pursuant to the Pharmacy Act.

7 C. A person who violates this section with respect to subsection A of this
8 section is guilty of a petty misdemeanor and upon conviction shall be punished by a fine
9 of not less than fifty dollars (\$50.00) nor more than one hundred dollars (\$100.) or by
10 imprisonment for a definite term of ninety (90) days, or both. A person who violates this
11 section with respect to paragraph B of this subsection is guilty of a petty misdemeanor.
12 (For state law, see Sec. 30-31-25.1)

13 **20-6 [NEW MATERIAL] MARIJUANA AND MARIJUANA PARAPHERNALIA**
14 **POSSESSION**

15 **20-6.1 Lowest Law Enforcement Priority; Possession Prohibited.**

16 A. It is the duty of the police department to make possession of one ounce
17 or less of marijuana the lowest law enforcement priority.

18 B. A person who possesses one ounce or less of marijuana may be fined no
19 more than twenty-five dollars (\$25.00). It is not a violation of this section for a person to
20 possess marijuana obtained pursuant to a valid prescription or order of a practitioner
21 while acting in the course of his professional practice or as authorized by the Controlled
22 Substances Act, Section 30-31-1 NMSA 1978.

23 C. A person possessing paraphernalia intended for use, or designed for use
24 in ingesting, inhaling, or otherwise introducing marijuana into the human body may be
25 fined no more than twenty-five dollars (\$25.00).

FOR THE ORDINANCE ☐

AGAINST THE ORDINANCE ☐

Section 3. CLOSING OF REGISTRATION BOOKS. Only qualified electors of the City of Santa Fe may vote in the special municipal election. A qualified elector is any person whose affidavit of voter registration has been filed by the Santa Fe County Clerk on or before the twenty-eighth (28th) day prior to the election, who is registered to vote in a general election precinct established by the Santa Fe Board of County Commissioners that is wholly or partly within the City of Santa Fe boundaries, and who is a resident of the City of Santa Fe. Registration books for this election will be closed at 5:00 p.m. on February 2, 2016.

Section 4. POLLING PLACES AND CONSOLIDATION OF PRECINCTS. The following polling places shall be used for the conduct of the special municipal election and qualified electors of the City of Santa Fe may vote at the polling places listed below between the hours of 7:00 a.m. and 7:00 p.m. on March 1, 2016.

<u>DISTRICT #1</u>	<u>POLLING PLACE</u>
Consolidated Precincts 8, 30	Ft. Marcy Complex, 490 Bishops Lodge Road
Consolidated Precincts 9, 28	Montezuma Lodge, 431 Paseo de Peralta
Precinct 10	Ft. Marcy Complex, 490 Bishops Lodge Road
Consolidated Precincts 11, 20	Gonzales Community School, 851 W. Alameda
Consolidated Precincts 21, 83	Gonzales Community School, 851 W. Alameda
Precinct 22	Montezuma Lodge, 431 Paseo de Peralta
Precinct 24	Academy at Larragoite, 1604 Agua Fria Street
Consolidated Precinct 25, 33	Aspen Community Magnet School, 450 La Madera
Consolidated Precincts 26, 27	Tierra Encantada Charter School @ Alvord, 551 Alarid Street
Precinct 32	Academy at Larragoite, 1604 Agua Fria Street
<u>DISTRICT #2</u>	<u>POLLING PLACE</u>

Substitute Resolution

1	Consolidated Precincts 36, 47	Acequia Madre Elementary School, 700 Acequia Madre
2	Consolidated Precincts 37, 54	Capshaw Middle School, 351 W. Zia Road
3	Consolidated Precincts 41, 42, 43	Public Schools Administration Building, 610 Alta Vista Street
4	Precinct 44	Wood Gormley Elementary School, 141 E. Booth Street
5	Consolidated Precincts 45, 46	Unitarian Universalist Congregation of Santa Fe, 107 W. Barcelona
6	Precinct 48	Elks BPOE 460 Lodge, 1615 Old Pecos Trail
7	Precinct 52	E.J. Martinez Elementary School, 401 W. San Mateo Road
8	Precinct 53	Pasatiempo Senior Center, 664 Alta Vista Street
9	Precinct 55	Elks BPOE 460 Lodge, 1615 Old Pecos Trail
10	<u>DISTRICT #3</u>	<u>POLLING PLACE</u>
11	Consolidated Precincts 12, 67	Sweeney Elementary School, 4100 S. Meadows Road
12	Consolidated Precincts 31, 66	Salazar Elementary School, 1231 Apache Avenue
13	Precinct 34	Salazar Elementary School, 1231 Apache Avenue
14	Consolidated Precincts 62, 75	Ortiz Middle School, 4164 S. Meadows Road
15	Consolidated Precincts 64, 80	Sweeney Elementary School, 4100 S. Meadows Road
16	Consolidated Precincts 86, 89	Southside Library, 6599 Jaguar Drive
17	<u>DISTRICT #4</u>	<u>POLLING PLACE</u>
18	Precinct 29	Genoveva Chavez Community Center, 3221 Rodeo Road
19	Consolidated Precincts 35, 74	Nava Elementary School, 2655 Siringo Road
20	Consolidated Precincts 38, 56	Genoveva Chavez Community Center, 3221 Rodeo Road
21	Consolidated Precincts 39, 49	Genoveva Chavez Community Center, 3221 Rodeo Road
22	Precinct 50	Nava Elementary School, 2655 Siringo Road
23	Consolidated Precincts 51, 76	Chaparral Elementary School, 2451 Avenida Chaparral
24	Precinct 77	Chaparral Elementary School, 2451 Avenida Chaparral
25	Precinct 78	Genoveva Chavez Community Center, 3221 Rodeo Road

ABSENTEE VOTER PRECINCT (All Districts)

Office of the City Clerk, Room 215, City Hall, 200 Lincoln Avenue

EARLY VOTER PRECINCTS (All Districts)

Office of the City Clerk, Room 215, City Hall, 200 Lincoln Avenue

BE IT FURTHER RESOLVED that the Governing Body authorizes staff to administratively amend this resolution as may be necessary to carry out the purposes stated in this resolution.

PASSED, APPROVED and ADOPTED this _____ day of _____, 2014.

JAVIER M. GONZALES, MAYOR

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK

APPROVED AS TO FORM:

KELLEY A. BRENNAN, CITY ATTORNEY

CITY OF SANTA FE, NEW MEXICO
PROPOSED AMENDMENT(S) TO RESOLUTION NO. 2014-____
Special Election Resolution – Reducing Marijuana Penalties

Mayor and Members of the City Council:

We propose the following amendment(s) to Resolution No. 2014-____:

1. On page 8, line 11, *insert* the following provision:

“BE IT FURTHER RESOLVED that the Governing Body authorizes staff to administratively amend this resolution, make such expenditures and execute such agreements or other documents as may be necessary to carry out the purposes stated in this resolution.”

Respectfully submitted,

Staff

ADOPTED: _____

NOT ADOPTED: _____

DATE: _____

Yolanda Y. Vigil, City Clerk

**OPTIONS FOR REFERENDUM AND INITIATIVE PETITION
REDUCING MARIJUANA PENALTIES**

Ordinance:

Option 1: Motion to postpone matter to a date certain (9/10/14 or 9/23/14)

The motion must be made prior to any action on the Ordinance. The effect of this would be that the questions would not be placed on the November 2014 General Election Ballot, but placed on a municipal election ballot on March 1, 2016 or such other date determined by the Governing Body.

Option 2: Motion to approve the adoption of Ordinance

If motion passes, then there is no need to consider adoption of an election resolution.

Option 3: *If the Governing Body fails to approve the adoption of the Ordinance, then the Governing Body shall enact an election resolution.*

Election Resolution

Option 4: Motion to approve the special election resolution for the questions to be placed on the November 4, 2014 General Election Ballot.

If motion fails, then the Governing Body shall enact a special election resolution so that a special municipal election will be held in conjunction with the next regular municipal election, March 1, 2016, or such other date determined by the Governing Body.

Exhibit "11"