



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
SEPTEMBER 15, 2014 – 5:00 P.M.

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES:

CITY CLERK'S OFFICE

DATE 9/12/14 TIME 9:50
SERVED BY [Signature]
RECEIVED BY [Signature]

Regular Finance Committee Meeting – September 2, 2014

INFORMATIONAL AGENDA

6. Status of City's Cash and Investment Portfolio as of June 30, 2014. (Helene Hausman)

CONSENT AGENDA

7. Bid No. 15/03/B – Poly John Rental for City Wide Parks and Professional Services Agreement; Next Generation Contracting, LLC. (Bobbi Mossman)
8. Request for Approval of Change Order No. 1 – Colonia Prisma Park; Lee Landscapes, Inc. (Mary MacDonald)
 - A. Request for Approval of Budget Adjustment – Project Fund
9. Request for Approval of Amendment No. 3 to Professional Services Agreement – Lease and Operation of Restaurant Located at Marty Sanchez Links de Santa Fe; Northern Ventures, LLC d/b/a The Links Bar & Grill. (Jennifer Romero)
10. Request for Approval of State Grant Application and Agreement – Conducting Projects at Santa Fe Municipal Airport - Air Services Study; Rates and Fees Study; New Mexico Department of Transportation, Aviation Division. (Francey Jesson)
 - A. Request for Approval of Budget Increase – Grant Fund
11. Request for Approval of Memorandum of Understanding (MOU) – Day Reporting Program for Juveniles through State of New Mexico Children, Youth and Families Department Funding; Santa Fe County. (Richard DeMella)



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
SEPTEMBER 15, 2014 – 5:00 P.M.

12. Request for Approval of Exempt Procurement and PremierPro Support and Maintenance Agreement – VoiceUtility Interactive Voice Response System for Utility Billing and Building Permits Division; Selectron Technologies, Inc. (Caryn Fiorina)
13. Request for Approval of Exempt Procurement and Support Services Agreement – Annual Maintenance and Support Services for Fire Records, Police and Land Use Departments; SunGard Public Sector, Inc. (Caryn Fiorina)
14. Request for Approval of Procurement under State Price Agreement and Memorandum Agreement – Dedicated Internet Services for Santa Fe Convention and Visitors Bureau; CenturyLink Communication. (Thomas Williams)
15. Request for Approval of Procurement under State Price Agreement and Consolidated Maintenance Agreements – Copiers and Multi-Function Printers City Wide; Rocky Mountain Business Systems. (Robert Rodarte)
16. Request for Approval of Procurement under State and Cooperative Price Agreements – Online Computer Cataloging and Interlibrary Network Services for Santa Fe Public Library; OCLC Online Computer Center, Inc. (Patricia Hodapp)
17. Request for Approval to Create, Post and Fill an Anti-Graffiti Program Manager Position for Keep Santa Fe Beautiful Funded through Environmental Services Division. (Nick Schiavo)
18. Request for Approval of Budget Increase – Reflect Proper Merger of Accounts for FY 2015 Budget Process for Transit Division. (Jon Bulthuis)
19. Request for Approval of Amendment No. 2 to Professional Services Agreement – Business Development Incubation Services to the City of Santa Fe; Santa Fe Business Incubator. (Fabian Trujillo)
20. Request for Approval of Resolution Supporting the New Mexico Litter Control and Beautification Act of 1985 which Provides Public Funds in the Form of Grants for the Purpose of Enhancing Local Litter Control and Beautification Programs. (Councilors Trujillo, Rivera and Ives) (Gilda Montano)
 - A. Request for Approval of Grant Agreement – Litter Control and Beautification; State of New Mexico Tourism Department.



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
SEPTEMBER 15, 2014 – 5:00 P.M.

B. Request for Approval of Budget Increase – Grant Fund

Committee Review:

Public Utilities Committee (approved)	09/03/14
City Council (scheduled)	09/23/14

Fiscal Impact – Yes

21. Request for Approval of 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. (Mayor Gonzales) (Jon Bulthuis)

Committee Review:

Public Works Committee (no quorum)	09/08/14
City Council (scheduled)	09/23/14

Fiscal Impact – Yes

END OF CONSENT AGENDA

DISCUSSION

22. Presentation and Request for Approval of Agreement – Safe Traffic Operations Program (STOP) (RFP #14/18/P); Redflex Traffic Systems, Inc. (Eric Garcia, Chief of Police)
23. Request to Consider and Provide Recommendations to the Governing Body Regarding the Reallocation of Approximately \$1,900,000 as Described in Resolution 2014-63, for Bike-Pedestrian Trails and Related Safety and Infrastructure Projects. (Eric Martinez)
24. General Budget Discussion (Please bring Annual Operating Budget Books).
25. OTHER FINANCIAL INFORMATION:
- A. Update on Gross Receipts Tax Report Received in September 2014 (for July 2014 activity) and Lodgers' Tax Report Received in September 2014 (for August 2014 activity). (Teresita Garcia)



Agenda

**FINANCE COMMITTEE MEETING
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SEPTEMBER 15, 2014 – 5:00 P.M.**

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26. MATTERS FROM THE COMMITTEE
 27. ADJOURN

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

**SUMMARY OF ACTION
FINANCE COMMITTEE MEETING
Monday, September 15, 2014**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved	1-2
APPROVAL OF CONSENT AGENDA	Approved [amended]	2
CONSENT AGENDA LISTING		2-4
APPROVAL OF MINUTES: REGULAR FINANCE COMMITTEE MINUTES – SEPTEMBER 2, 2014.	Approved	4
<u>INFORMATIONAL AGENDA</u>		
STATUS OF CITY'S CASH AND INVESTMENT PORTFOLIO AS OF JUNE 30, 2014	Information/discussion	4-9
<u>CONSENT CALENDAR DISCUSSION</u>		
REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT – LEASE AND OPERATION OF RESTAURANT LOCATED AT MARTY SANCHEZ LINKS DE SANTA FE; NORTHERN VENTURES, LLC D/B/A THE LINKS BAR & GRILL	Postponed to 09/29/14	9-12
REQUEST FOR APPROVAL OF MEMORANDUM OF UNDERSTANDING (MOU) – DAY REPORTING PROGRAM FOR JUVENILES THROUGH STATE OF NEW MEXICO CHILDREN, YOUTH AND FAMILIES DEPARTMENT FUNDING; SANTA FE COUNTY	Approved	12-13
REQUEST FOR APPROVAL TO CREATE, POST AND FILL AN ANTI-GRAFFITI PROGRAM MANAGER POSITION FOR KEEP SANTA FE BEAUTIFUL FUNDED THROUGH ENVIRONMENTAL SERVICES DIVISION	Approved	13-14

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
REQUEST FOR APPROVAL OF 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	Approved	14-16
***** END OF CONSENT CALENDAR DISCUSSION *****		
<u>DISCUSSION</u>		
REQUEST TO CONSIDER AND PROVIDE RECOMMENDATIONS TO THE GOVERNING BODY REGARDING THE REALLOCATION OF APPROXIMATELY \$1,900,000, AS DESCRIBED IN RESOLUTION 2014-63, FOR BIKE PEDESTRIAN TRAILS AND RELATED SAFETY AND INFRASTRUCTURE PROJECTS	Approved	17-29
PRESENTATION AND REQUEST FOR APPROVAL OF AGREEMENT – SAFE TRAFFIC OPERATIONS PROGRAM (STOP) (RFP #14/18/P); REDFLEX TRAFFIC SYSTEMS, INC.	Not approved	29-45
GENERAL BUDGET DISCUSSION	Information/discussion	45-52
<u>OTHER FINANCIAL INFORMATION</u>		
UPDATE ON GROSS RECEIPTS TAX REPORT RECEIVED IN SEPTEMBER 2014 (FOR JULY 2014 ACTIVITY) AND LODGERS' TAX REPORT RECEIVED IN SEPTEMBER 2014 (FOR AUGUST 2014 ACTIVITY)	Not heard	52
MATTERS FROM THE COMMITTEE	None	52
ADJOURN		52

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE**
Monday, September 15, 2014

1. CALL TO ORDER

A meeting of the City of Santa Fe Finance Committee was called to order by Chair Carmichael A. Dominguez, at approximately 5:00 p.m., on Monday, September 15, 2014, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

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

OTHER GOVERNING BODY MEMBERS IN ATTENDANCE

Councilor Peter N. Ives
Councilor Patti J. Bushee

OTHERS ATTENDING:

Robert Rodarte, Finance Department
Yolanda Green, Finance Division
Melessia Helberg, Stenographer.

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

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

3. APPROVAL OF AGENDA

Robert Rodarte said Item #24 needs to be removed from the Agenda, because there is no one here from Finance to lead that discussion.

Chair Dominguez said he wants to keep Item #24 on the agenda, and use it as a way to open discussions about budgeting, noting he will take the lead on that discussion.

Mr. Rodarte said, with regard to Item #25, we did not receive the GRT Report today.

Chair Dominguez said we will keep Item #25 on the agenda as it may pertain to Item #24.

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

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

4. APPROVAL OF CONSENT AGENDA

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

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

CONSENT AGENDA

7. **BID NO. 15/03/B – POLY JOHN RENTAL FOR CITY WIDE PARKS AND PROFESSIONAL SERVICES AGREEMENT; NEXT GENERATION CONTRACTING, LLC. (BOBBI MOSSMAN)**
8. **REQUEST FOR APPROVAL OF CHANGE ORDER NO. 1 – COLONIA PRISMA PARK; LEE LANDSCAPES, INC. (MARY MacDONALD)**
 - A. **REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT – PROJECT FUND.**
9. ***[Removed for discussion by Councilor Lindell]***
10. **REQUEST FOR APPROVAL OF GRANT APPLICATION AND AGREEMENT – CONDUCTING PROJECTS AT SANTA FE MUNICIPAL AIRPORT – AIR SERVICES STUDY; RATES AND FEES STUDY; NEW MEXICO DEPARTMENT OF TRANSPORTATION, AVIATION DIVISION. (FRANCEY JESSON)**
 - A. **REQUEST FOR APPROVAL OF BUDGET INCREASE – GRANT FUND.**
11. ***[Removed for discussion by Councilor Lindell]***

12. REQUEST FOR APPROVAL OF EXEMPT PROCUREMENT AND PREMIERPRO SUPPORT AND MAINTENANCE AGREEMENT – VOICEUTILITY INTERACTIVE VOICE RESPONSE SYSTEM FOR UTILITY BILLING AND BUILDING PERMITS DIVISION; SELECTRON TECHNOLOGIES, INC. (CARYN FIORINA)
13. REQUEST FOR APPROVAL OF EXEMPT PROCUREMENT AND SUPPORT SERVICES AGREEMENT – ANNUAL MAINTENANCE AND SUPPORT SERVICES FOR FIRE RECORDS, POLICE AND LAND USE DEPARTMENTS; SUNGARD PUBLIC SECTOR, INC. (CARYN FIORINA)
14. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT AND MEMORANDUM AGREEMENT – DEDICATED INTERNET SERVICES FOR SANTA FE CONVENTION AND VISITORS BUREAU; CENTURYLINK COMMUNICATION. (THOMAS WILLIAMS)
15. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENTS AND PROFESSIONAL SERVICES AGREEMENT – CITY WIDE ANALYTICAL LABORATORY AND CHEMICAL ANALYSIS SERVICES FOR WATER DIVISION; HALL ENVIRONMENTAL ANALYSIS INCORPORATED. (ALEX PUGLISI AND ROBERT RODARTE)
16. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – EDUCATION AND OUTREACH FOR SANTA FE WATERSHED MANAGEMENT PROGRAM; SANTA FE WATERSHED ASSOCIATION. (ALAN HOOK)
17. *[Removed for discussion by Chair Dominguez]*
18. REQUEST FOR APPROVAL OF BUDGET INCREASE – REFLECT PROPER MERGER OF ACCOUNTS FOR FY 2015 BUDGET PROCESS FOR TRANSIT DIVISION. (JON BULTHUIS)
19. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – BUSINESS DEVELOPMENT INCUBATION SERVICES TO THE CITY OF SANTA FE; SANTA FE BUSINESS INCUBATOR. (FABIAN TRUJILLO)
20. REQUEST FOR APPROVAL OF A RESOLUTION SUPPORTING THE NEW MEXICO LITTER CONTROL AND BEAUTIFICATION ACT OF 1985, WHICH PROVIDES PUBLIC FUNDS IN THE FORM OF GRANTS FOR THE PURPOSE OF ENHANCING LOCAL LITTER CONTROL AND BEAUTIFICATION PROGRAMS (COUNCILORS TRUJILLO, RIVERA AND IVES) (GILDA MONTANO)
 - A. REQUEST FOR APPROVAL OF GRANT AGREEMENT – LITTER CONTROL AND BEAUTIFICATION; STATE OF NEW MEXICO TOURISM DEPARTMENT.
 - B. REQUEST FOR APPROVAL OF BUDGET INCREASE – GRANT FUND.

Committee Review: Public Utilities Committee (approved) 09/03/14; and City Council (scheduled) 09/23/14. Fiscal Impact – Yes.

21. ***[Removed for discussion by Councilor Rivera]***

END OF CONSENT AGENDA

5. **APPROVAL OF MINUTES: REGULAR FINANCE COMMITTEE MINUTES – SEPTEMBER 2, 2014.**

MOTION: Councilor Rivera moved, seconded by Chair Dominguez, to approve the minutes of the Regular Finance Committee Meeting of September 2, 2014, as presented.

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

INFORMATIONAL AGENDA

6. **STATUS OF CITY'S CASH AND INVESTMENT PORTFOLIO AS OF JUNE 30, 2014. (HELENE HAUSMAN)**

Helene Hausman noted she asked Scott McIntyre from First Southwest Asset Management, Austin, Texas, who is one of the team of investment advisors that she uses, to join us this evening so the Committee can meet him and hear what he has to say.

Ms. Hausman presented information from her Memorandum of September 15, 2014, with attachments, to the Finance Committee, from Helene R. Hausman, Cash Management & Investment Officer, regarding Fiscal Year End Cash & Investment Report. Please see this Memorandum for specifics of this presentation.

Ms. Hausman said she has good news for the first time since October 2008, noting the Chart on page 23 of the packet which indicates we have finally started to stabilize.

The Committee commented and asked questions as follows:

- Councilor Maestas said this is a great summary and Ms. Hausman has done a good job on the late investments. He said the feds have been propping up the market, and she indicated that could all go away by the fall. He asked if the current investment portfolio need to be assessed, and what market changes does she anticipate if the fed measures are completely lifted.

Ms. Hausman said, "If you're referring to their terminating their QE2 purchases, I think the market got over its problem with than when Bernanke opened his mouth. They've been rolling back \$10 million purchases every month and nobody's noticed. So there's really nothing I need to do for our portfolio on that."

- Councilor Maestas said on page 1 of her Memo, Ms. Hausman recognized State Statute Chapter 6, regarding the investment policy and asked her to summarize those statutes, commenting he believes that requires investments in local banks within the City limits. He said he believes there is some State Statute requiring a certain portion of our investment portfolio to be invested in local banks, and asked if that is the statute to which she is referring in her Memo.

Ms. Hausman said, "Yes. Chapter 6 has to do with management of public funds and that is the Section of State Statute on which our investment policy is based. It does list the types of things local governments are allowed to invest in, and local banks are one of them. There is no percentage required. And there can't be, because every bank works a little differently. We have CD's, like at Century Bank. They don't do public funds in terms of collateralizing. They just want to go the \$250,000 and that's it. And then we have First National Bank that we have over \$18 million in and they are comfortable with that. So it really varies by bank. I did have a \$10 million and a \$2.25 million CD at LANB, and they matured in June. I did pull the funds out of the bank and put them in agencies because of their drop to a one star rating this last rating period. So a percentage would not give us that flexibility to protect our funds as far as what is going on with the banks. And I prefer our investments to be in three-star rating banks or above. LANB knows the minute they get their issues worked that we are certainly ready, willing and able to consider looking at what else we could invest with them again."

Ms. Hausman continued, "I met with U.S. Bank, but they've not expressed any interest in moving forward, so I think putting any sort of percentage in investment in local banks becomes a hindrance to our flexibility. It is a priority to the extent that the banks can absorb public funds. They have not absorbed any more public funds in the last several years because of the changes in the federal regulations."

- Councilor Maestas said then the State Statutes just recommends using local banks but there is no prescribed portion of our investment portfolio.

Ms. Hausman said this is correct, noting she cannot invest in the Bank of Colorado, for example, because it has to be a bank which has a branch within the corporate limits – "that's the nature of the restriction."

- Councilor Lindell thanked Ms. Hausman for the report. She said we have approximately \$15.5 million in Certificates of Deposit versus other investments. She noted Ms. Hausman, in her report says the CD rates are dropping as they roll over. She said, "My question is, how has our rate of return been on CDs versus other investments."

Ms. Hausman said the local banks have done a phenomenal job with our CD rates. The banks are, highly competitive and higher than a lot of banks. She said, "Every time I roll a CD over and I get a new quote, I send it to Scott and the staff at First Southwest and way, what do you think of this, and they're saying, and they've always said, grab it. They've been very generous with the City in terms of public funds. Now when you deal with other types of investments like securities, right now I can't generally buy a security less than 2 years that pays me more than the 0.22 I earn

on the Wells Fargo Bank savings account, which is why I have so much cash. I have not added a new CD in several years because things have gotten tight at all the banks. At one point, we had \$30 million in local CD's, that's been quite some time. I don't know when that will turn around again, but the CD's are generally 1-2 year CDs. The ones at LANB were 3 years and I did that because the interest rate was 1 ½% for 3 years. And even I had to pull the \$10 million out and take a 3 month penalty, I would have earned more on the 3 year than I would if I'd put it in at one to start with. So I balanced that out, but they're much shorter term." The CD fill the short term gap beautifully.

- Councilor Lindell said she read a little about LA National Bank, and said then we can't purchase more from them until their rating changes.

Ms. Hausman said that is a risk question. She said, "I prefer the banks to have a 3-star ratings or above, that's a mid-range satisfactory rating. LANB has been working for over a year on resolving issues they've had with the new banking regulations, and haven't accomplished that to this point..... So, for perception purposes and risk purposes, I moved the funds until such time as they're ready to take care of getting their rating issues resolved."

- Councilor Lindell asked if we maintain a higher ratio of cash balance to General Fund than what the State requires us to do.

Ms. Hausman said, "This is just a cash report. It doesn't have to do with the General Fund or any fund in particular, so I'm not prepared to answer that question tonight, unfortunately."

- Councilor Lindell thanked Ms. Hausman for the report and the good news.
- Councilor Ives noted the Chart showing the amount of interest income which has been lost, 2007 through the present, which shows if it had continued at the 2007-2008 level, we would be \$45 million plus change ahead. He asked, "Of that amount, how much of the loss was due to portfolio devaluation as opposed to spending down cash reserves. Do you know?"

Ms. Hausman said, "Off the top of my head I do not. Because this report doesn't look at cash reserves, it looks at cash in the bank. And cash reserves, if you're talking about cash balances, for example by the General Fund or whatever, this report doesn't look at it that way. So I am unfortunately unable to answer that question tonight. We have higher cash balances in year we issue bonds. We have lower cash balances in the years we don't. We have lower cash balances in the years we don't get a lot of federal grants or the GRT is down. There is such a variety of reasons for the change in cash balances that I'm not sure I can be specific and answer that."

- Councilor Ives noted on page 23, the average portfolio yield by fiscal year. He said the chart makes great sense to him with the exception of the transition from the 2007-2008 year to the 2008-2009 year, i.e., the end point appears to be the beginning point for each year with that exception. He said he is unsure if this is a charting issue or if it was something that happened.

Ms. Hausman said, "No. Because the chart ends at June 30th and the first month is July 30th, it shows you there was a drop in the month of July. The largest losses were that first year after the 2007-2008 crash, and after that they slowed down."

- Councilor Ives said, "The only question I had during the rating assessment, I think the two agencies put us in at double-A, double-plus, and they decided as part of that, and not providing a higher grade, that our reserves were less. Does that relate to what we're looking at here. This is getting back a little bit to my first question."

Ms. Hausman, "Indirectly. The cash balances they were looking at when they did those ratings came out of our CAFR, and the CAFR breaks things out by General Fund and a variety of other classifications, and they pulled numbers out of there. And so what they were looking at there, was the in cash balances they could pick out of the CAFR. And because this is just a bank statement, I can't break this out that way. But they were concerned because they wanted to see us start using some other mechanism for on deciding on projects we did.....or something other than saying, let's just use cash balances. For several years when the GRT was falling and we were trying to meet the needs of the City and maintain services and jobs, it was a blessing that we had those cash balances. But their thinking is that is has gone on to the point now, where things are starting to turn a corner and look better, and we really need to build those cash balances out of the CAFR back up, especially if we want to go after AAA."

- Councilor Ives said he wants to understand that better. He thinks it behooves the City to maintain as good a rating with the agencies as we possibly can. So he wants to know how specifically, within the budgeting process, we can try and make that happen, and what sort of marks we might be shooting for, that we can use as part of the planning as we move forward. He said, "But I would also like to understand, of the \$45 million, what is the nature of the reduction in the interest." He said potentially you are making less on the same amount of money, or making less on less money. One being potentially market devaluation, one being drop in interest rates, the other being expenditure of the fund balances that allowed you to earn that interest in the first place. That is another dynamic he would like to understand better.
- Chair Dominguez asked what is the cost of one percentage point on the yield, and what has been the cost of the difference between what happened in 2007-08 to today.

Ms. Hausman asked if he is speaking about lost interest, and Chair Dominguez said yes. Ms. Hausman said that is the "\$45 million he's talking about."

Ms. Hausman said, "In 2007-08 we earned more than \$10 million in interest. I can't even begin to tell you when we'll do that again. It was based on a lot of securities and certificates of deposit at 5% and above. So, that was our peak year, and because it's based on market forces and not on say tourism, like the gross receipts tax, where we have a chance to bounce back a little quicker, I don't know how long it's going to take to get the interest rates back up to 5%. Probably not while I'm at the City. The fed hasn't even agreed to start bumping up their fed funds right yet, so it's going to be a while."

- Chair Dominguez said, "On page 4, when you see that portfolio by maturity an average yield, and you see the immediate 24 hour notice, what does that mean."

Ms. Hausman said that has to do with cash we can get hands on quickly – the savings accounts at Wells Fargo and First National Bank, and below that the little we have in the Local Government Investment Pool, which have been tied to treasury rates and the term is so short so the yield is very short, so he doesn't have much in the Local Government Investment Pool.

- Chair Dominguez asked if it correlates to the same chart she had on page 23.

Ms. Hausman said yes, it runs to the top of the following page. You can see on page 5 that the average yield at the end of June was at 0.54. The nice thing about the chart is, because it includes 3 months, you can see the structural changes when she talks about having spent cash to pay debt. You can always see that the securities we hold to mature in less than 6 months have declined. She had \$26 million in April and down to \$16 million in June.

- Chair Dominguez thanked her for her work. He said he will ask Ms. Hausman to report again when we start having more budget discussionz, unless we need her on the Agenda on a regular basis outside of that.

Ms. Hausman said she usually makes a quarterly report, which usually is at the end of the agenda.

Scott McIntyre, Vice-President, First Southwest Asset Management, Austin, Texas, said, "I'm always available if you would like me to come to Santa Fe. I'm here more than you guess. I think we have had a very good relationship for a long time with Helene. She's very interactive, and we get a lot of local government clients. We deal only with local governments, and very few have the level of knowledge and expertise that she does. So we're grateful to be able to have a client that understands."

Mr. McIntyre continued, "And to your point, a couple of things I do want to mention, is that the Fed did lower the overnight effectively to zero in December 2008. And that was completely unexpected and most people thought that was an emergency measure that would reverse itself in six months, and here we are expecting the Fed is going to be at zero, probably the earliest that they start to raise overnight rates will be June 2015. We do expect the Fed is going to raise rates, I do expect to 51 which is roughly the current yield on this portfolio is going to start to increase in a little bit larger increments. My best guess and it is a guess, would be that by the time we're here a year from now, we're probably looking at 75-80."

Mr. McIntyre continued, "The one thing I do want to mention is that the unrealized loss, anytime there is one, it's inevitable when interest rates rise, prices on existing securities at the same time fall. So if you have any securities at all, they're going to be worth slightly less than they would otherwise. It's just sort of the other side of the sword. If you want interest rates to rise, then if you have securities, they're going to be worth a little bit less. But as Helene had said, as long as you can hold this to maturity, there's no losses that actually get realized."

Mr. McIntyre continued, "And I think it's pretty clear that we have hit the bottom as far as interest rates are concerned and we're likely to see higher yields. You guys did address in your point of how much of that \$45 million was interest rate or market driven. Six years ago, we were looking at portfolios that were average 5.5%. Right now, there are portfolios I'm aware of, that we don't deal with, that are all cash because they're very very conservative, that are earning one one-hundredth of what they were when they had their money all in cash in 2005-2006."

Mr. McIntyre continued, "So you're not the only ones. We deal with a lot of large cities, and we deal with a lot of cities across the United States. The average yield is about 35 basis points in all the portfolios that we manage. And I would say that the weighted average maturity is just under 18 months, so you guys are both shorter at 15 months and your yield is higher, slightly. You are in a better position at fifteen months."

Mr. McIntyre continued, "I was telling Helene, and I'll wrap up with this, but idealistically if you expected the Fed is going to start to weigh short term rates in a year. In the perfect situation, you have a 12 months weighted average maturity. You guys are 15 months, so you're little bit longer, you've been able to gain a little bit higher yield. As you securities mature, you're going to be reinvesting at higher and higher levels as they mature, and it's a good situation to be in. It's a conservative portfolio, you haven't taken big risks, and that should pay off handsomely whenever the market does reverse itself, and we're getting close. I'll be happy to answer any questions you guys have for me."

Chair Dominguez thanked him for his remarks.

CONSENT CALENDAR DISCUSSION

9. REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT – LEASE AND OPERATION OF RESTAURANT LOCATED AT MARTY SANCHEZ LINKS DE SANTA FE; NORTHERN VENTURES, LLC D/B/A THE LINKS BAR & GRILL. (JENNIFER ROMERO)

Councilor Lindell said this is for an additional 3 years, and asked if will come back annually for approval.

Mr. Rodarte said, "No, it won't. What we're doing here is we're seeking approval for the complete course of action. They in turn are going to visit it every year internally rather than bring it here for an amendment every year. In the contract, they're required to, one, meet monthly as an assessment. And as they turn the corner for an additional year, they'll make the determination. They have a clause in there that they can get out of this in sixty days if it isn't going right, so there's no sense in bringing it back, especially something as small as this."

Councilor Lindell said, "My concern with this contract, and I think the operator has been operating well for the public. My concern with this contract is that reports to the Board, the Marty Sanchez Oversight Committee on the finances, have been non-existent and they have not been receiving those financial

reports. And we went through that with the last contractor, and it's not okay. And I can't approve a contract for 3 years when the operator has an obligation to present financials to an oversight committee monthly, and they never get those reports. So I'm troubled by this and I'd be curious to hear what the other Councilors have to say about it."

Chair Dominguez said, "The question I have for staff, is there something we need to do on the City's end to help them be able to provide those financials. Councilor Lindell is right. The experience I've had with previous vendors is the same. It gets to a point where lots are frustrated including the Governing Body and the committee that oversees the operations or the Advisory Committee is what they are. So is there something the City can do to help the vendor to make sure they get what they need to get done."

Mr. Rodarte said, "Based on my history with some of the smaller companies of this nature, we have a lot of alternatives out there for economic development that can basically get involved to help them take a look at their portfolios and how they operate. I think, if I discuss with Economic Development, that being Kate Noble, what alternatives out there we have to help them out, like the Incubator does, whatever. They might just need that of help. This is a whole new venture for us."

Chair Dominguez said I'm talking about the actual reporting and their ability to give the reports that we need really per the contract, not the industry itself.

Mr. Rodarte said, "Based on the information I have in front of me, it looks like they have been meeting. Councilor Lindell are you part of that Advisory Committee."

Councilor Lindell said, "I am."

Mr. Rodarte said, "So there's certain reporting that is not being performed."

Councilor Lindell said, "Correct. And that's the exact same problem that we had with the last vendor. They are to submit, it says, on a daily basis. This is in Section 6, Cash Handling Reporting. With the last vendor, we went months at a time without ever seeing a report. And, that's part of the business. That's part of the contract, and I'm not willing to do this contract for three years with a vendor that doesn't report to us properly. Inasmuch as, we have other parts of the contract that, were they to sell over a certain dollar amount, we're to have a percentage of that dollar amount. We really don't have any way to track that, because they never report to us. The service is good, the food is good, everybody likes them. That part is not a problem, but we have a long history of poor reporting from that vendor, and it's not right."

Mr. Rodarte said, "We do have time before this has to renew. We can take this back and meet with them, and require everything as stated in the terms and conditions of the original contract. We can change this contract to not go the full three years, and renewable annually. We can change the language in the amendment to only renew annually, and we can bring it back every year also."

Councilor Lindell said she would like to postpone this and give Mr. Rodarte the opportunity to speak with the vendor and let them know we do have a great concern about this. And we can talk about it again. This vendor hasn't had this contract very much and we've fallen into bad habits already. Let's do this for a year at a time.

MOTION: Councilor Lindell moved, seconded by Councilor Trujillo, to postpone this item to the next meeting of the Committee on September 29, 2014..

DISCUSSION: Chair Dominguez asked how long you have had the contract.

Mr. Rodarte said since November last year, to expire in October 2014.

Chair Dominguez said he agrees, and "we could use some timing across the entire City when it comes to reporting and providing these services."

Councilor Trujillo said, "It's stated in the contract that these reports must be done. You need to tell this vendor that they are consequences if these reports aren't done. I don't know if we can work that into the contract, but if this vendor wants to have a 3 year contract, they need to start providing the proper reports, or else it's going to a one-year contract and that's unfortunate. Here, we're trying to make life a little bit easier for them and the City, and yet they won't comply. And I think that's the message you need to send to them and let them know that."

Chair Dominguez said, "So the reports are supposed to tell us what the sales are and the percentage we're going to get. The motion is to postpone this for two weeks. Councilor Trujillo are you okay with that. The next Finance Committee meeting will be September 29, 2014."

Councilor Trujillo said, "Yes, I'm okay with that."

Councilor Bushee said, "I just wanted to say if you're going to implement policy, you should have them across the board. We have another restaurant in a City-owned property out at the Airport, and I don't even think we review their contract."

Councilor Ives said, "I know this references in Section D percentage amounts due as rent if sales exceed a certain amount. I must admit I have no idea of what the normal amount of sales is on an annual basis. I have no idea whether that is a figure that contributes something to the discussion or not. So if those reports do show sales, and we have some history, even if it's not from this vendor, but from last year's vendors, that would be helpful to bring back, too, to understand whether or not the \$200,000 has meaning in the context of this discussion."

Councilor Ives continued, "I also not that it does tend, in each instance, on those additional revenues, to exclude any amounts on catering revenues. Presumably, there are expenses, or least wear and tear on equipment and other things that you could run perhaps an even bigger catering business out of using that equipment than you could an operation at the facility itself. So I guess I'd like to understand the logic in that maybe when that comes back. So if there are figures on catering, that would be helpful too."

Chair Dominguez said, "So without kind of digging through the budget book, I can imagine whatever revenues we collect via the contract or just part of the revenues identified in the Public Works Department."

Mr. Rodarte said, "I really can't answer that question."

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

11. REQUEST FOR APPROVAL OF MEMORANDUM OF UNDERSTANDING (MOU) – DAY REPORTING PROGRAM FOR JUVENILES THROUGH STATE OF NEW MEXICO CHILDREN, YOUTH AND FAMILIES DEPARTMENT FUNDING; SANTA FE COUNTY. (RICHARD DeMELLA)

Councilor Lindell asked if these programs have an evaluation.

Mr. DeMella said, "Absolutely. The State of New Mexico, through CYFD and the Federal government through OJJDP ask for outcomes on not just this program, but my ICM Program, specific programs and any other alternative programs that we get funding for."

Councilor Lindell said, "So then there is an evaluation and a final report on these."

Mr. DeMella said, "Absolutely. Without that I do not get funding for the following year, and I have been doing this now, this is year number twelve, so reports are submitted through CYFD on a monthly basis for my contractors. And then a yearly report is submitted to them."

Councilor Lindell asked, "Do we ever see those program evaluations. I know we have a contract request here."

DeMella said, "I don't believe so, my Board handles it, CYFD handles it, and if that's something you want to review, that's not a problem. I can get that stuff for you ma'am."

Councilor Lindell said, "I think it might be nice when we fund a contract, it's a sizable amount of money, to see the results of the program and the evaluation."

Councilor Ives said, "When I look at the agreement, and I'm looking at Section 1(B)(5) on packet page 4, it says, 'provide program outcomes to the City and CYFD through monthly report forms submitted by the County and the City. So, I'm wondering what reports."

Chair Dominguez said a lot of this stuff is disseminated at the Juvenile Justice Board meetings.

Mr. DeMella said, "Yes. So what I do sir, in order for the City to get reimbursed, what they say are the City's reports are actually my contractors' reports. The contractors send them to me, I'm considered the City, I send them over to CYFD. If I do not hand in reports, the City does not get paid. So we try to keep getting the reports in a timely manner. The Juvenile Justice Board reviews those. Councilor Dimas is

on the Board, so he's familiar with what we're doing. Also Council Dominguez is privy to what we're going, because he's working with myself and Chris Sanchez on other aspects. So they are aware of what's going on."

Mr. DeMella continued, "Just so the Councilors know, all of these programs, these are alternative detention programs, are only paid for, funded by the State of New Mexico. The City of Santa Fe does not contribute funding. However and when we meet, the full Council, I just want everyone to know, what I do require from the City are your services, which are through the Children & Youth Commission. So we have kids now, as opposed to just getting.... like this Day Reporting Program. It was an educational piece. Now the City, we're talking about putting in primary wrap-around service and secondary services, and we're going that through re-aligning services that already are in the community."

Mr. DeMella continued, "So basically, we get a total budget of \$181,000 from the State of New Mexico. I could probably turn that into, through the services the City provides and other non-profits, into \$1 million worth of services that kids and programs are receiving. So we would not necessarily be getting funding from you, but your services pay dividends."

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

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

Chair Dominguez thanked Mr. DeMella for his work, and said he looks forward to what comes out of this once we get the cabinet in place and things get rolling.

17. REQUEST FOR APPROVAL TO CREATE, POST AND FILL AN ANTI-GRAFFITI PROGRAM MANAGER POSITION FOR KEEP SANTA FE BEAUTIFUL FUNDED THROUGH ENVIRONMENTAL SERVICES DIVISION. (NICK SCHIAVO)

Chair Dominguez asked if it is anticipated that fees will be paying for this salary.

Mr. Schiavo said, "For this fiscal year, the salary will be paid from the Environmental Services Division from the salary savings we have as the result of having an Acting Director, and then just from other salary savings." He said he will put it in the budget for the next fiscal year.

Chair Dominguez asked if that will be the Environmental Services Division budget, and Mr. Schiavo said yes.

Chair Dominguez said, then in the future, the fees collected will pay for this salary, and Mr. Schiavo said this is correct.

Chair Dominguez said this is something we should have done way back in January, and this isn't intended for anyone here tonight. He said, "But it seems to me as though personnel should have done a little bit more in the very beginning when we approved the Resolution to make sure we didn't get to the

point we are tonight. I will say I'm a little bit disappointed in personnel, because I think they should have done a little bit more to make sure we didn't lose 6 months of this program not being fully organized. And I think we can probably do a little better job."

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

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

21. **REQUEST FOR APPROVAL OF 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 (MAYOR GONZALES). (JON BULTHUIS) Committee Review: Public Works Committee (no quorum) 09/08/14) and City Council (scheduled) 09/23/14. Fiscal Impact – Yes.**

Councilor Maestas asked if this is something we normally do – free transit services on election day.

Mr. Bulthuis said it is something we have done in the past, but it was a bit sporadic, but for the General Election, certainly this has been the case, and for the municipal elections for the past few years, that's been the case as well.

Councilor Maestas said, "But it's not on demand, right, if they're on a fixed route or an established route. How does it work. Tell me how you take people to the polls."

Mr. Bulthuis said, "So it would be certainly on a fixed route, but also under the Santa Fe Ride Program, so the curb to curb or what's now door to door service, that would also be provided at no fare. We can't charge fares for one side of the house and not the other. So if we're going to remove that fare, it would have to be done system-wide."

Councilor Maestas said then system-wide, it's free on election day.

Mr. Bulthuis said that is what is being proposed in the Resolution.

Councilor Maestas said, "So \$1,235 is our fare box return per day. I would think it's much more than that if it's system-wide."

Mr. Bulthuis said, "It's approximately \$1,250, and that's an average for a weekday. We do have bulk pass sales and other fare payments that are made that aren't included in the daily total. So what I attempted to do was just to estimate what the revenue loss would be per day on a typical Tuesday."

Councilor Maestas said, "Given all of the historical data that you do have, is there a bump in ridership on election day."

Mr. Bulthuis said, "I think we see a small bump. I do, again, see our regular riders that make use of the bus routinely sticking with the system on that day. And we see a small increase, but I think the idea is more about making the polls accessible to everyone so that lack of a car or lack of money to pay for a bus fare wouldn't keep them from going. So, how successful is it. You know, I don't know. I think again, we see a bit of a bump, but it's not a wide difference from what our normal operations are."

Councilor Maestas said the reason he pulled this is "because the public always perceives elections, or some do, with irregularities, you know, helping people to the polls, and so I was taken aback when I saw this. And so, I was very surprised to learn that this has been done in the past. Has there been any public backlash in the past when the City has done this."

Mr. Bulthuis said, "I haven't seen any kind of negative response to the actions that have been taken in the past. What I have seen was more commending the City for providing that access."

Councilor Maestas asked, "Would it be a problem for you to maybe access the actual riderships where we provided this service on election day, would that be difficult Jon, or..."

Mr. Bulthuis said, "No, we can do that, just historically, to see what the ridership is, versus the routine Tuesday."

Chair Maestas said it will vary, and doesn't know what the baseline comparison would be. He wants to see if there is a bump. He said, "I'm just sensitive to the hit to your fare box return. I think I keep mentioning this, Jon. A fare box return of 7% is probably less than the national average and you know, \$1200 here, \$1200 there, it starts to add up. I just want to be very familiar with this. Mr. Chair, I'm prepared to support this at this point, but I am going to get the data from Jon between now and the Council meeting. And if I think it is of benefit, based on the actual data, then I'll support it."

Chair Dominguez asked Mr. Bulthuis if we can have that information by the time this gets to the Council.

Mr. Bulthuis said, "I think so. We certainly can get the recent years. And we have to get into some archive records for previous years, but we should have something available, to at least identify if there is that bump."

Councilor Maestas said, "I'm fine with that, but I did notice that it also includes the Primary Election, but the Primary election has come and gone. So I'm wondering if this was such a tradition and it's so important, why didn't we do this for the Primary or did we."

Mr. Bulthuis said, "We did not, and again I think, getting back to the history on it, it's been a little bit of a hit or a miss in terms of which elections a resolution was carried forward on. I think another goal of this is to standardize it if we're going to do this routinely. That way, the voters, again can know that's going to be the place when an election happens, rather than that kind of unknowing."

Councilor Maestas said, "For the record, I'm not advocating indirectly or implying that I want to suppress the vote, but I want to make sure that we're using public funds wisely and this is providing a benefit and it's effective. That's all I had Mr. Chair."

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

DISCUSSION: Chair Dominguez said he sees nothing in the Resolution that directs staff to codify this, so we don't have to do resolutions every election cycle. He said, "What is that you would need.... some language in the Resolution that would direct staff to make this part of your operational policies."

Mr. Bulthuis said, "Yes, that would be helpful for me. Then we can include that in our budget request and will know that revenue loss will be a part of the way we do business."

Chair Dominguez said, "I don't want to speak for the Mayor, of course, but this is his piece of legislation. Maybe we can ask staff to come up with language to make that a little bit clearer, so that as Councils do change, we don't have to necessarily ask the same questions that Councilor Maestas is asking. It becomes more of an internal operating procedure."

Councilor Lindell said, "Jon, you addressed the \$1,285 that is your estimate on what this cost."

Mr. Bulthuis said, "That would be per event. So that is the revenue loss that would occur for each election day that we don't charge a fare for."

Councilor Lindell said, "So that is our average fare box on a given day."

Mr. Bulthuis said, "Correct. We did just kind of a running average on a Tuesday throughout the calendar year."

Councilor Maestas asked, "How does pick-up work. I can see how folks will get taken to the polls, but how are they picked up. You don't know the duration of the whole process to wait in line and vote. So how seamless is that, Jon."

Mr. Bulthuis said, "Before the fixed route operation, it would just be waiting for the next bus. You come, you do your business and then you wait for the next bus to come. On the Santa Fe Ride Program, we do have some flexibility to work with our clients in terms of asking them to make their best guess as to a pickup, but if they go over that time, then they would go into the on-demand category, where we would send a vehicle as soon as we have one available, but it wouldn't be a reserve track."

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

END OF CONSENT CALENDAR DISCUSSION

DISCUSSION

Councilor Dominguez exercised the discretion of the Chair to move Item #23 up to be heard before Item #22.

23. REQUEST TO CONSIDER AND PROVIDE RECOMMENDATIONS TO THE GOVERNING BODY REGARDING THE REALLOCATION OF APPROXIMATELY \$1,900,000, AS DESCRIBED IN RESOLUTION 2014-63, FOR BIKE PEDESTRIAN TRAILS AND RELATED SAFETY AND INFRASTRUCTURE PROJECTS. (ERIC MARTINEZ)

Councilor Bushee said she doesn't have a Committee packet and doesn't have everything committed to memory. She said, "But I can tell you that BTAC has been very thoughtful in their deliberations and considerations, in particular referencing the Bikeways Master Plan. We're worked with staff as well to really try and get your biggest bang for your buck, and leverage monies for new connectivity throughout the City. And I will also tell you that we had a surprise at the last BTAC meeting. Eric announced that the City is going to receive \$3.23.3 million from the Feds to make that Acequia Trail happen, which was not at all expected. So of course, you see the rearrangement there where the City has a required match of just over a half million dollars in order to make that happen."

Councilor Bushee continued, "And we really did work to make it be connectivity all over the City and it feels like.... I've had more discussions even today with Eric about.... you know almost every project is going to be able to be built within the two-year time frame. There's one suggestion to fund the design of the Acequia Trail because it seems like more of the federal dollars are starting to free up. So if you have any questions in terms of the specifics, both Keith and Eric are also really well versed in all of these changes. The one Trail that is primarily in the County, but they also received their federal funds. So it's a very little match to make that happen and it would, of course, it would be within the City as well. I know the Deputy County Manager is here to speak to that."

Eric Martinez said, "Councilor Bushee summed it up quite well. With me today to help answer questions, is Keith Wilson from the Santa Fe MPO and Eric Obo from Santa Fe County, because there is one project on the list that you see about which Councilor Bushee spoke that would require a partnership with the County due to the federal grant that they received. Like Councilor Bushee mentioned, the first project you see on the list is the Acequia Trail Underpass which would require \$556,200 match for the federal funds that we received. There is an exhibit in the packet indicating the award of those funds. It's shown in Exhibit 2.

Eric Martinez said for each project there is either an exhibit or a map that it references, noting the large sheet containing the projects which is attached to Bryan Drypolcher's Memorandum of August 25, 2014 to the Public Works and Finance Committees, which is in the Committee Packet. Mr. Martinez reviewed the information in the Memorandum and attachments. Please see these documents for specifics of this presentation.

The Committee commented and asked questions as follows:

- Councilor Rivera said, regarding Item #7 on the list, the Tierra Contenta Trail, it says from Buffalo Grass to South Meadows. He assumes that is the whole trail, because the trail ends just west of Buffalo Grass Road – we’re talking about from the trail end all the way to South Meadows, and asked if this is correct.

Mr. Martinez said that is correct. He said, “We did do a little bit of investigation on right-of-way and land ownership through there, and it is privately owned and also there is some land which is owned by the Public Schools. There is a sewer easement that runs through that area, so this would involve some right-of-way work, land or easement acquisition to codify a trail easement through there.”

- Councilor Rivera asked Mr. Martinez if he thinks the \$300,000 is sufficient to cover that.

Mr. Martinez said, “I believe we may even have bumped that up a little from the original estimate, so yes, we feel reasonably comfortable with that.”

- Councilor Trujillo said regarding Item #3 on the list, you’re showing for the Railroad Crossing Improvements, Rodeo, Zia, Siringo, St. Michaels, Railyard, at \$10,000. He said, “My concern is the crossing right there at St. Michaels Drive. Are we just going to put up signs, or are we actually looking at possibly putting lights like we have on Cordova Road and Zia where you push the button and it allows people to go through. I drive through there every day and I see bicycles, I see pedestrians stranded on one side waiting to get across. I don’t know, is \$10,000 sufficient to do that, or what is the thoughts of BTAC on this.”

Mr. Martinez said currently, under the BTAC column that item is blank, so they didn’t recommend any funding for that particular project.

- Councilor Trujillo said he noticed that.

Mr. Martinez said, “It’s currently a State, a DOT and a Rio Metro Lead project that is undergoing design currently.”

- Councilor Trujillo asked, “So are they talking with the DOT on that.”

Mr. Martinez said, “Yes. We’ve all been involved in that, myself and John Romero and Keith providing input. We had a diagnostic review, which was a field review at the site. So they are proposing additional signage there. There’s something else concurrently going on at that intersection to better accommodate the pedestrian crossing, and that’s called a road safety audit, and the DOT is the lead on that also, since St. Michaels and the Railroad Track are both State owned facilities. So that’s in process currently, and we’re waiting to get a final report on some sort of recommendation.”

- Councilor Trujillo asked Mr. Martinez if he knows the timeframe for that.

Mr. Martinez said, "He says we're supposed to get it Friday, but we haven't seen it yet."

- Councilor Bushee said, "It is also on the BTAC agenda as a communication from that agency from the State on Wednesday."
- Councilor Trujillo asked Councilor Bushee and staff to keep him informed on this and what they are going to do on this.
- Councilor Ives thanked Mr. Martinez for the news on the Acequia Trail underpass, and asked how that happened, and did we apply for a grant in connection with that.

Mr. Martinez said, "Yes, we actually applied for a safety grant and the grant for that program was rejected, and we didn't get funded. But they said, however we have this program through which we're willing to fund this project. They found it worthy with all of the data we provided to them, and it fell into that category of funding, and they were willing to fund it using what they call congestion mitigation air quality funds. So those are largely federal funds, and it does require a match. So we were really surprised at that response."

- Councilor Ives asked if we have done anything similar for the Santa Fe River Trail Crossing.

Mr. Martinez said no.

- Councilor Ives said he doesn't know how they do their selection for grants to apply for. Is there any reason we wouldn't do that.

Mr. Martinez said, "With this revelation that these types of funds are available, and they are willing to utilize these for such projects, I think it certainly could be applied for. Safety funds are a little tricky because they're more data driven by accidents and safety reports and things of that sort. So this is a relatively new thing. I don't think they have an application process for this, but I think we could provide them some day for any other location and try to get further funds."

- Councilor Ives said it would be great if we could. He said, "I know we had some funds that were sitting there presumably, potentially to try and move further down the design phase for that segment. What's the status of those funds and what is the status of the design process."
- Mr. Martinez asked if he is speaking of the River Trail crossing at Alameda.
- Councilor Ives said he is speaking of the Acequia Trail.

Mr. Martinez said, "We are currently in the design process. We've been corresponding with DOT to get firm deadlines of when they want things completed and certified. But what helped sell this project to them, I believe, is that project was in the process of getting shovel ready. So, our

benchmark to complete design was late this year, early next year. I believe with these funds, they will require us to have everything complete by March, and I'm awaiting confirmation of that to get a certain date. But that's our benchmark right now. We're in the preliminary design phase and we're moving toward the final design phase early next year."

- Councilor Ives asked how much funding will be necessary, saying he recalls there was \$50,000 to \$75,000 that remained from prior allocations on the Acequia Trail project, but the underpass itself had not been really designed at all. We had seen drawings submitted by interested community members, and it sounded like the actual design work for the project hadn't begun."

Mr. Martinez said, "It has. We had some conceptual design done. There was a public meeting in February 2014. They provided a life-size drawing of what the underpass could look like."

- Councilor Ives asked who are "they."

Mr. Martinez said, "Our design consultant. So there has been progress in the design of this. We've gone through all the environmental clearances and those types of studies. There is some final legwork to satisfy the final federal requirements. But right now, the design is funded from the 2008 bond issue. It's just that construction wasn't funded at this time, until now."

- Councilor Ives asked if the total design funds remaining was the amount he remembered.

Mr. Martinez said, "What we have remaining for design funds, I think combined with what we expect for land or easement acquisition, totals in the neighborhood of about \$500,000, more or less."

- Councilor Ives said that's a lot more than we had previously talked about at meetings where we were looking at what to do at that intersection, asking Mr. Martinez if he recalls those conversations and the funds about which he is speaking.

- Mr. Martinez said, "I'm not too clear."

- Councilor Ives said we supposedly had spent some amount of funds and had remaining, again, I thought it was \$50,000 to \$75,000.

Mr. Martinez said he may be thinking of the River Trail crossing at Alameda, the project that we're allocating the funds from. Because we spent about \$75,000 for the study up to now.

- Councilor Ives said he can try and look back, because he is curious. He said, "Again, supposedly we were going to ahead with that remaining funding and begin the design process, and now I hear the design is close to being completed, which means we either did a great deal with that money, or additional monies have been allocated toward it, and I just don't recall allocating additional funds toward the design of that project."

Mr. Martinez said, "The Acequia Trail funds were allocated through the 2008 bond issue, so that money was already programmed for that project. And we've spent more than 75,000 certainly on the design and study of the Acequia Trail project. That's why I was guessing you may have been thinking about the River Trail."

- Councilor Ives said, "No. It would be unusual for me to be that confused, I think. And so, in terms of what is the timing on that. Is the \$3.2 million plus the \$556,000 going to get that job done."

Mr. Martinez said, "That's what we estimate currently, yes."

- Councilor Ives said it would be wonderful to see some more on that, and said he would like to see a copy of the grant application, and Mr. Martinez said he would provide that to the Councilor and other Committee members.
- Councilor Ives said there had been discussion about trying to allocate certain of these funds to the Santa Fe River Trail crossing as well to complete the design work there, so that was shovel ready. And I see it maintains a balance, presumably of \$100,000. He asked if that gets the design done.
- Mr. Martinez said, "There are two proposals that had been talked about, regarding the River Trail crossing. One was to utilize the remaining \$300,000 that we have to complete the design, make it shovel ready and put it on the shelf, since we didn't have funds to construct it. The other alternative would be to do a more robust intersection improvement project, with street lights with traffic signal improvements and ADA ramps and all that. And the other option is something not so robust, and looks at more signage and pavement marking improvements and those sorts of things. So over the course of this discussion there have been several alternatives talked about."
- Councilor Ives asked how Mr. Martinez would anticipate doing the at-grade improvements versus an underpass design. He asked if that is the conclusion that has been reached by staff in terms of what we need to do at that intersection.

Mr. Martinez said, "Staff hasn't really concluded anything. The recommendations shown here are those that came from BTAC, and I don't know if Councilor Bushee would have anything to add."

- Councilor Bushee said, "Did we end up with just the \$100,000 for at-grade, or did we end up with some for the study, too. I can't remember."
- Councilor Bushee said, "Just let me say real quickly. So what did we come down to. \$100,000."

Mr. Martinez said it was \$100,000.

- Councilor Bushee said, "The concern with further design is that it's somewhat like the Acequia crossing. Initially it was just engineered for either under or over, and nobody's really happy with that simple choice there. So it's not as far along. If you were to allocate money for just the design, which design. And how do you narrow it down, and the circumstances and parameters there are

very unique because of the River. And so, everybody felt it was really significant to try and study and get some at-grade improvements right now. And we were very hopeful with the money that came from the feds that everybody would get..... and in fact I had conversations with the River Commission, and we also took their concerns into consideration. And we talked about getting together, our Committees, and actually looking at what would be a favored design as we move forward."

- Councilor Bushee continued, "Because this money right here is primarily and I'll use the word shovel ready because I was corrected once before, but the impetus is to try and say that within a couple of years we will get the thing done and/or designed. And the only other project that's not going to be actual construction is the design for the Acequia Trail and another connection by Rufina, I think it is. And that, they told me they could design for about \$100,000, and they were also encourage by additional funds to build it, because we didn't want to design anything and have it sit on the shelf. We truly wanted to get it done. But nobody is leaving off the River Trail as a possibility and the connection there. It's much more congested there with everything happening with the River. It's not the same as the Acequia Trail which has much more room."
- Chair Dominguez said we need to get back to Committee, with all due respect to the other two Counselors.
- Councilor Ives said, "No worry. I appreciate this will hopefully save me time at Council. Well good, as I say, I would like to see the grant application and understand the funding of all that more completely. So if you'll get that to me, that will be great."
- Councilor Maestas asked Mr. Martinez what happen to Arroyo En Medio Trail which was on the original list, commenting that there is no justification as to why it was removed.

Mr. Martinez said, "That was a BTAC decision to, I guess, to look at funding other projects on the list. Again, I might defer to Councilor Bushee. I don't want to speak for BTAC, but I believe that was the rationale behind it was to look at these other projects and provide sufficient funds to fund those, and there were other projects that needed to fall off the list."

- Councilor Maestas said, "If I look at my math here, \$200,000 out of \$1.9 million, about 10% of the total, but I don't see any justification for the removal of Arroyo en Medio and in fact it was I guess ranked higher than, well, it was ranked 10th. We talked a little bit about the design that went into the Acequia Trail. You mentioned that there were some design funds expended. Is there any funding that the City..."

Mr. Martinez asked if he is speaking of number 8, or..."

- Councilor Martinez said, "No. Number one. I thought you said some design funds had been spent already on that before the award, and how much."

Mr. Martinez said his guess is in the rough range of maybe \$300,000.

- Councilor Maestas asked if we can go back to the feds and ask them to give us that credit toward the match.

Mr. Martinez said, "Typically any expenditures before the award, they do not see as a matching fund. It has to be post-award. I don't know if Keith has anything to add to that."

- Councilor Maestas said, "We're not going to throw away the design and the City investment when we get these federal funds, so the whole project is going to benefit from the initial City investment."

Mr. Martinez said, "And I would say that with this additional funding allocation, I would say it would be worthwhile to put additional funds toward it for contingencies and for the City to be able to contract for construction management, because I certainly don't have the staff to be able to handle the construction management, inspection, alongside the Cerrillos Road project that we're looking forward for next year as well."

- Councilor Maestas said, "You see where I'm going with this right. I would like the like the Arroyo En Medio Trail added into the list. Can we inquire about this. The total award of CMAC funds is \$3.8, and I thought your note said the project total... what's your estimate for that project anyway. I think Councilor Ives asked and you said \$3.8 is about right, or is it \$3.8 federal and \$500,000 City for a total of \$4.2 million."

Mr. Martinez said, "The total is \$3.8. It would be \$3.3 federal, \$556,000 City local match."

- Councilor Maestas said, "Okay, you've got a \$300,000 contingency and we're already invested \$300,000 into the design."

Mr. Martinez said, "We have funds currently to complete the design. What this would be for is solely for construction and construction management and contingencies which I would highly recommend that we put forth as cash for the project."

- Councilor Maestas said, "What I would suggest is we reduce the.... can we reduce the match. First of all can we go back and get credit. Can we request credit. Have we asked."

Keith Wilson, Santa Fe MPO, said, "The direction that we have received from NMDOT is that you cannot go back and receive credit for expenditures prior to entering into a cooperative agreement with the NMDOT, because it has to be part of that agreement for them to evaluate whether it is worthy match or not. So from the direction we've received, is you cannot go back retroactively and use funds you previously used for design prior to entering into a cooperative agreement. And the cycle that we received notification of funds, these funds will not be entered into the TIP and STIP

Statewide Transportation Improvement Program until the end of the design in January and then DOT will not enter into a cooperative agreement until it is actually in the STIP. So the funds, as Eric was mentioned, we're looking probably at mid-March where everything has to be buttoned up so we can obligate the funds in time for the project."

- Councilor Maestas asked what happens if we have a balance of federal and local funds. What happens to those funds.

Mr. Martinez said, "What could happen is, say we get really good bids at the time we open bids for this project and we're way under what we have appropriated for the project, then that would allow for other projects to get in on those funds. We would still be obligated to our local match, the percentage requirement, but anything left over could be used toward other things. So if we get really good bids and during the course of construction there are no extraordinary expenses for which we have to provide a change order, then there's a possibility that we can look to other things after the fact."

- Councilor Maestas said, "I'm just not happy that Arroyo En Medio Trail in my District was removed. I'm not sure I can support this. I thought we could come up with some innovative financing here to make room for that, but there's no explanation why it was removed. I certainly didn't ask that it be removed."
- Councilor Bushee said, "If you would like I can answer that question."
- Councilor Maestas reiterated he can't support this as recommended. He said, "I am thankful that the Old Santa Fe Trail widening project was added. It's the only road/bike/trail improvement on the entire list. And I thought that would be very clean in adding it, because it doesn't require any right-of-way at all. It's a 3/4 of a mile stretch, heavily used by pedestrians and cyclists. But I certainly was taken aback to see the Arroyo en Medio Trail also in my District was removed to make room for that. And I thought that getting this federal grant for the Acequia Trail Underpass would even allow for more consideration of some of these projects that have been on the books for a while. I'm going to see if I can come up with a solution between now and Council."

MOTION: Councilor Lindell moved, seconded by Councilor Rivera, to approve the recommendations to the Governing Body regarding this reallocation.

DISCUSSION: Chair Dominguez said, "When I look at Map D, and there is that I guess it's the River Trail, Phase A, \$825,000, it says County Lead Project."

Mr. Martinez said he will lead to Mr. Wilson, "because that is a master plan designation, so I'll let Keith answer it."

Keith Wilson said, "Is the question why is it is County Lead, or...."

Chair Dominguez asked, "What does that mean, first of all, and is there any funding that the County has appropriated or allocated for that."

Mr. Wilson said, "I believe the County has funding allocated to the construction of the piece from Frenchy's Field down to Silver Road. I know they're in the process of acquiring right-of-way through the rest of the corridor. I don't believe they have the construction funding for these segments down 'here,' so the Phase A is basically, when we did the prioritization of projects in the Bicycle Master Plan, we had like a Phase A which was a zero to 5-year time frame, Phase B was 5-10 years, and Phase C was longer time frames. So we saw that the River Trail, I think at the time when we were developing this plan back in 2011-2012, the County was forward pretty quickly with the design and right-of-way acquisition of the Rail Trail, so that's why he had designated that Phase A, because we thought it was moving along."

Chair Dominguez said, "One of the big concerns is being able to get across.... we've talked about getting across St. Francis Drive and Cerrillos Road and so on and so forth. One of the big challenges is how we get across Airport Road. What's been the discussion, what are the plans, are you waiting for someone to reallocate monies for something like that. What is the answer to that. The answer to being able to get across Airport Road."

Mr. Martinez said, "As far as any work in progress right now, I'm not sure. I know there's been a discussion and maybe John Romero has been more a part of that. I don't know of anything currently on the Bikeways Master Plan, or the MPO's Transportation Plan regarding crossing of Airport Road, or any allocations to CIP bonds or other means."

Chair Dominguez asked if BTAC has discussed it.

Mr. Martinez said, "Not that I'm aware of."

Chair Dominguez asked Councilor Bushee if BTAC has discussed how pedestrians or anyone else gets across Airport Road.

Councilor Bushee said, "I asked. I brought up that you were interested in that and they really didn't, nobody from staff responded to.... they were looking for 10 places on Airport Road, it wasn't like there was one ready to go on the books that I saw."

Chair Dominguez said it's been the discussion at BTAC amongst BTAC on that, crossing Airport Road.

Councilor Bushee said, "Well, we deal with the trail part and since there is a trail section there, we advocated for funds for that. The actual pedestrian crossing, I brought it up at the last meeting. And what came out of that was not a succession from where on Airport Road. Everybody said, 'gosh we should have a lot more crossings on Airport Road.'"

Mr. Martinez said, "Right now, most everything on the list relates to the Bikeways Master Plan. Currently in development is the Pedestrian Master Plan that the MPO is working on and that could essentially be developed through that process. I'm not sure exactly what locations or if it's more of a broad undertaking of a study that you're looking at."

Chair Dominguez said, "I'm just looking to try to find monies for a crossing if one has been established, but I know we've looked at the Pedestrian Master Plan, or we are in the process of getting that squared away. Aside from an underpass or an overpass, it almost seems to me that if we need to find, I don't know how much it costs to put in crosswalks, just striped walks, if that is something that can come out of our City's General Fund, or if that is something that we need to have reallocated. But it just seems to me, that with the population that exists there, the number of people that ride bikes there, the number of people who walk in the area, that we would be a little bit more amenable to providing some safety improvements along Airport Road, just for the crossing. And I was hoping we would be able to get some of that out of this reallocation, but it doesn't sound like we're even ready to go that far yet."

Councilor Trujillo said, "One of the questions was brought up by Councilor Maestas, because he's looking for money. You mentioned with the funding sources. What is the funding source through the State. Are they MAPs, or are they severance tax. I just want to be clear that you said if there is any excess money, the way I remember it is it's specific to one project. You're not going to get any extra money if you have an under-run, that money is going to revert back to the State and we're going to give it to someone else. And I just want to make sure that when you guys are writing up these contracts there's something in there that says 'various City roads,' 'various City trails,' so we can actually use that funding then if the wording is like that. But if the wording is specific to a specific job, I know there's no way we're getting that money back."

Mr. Martinez said, "And Councilor, that's correct. I did mention it only would apply to the local match portion if there were remaining funds left over. But you are correct, it is usually project specific, these are entitled Federal CMAC funds, so I wouldn't see they would be willing to allow it to go to other things but the project. The local match would be up for discussion if there is a project savings, yes."

Councilor Trujillo asked, "One last question. Have the LGRF come up for this year from the State."

Mr. Martinez said, "I believe those usually come in March."

Councilor Trujillo said, "With that Councilor Dominguez, if you're doing prevents, I think that's something that we can definitely start looking at, because with the State funding from LGRF we could put that toward some of those improvements on Airport Road, instead of putting it toward a separate project. The funding can be used for these types of things, so I want that to be..."

Chair Dominguez asked staff to prepare some sort of legislation "that would direct that possibility to be there. I think there's lots of different funding sources, and so really, what staff needs, is I think they need some engineering thought behind where exactly to put a crosswalk."

Mr. Martinez said it typically starts with a study, so it would be doing all the study labor, pedestrian counts, vehicular counts, looking at warrant studies.

Councilor Bushee asked, "Can I just correct the record briefly on something."

Chair Dominguez said I'm going to let Councilor Maestas speak and we're going to end with the final comments and we're going to move on this."

Councilor Maestas said, "I'll be brief and I'm just going to regurgitate what I said, but I want to say it for the record. The current level of investment in this entire list is about 10% and ideally, it should be about 25% per District. And I understand that needs are what they are sometimes. It's not always clean. Some Districts will benefit more than others. But I'm just a bit dismayed, because what I was expecting and asking for was an additional \$200,000 for Arroyo En Medio, and that would have brought the percentage to 20%, still under 1/4 or 25% of the total investment. I realize sometimes it doesn't fall out that way, perhaps my District will benefit down the road. But here was an instance where there was a project in my District and it was removed for no apparent reason. And I'm just appealing to my colleagues too that, as we go forward, let's kind of strive for some kind of balance. And I don't think it was for lack of projects in District 2, so with that being said, Mr. Chair, I just wanted to point at that the total is about 10% of the total. I understand that the Acequia Trail is kind of the intersection of several Districts, and it will no doubt benefit my District. But the fact remains that an existing project that was in there was removed."

Chair Dominguez said, "Okay, I'm going to go to Councilor Ives and I'm going to let you finish, Councilor Bushee, and then we're going to vote."

Councilor Ives said he would echo Councilor Maestas's remarks. He said, "The question I had was on #11 on the big chart. It's the only entry there which has two items listed, each other segment has its own line item, and I'm curious why that was and how the \$150,000 is roughly allocated between those two."

Mr. Martinez said, "Basically why they're grouped together in that fashion is because with the County, what is called a FLAP application and grant that it just received is that it encompasses both areas. So what the County has requested from the City is that for the contribution to the local match requirement for leveraging those federal funds, they're requesting \$150,000 from the City's portion that shows up in the MPO's Master Plan. And those are the two connection that would encompass that project."

Councilor Ives asked what is the County's similar contribution.

Mr. Martinez said, "I believe it is \$300,000."

Councilor Ives said, "So presumably that will be \$500,000, plus the \$1.3 million, so a total of \$1.8 million for both these items."

Mr. Martinez said, "I'm going to let Eric speak to that."

Eric Obo, Assistant County Manager, said, "The reason there are two items here is on the Master Plan there were two separate segments to connect from the River Trail to the MRC. And the County applied for a project to go, it's on Map G as well as Exhibit 4. Map G shows the 10 foot wide, paved portion, but there's a significantly longer portion that goes all the way out to Diablo Canyon. So, just as with the

Acequia Trail underpass, the federal funding, when we got word the feds were interested in funding this 13 mile trail segment, we were pretty excited to be able to get the 6 for 1 match, so, with a City contribution of \$150,000 with a County contribution of about \$300,000, that would provide the local match for this \$3 million project to go from the River Trail, paved out to the MRC which is your two Bicycle Master Plan segments, that's why they're listed twice, as well as a 5 foot wide surface out to Diablo Canyon. So it's a relatively long trail with two City portions in here."

Councilor Ives said then the \$1.3 million referenced on our chart is...."

Mr. Obo said, "That is the original estimate from the master plan, so when the Bicycle Master Plan was listed, it was \$1.3 millions worth of project. The \$150,000 is match for about \$1 million. And it's a 14.56% match just like the other CMAC funding is."

Councilor Ives said, "But the total funding that's coming to bear from the feds is \$3 million."

Mr. Obo said, "It is \$3 million, including the match, so \$3 million minus the \$450,000."

Councilor Ives said that would be about \$2.6 million.

Councilor Bushee said, "I'll be brief."

Chair Dominguez said, "I'm hopeful there isn't going to be so much discussion at Council since we've given up our Finance Committee meeting for this."

Councilor Bushee said, "Sorry, it's important. I want to remind everybody on the Committee, that you are dealing with a reallocation of \$2 million that voters gave to District #1, and BTAC has done its darndest to try and redistribute that in ways that projects, were (a) shovel-ready, ready to go, going to get something out of it, going to make more connections; and (b), what I can tell you that I didn't mind giving up money from District 1 to see that connectivity take place all over the City. This \$150,000 going to the County, it's leveraging money with them doing all the work. Again, that was on Councilor Maestas's list of concerns. And what I can tell you about the Arroyo En Medio disconnect, and Eric you'll have to remind me, it was Gretchen Grogan and a couple of the other folks on BTAC that actually live in District 2 that wanted to not fund this project. Something to do with building and perhaps funding the Old Santa Fe Trail widening first, or some section of East Zia not being there so that it wasn't timely. And that's my memory of it. I don't recall. I would like Eric to just clarify that it was actually the District #2 BTAC representatives on BTAC that wanted to jettison that project for now because it wasn't ready. And we were all very hopeful about other monies coming from the feds. And once we finished... was it finishing the Old Santa Fe Trail first. I don't know there was a section missing."

Mr. Martinez said I believe your recollection about the 'whos' is correct and the 'whys' is because it was number 34 on the MPO's list, a little further down the list than some of the other projects.

Councilor Bushee said, "There was something else. Gretchen thought it was not safe, and I don't know, because she's a planner, a trail planner, and they were the ones in District 2 that said, that's not a priority. It's the way it was, the timing, something like that, so that's all. I'm trying to tell you is I just feel like I want you to know how hard the Committee has tried, again to reallocate. And I just want to remind you that it was the voters who gave us, how much, \$5 million for trails that year."

Mr. Martinez said it was \$6 million.

Councilor Bushee asked how much of it was in District Trail. She said, "I know there was the Arroyo Chamiso Trail and there were all the arroyos themselves."

Mr. Martinez said it was roughly 30% of it, he thinks.

Councilor Bushee said, "30% of what the voters gave was for.... and how much was for District #1. Do you remember. Not 30%, because it was this project."

Chair Dominguez said, "This Committee needs to move on this item."

Councilor Bushee said, "Just letting you know, we are reallocating District #1 monies to try to make this fair."

Ms. Helberg said, "I have been asked if the motion pertains to the BTAC recommendations. The way I understood the motion it was to approve it as set out in the Staff Memo."

Chair Dominguez asked Councilor Lindell if her motion is based on the BTAC recommendation. He said, "I believe so, correct."

Councilor Lindell said, "Yes."

Chair Dominguez said, "Then it's based on the BTAC recommendation."

Chair Dominguez said, "That acequia crossing is never going to go away. Ever since I got here on Council 8½ years ago and before that it's been on the table. It's been a point of controversy or discussion. Let's see if we can't put that one to bed.

VOTE: The motion was approved on a voice vote, with Councilor Rivera, Councilor Lindell and Councilor Trujillo voting in favor of the motion and Councilor Maestas voting against.

22. PRESENTATION AND REQUEST FOR APPROVAL OF AGREEMENT – SAFE TRAFFIC OPERATIONS PROGRAM (STOP) (RFP #14/18/P); REDFLEX TRAFFIC SYSTEMS, INC. (ERIC GARCIA, CHIEF OF POLICE.)

Deputy Chief Lettenberger presented information from his Memorandum of May 27, 2014, to the Finance Committee, from Robert Rodarte, Purchasing Officer, and *Santa Fe Traffic Operations Program (STOP) presented by the Santa Fe Police Department and STOP Administrative Staff*, dated September 2014, which are in the Committee Packet. Please see these documents for specifics of this presentation.

The Committee commented and asked questions as follows:

- Councilor Maestas how much does this program cost the City annually for personnel.

Deputy Chief Lettenberger said, "Zero. All the salaries and benefits are paid through the STOP program. He said the STOP and DWI Forfeiture are two separate entities, but they are in the same program so the salaries of the four individuals are coming from the STOP and the DWI programs. So the City doesn't pay any of the salaries or benefits. It all comes from the STOP Program which is the DWI and the speed vans."

- Councilor Maestas asked how much money is left over for equipment or are all of the funds going into FTEs.

Deputy Chief Lettenberger said currently, there is approximately \$106,000 in the STOP program for the speed vans, and approximately \$806,000 with DWI Forfeiture Program, a total of a little more than \$900,000 between the two funds.

- Councilor Maestas asked, "On the delinquencies, who takes the hit. One thing that concerns me about this program is I think the State takes half, Redflex takes 1/3 and the remainder goes to the City which is under 20% of the total. First of all, does Redflex get their third regardless of what we collect."

Deputy Chief Lettenberger said, "That is correct. 50% goes to the State and then again, with the new system 37-32% depending on the tier system and the City gets the remainder."

- Councilor Maestas said, "So we're stuck with all the delinquent payments, or lack of payments. You said there is about \$725,000 in outstanding citation revenues because it hasn't been collected."

Deputy Chief Lettenberger said yes.

- Councilor Maestas asked, "Do we eat that, or is it shared among the State. Is the share only on collected revenue from the citation."

Nancy Jimenez, Fiscal Administrator, Santa Fe Police Department, said, "You are correct. If we do not collect it, we don't pay the State, Redflex doesn't collect theirs and the City doesn't receive theirs. So of those 5,900 citations, if the money isn't collected, no one gets paid."

- Councilor Maestas said then it's equally shared and Ms. Jimenez said that is correct.
- Councilor Maestas said, "RSI is Redflex's consultant and they are in charge of collections. Does it come out of their take, their fee. We don't pay anything supplemental to RSI."

Deputy Chief Lettenberger said no.

- Councilor Maestas said, "I have more questions, but my main concern is.... I understand the revenues this program brings in, most of which is used for FTEs, it's not pure equipment. So we have FTEs that are being funded by the revenues. The State legislation that was passed, restricts the placement of these vans on State highways. And I would think, intuitively, that's where we have the highest volumes and probably the most speeders in town, but we have a restriction. We can't put it on State highways. The State takes half the revenue. Redflex takes 1/3 and that leaves us with 17%."
- Councilor Maestas continued, "I just think the City can do better than that. I think we can do a lot better, and I'm not advocating going back and having the traditional uniformed police officer parked for hours on end. There are other low cost options that we need to explore, and I want to get involved in this. As an example, the City of Albuquerque when the red light running cameras were turned off, that City administration took the lead in improving intersection safety. And so what they did was, they changed the timing of the intersections to lengthen the all red to sufficiently clear the intersection and even red light runners. And that probably was a no cost change that they made, post red-light running camera closure."
- Councilor Maestas continued, "The other thing we could do is, we're a home rule city. We can establish safety corridors in these areas that are targeted for the speed vans, and it could be clearly labeled. The State DOT has done that state-wide and they're known high accident, high speed sections of highway. If you get a citation in the safety corridor you pay twice the fine, similar to the double fines in a construction zone. We've all seen these changeable message signs. They are regulatory and they've got radar on them. I think that's a very low cost deterrent to speeding, specially where we want to keep speeding down."
- Councilor Maestas said, "So the delinquency, we can collect 1 of 5. The State is much too restrictive, Redflex takes a third. It doesn't leave us with very much. It's not a very efficient and effective program. I know that we can come up with a number of low cost options that will do more than address the benefit of these cameras. So at this point, I don't think I can support this request. I've been asking for a lot of data. I asked for the State legislation that was imposed restricting the placement of these on State highways and asking for 50% of the revenue. Originally, it was for cities over 200,000, but for some reason, they decided to hit everybody in this. We thought it was an anti-Albuquerque piece of legislation."

- Councilor Maestas continued, "So I think until we revisit the State legislation and really let communities empower themselves, instead of placing these unreasonable restrictions, I don't think it's really worth it."
- Councilor Maestas continued, "And then the last thing, I'm concerned that the vans.... why were the vans parked in our yards since the previous contract had been terminated. That's what the briefing said. Is that true."

Deputy Chief Lettenberger said, "Yes. Since the original contract ran out in 2013, we could not place the vans onto the roadway, so they've been parked in our parking lots waiting for this proposal."

- Councilor Maestas said, "And that's my point. Why wouldn't Redflex just say give us the vans back, we have no idea when and if the City will ever resume this contractual relationship. So why would we keep those vans in our yards. Is there a reason."

Deputy Chief Lettenberger said, "I can't give you a reason. When we stopped the last contract, we kept them in our parking lot, and since then, we've taken them to our impound lot where they're being stored while we prepared this contract."

- Councilor Maestas said, "I just found that peculiar. It almost seems like we have pre-determined that we would award this contract again, having those vans in our facilities. That just concerns me, but maybe there's something I'm not getting. But at this point Mr. Chairman, just for the general reasons I've stated, I don't think I can support this at this point."
- Councilor Trujillo said, "When we first brought this program to Santa Fe, it always has, and always will be about public safety. As someone who has lived here my entire life, I see constantly, day after day, it's a raceway. Go to any part of the City of Santa Fe and people think their time is more important than others. That was the whole reason for implementing this. We wanted to do the red light runners, but that didn't come over very well. The reason why the State gets so much money, you can blame Michael Sanchez and Bill Richardson. It was because of those two. They decided, you know what, we're going to take 50% from the City. I thought that was unfair. I wrote letters to both of them stating I thought this was unfair, because Redflex had been implemented in other states and cities, but the minute Santa Fe brought it up, it threw up a red flag. To this day, I never got a response from the Senator, I never got a response from the Governor. Just, it passed. Senator Michael Sanchez, he's the one that introduced it."
- Councilor Trujillo continued, "I believe this is a good program. I've talked to many of the Schools, and all of the Schools like that the vans are implemented there every morning. Wherever they're implemented, you people are not speeding. The unfortunate thing is, after they pass the van, yes, they are going to speed again, but for the time they're going past, they do slow down. I've gotten calls from District 1, District 2, District 3, District 4, Councilor, put them in my neighborhood. People are speeding down my street. I've got children that play outside. I sent those requests to the Police Department if they warranted. And I think our Police Department has been very

generous with them, saying, you know what, let's move them to a certain neighborhood and see what they do. So, in that sense they have helped with speeding."

- Councilor Trujillo continued, "Why Redflex would leave the vans here, we were looking to renewing the contract, we already had the decals on them. I'm hoping, I'm still hoping that this contract gets renewed because, in my opinion it is about public safety."
- Councilor Trujillo continued, "The unfortunate thing, and I know it's on the minds of a lot of people here, is the corruption that happened with Redflex in Chicago, and that's going to be on everybody's mind here in this community. I got calls from newspapers and a lot of people asking me if I had taken bribes. And I laughed. I went to every meeting. I was in most of the conversations with this, and all the meetings took place here at the City Hall or at the Santa Fe Police Department. I've stated many times that stuff didn't happen in Santa Fe. This program was legitimate, it was about public safety. It is unfortunate what happened in other parts of the country and possibly in other parts of New Mexico, but that did not happen here in Santa Fe. So I do know this is going to be on peoples minds as we have this discussion."
- Councilor Trujillo continued, "All I can say is this program has been good for this community. And no one District has been targeted, I can tell you that. Speeding happens in all of the Districts. I wish there was a way we could curb all the speeders. I wish we had 500 officers so we could put them at each corner, but that's not realistic. What this is, is a tool that helps our officers, just like a radar gun. Are we going to have our officers catch up with each vehicle going 85 miles per hour. No. It's a tool, like a stun gun. When I hear from people, what they don't like about it..... nobody wants to get a ticket, nobody wants to be fined, but they're always telling me, a police officer should have to witness the infraction. That's what I don't find unfair, and I tell them, well, so you're saying that video isn't admissible in court. Then, if we're going to start doing that, then maybe we should outlaw the use of burglar arms, the use of surveillance in homes. These are the things the Police use. It's a tool. And as long as I'm on the Council, I have always said that public safety is the most important thing that we as a City can give to our constituents."
- Councilor Trujillo continued, "So if there is a tool out there that Police Department, the Fire Department need, I think we as a Council need to look at it and review it. And if it is helpful in the community, we need to give it to our public safety to help them do their job. Their job isn't easy. We can't have them at every intersection 24/7. They are spread thin as it is. And with that, Mr. Chair, I believe in this program. That's the reason I supported it when we first implemented it. There are some flaws, and with any flaw, we can figure a way to fix that flaw. And I give hats off to the Santa Fe Police Department. In the short time this has been implemented, they've done a fantastic job implementing it."
- Councilor Trujillo said he has more, but he will yield the floor until he finds the information.
- Councilor Rivera said, "I believe truly that your intentions are genuine, and regardless of what is going on with Redflex in Chicago, I think we're evaluating this on just City merit. I have a couple of questions. 2012-2013 seems to be our best year, and it looks like 2013 was going to beat that."

So that \$941,800, the State takes its \$470,900, Redflex would get about \$314,000, is that correct. Which means that the City would be left with about \$156,867, or as Councilor Maestas said, about 17%. I don't believe that is enough by itself to cover 4 positions. Is that correct."

Deputy Chief Lettenberger said, "Like I said, ever since this program has been in effect, all salaries, all benefits, everything coming out of that program is paid by the STOP and the DWI Forfeiture Program."

- Councilor Rivera said, "Okay, not just this program. It is this Program and the DWI Program."
- Chair Dominguez said, "I have a similar question. How much are we subsidizing other programs or other programs with accused speeders."

Deputy Chief Lettenberger said, "For this Program itself, the STOP Program, we have one Program Coordinator, 30% of the salary and benefits are paid by this Program."

- Chair said he is looking for a dollar amount.

Ms. Jimenez asked the Chair if he would like the salaries by person, or just a total for the salary and benefits.

- Chair Dominguez said, "Councilor Rivera has the floor, but I just want a total."

Mr. Jimenez said the total for salaries and benefits is \$196,000, noting the 4 individuals have a different percentage of their salary paid out of the STOP program.

- Responding to the Chair, Ms. Jimenez said there is a DWI Officer, a Program Administrator.
- Chair Dominguez said he wants the total amount of percentages of personnel being paid out of the STOP funds, and Ms. Jimenez said we are only talking the STOP Program.
- Chair Dominguez said he wants to know how much is paid from the revenues generated by the STOP Program.

Ms. Jimenez said the DWI Forfeiture Program is 100% totally separate. She said, "Now we have two individuals, the coordinator part of their salary is paid out of the STOP program and part from the DWI program because they work doing both of those programs. One Coordinator's salary is \$19,569 which is 30% of benefits for that person's salary. The other Coordinator is \$30,420, 50% of their salary and benefits paid from the STOP Program. \$60,000 comes from the STOP program for those two people and the rest of their salaries comes from the DWI Forfeiture because they do both functions. There is one Police Officer and a Program Administrator that is full, 100% out of the STOP program. The Police Officer's salary is \$83,139, and the Program Administrator's salary is \$103,258."

- Chair Dominguez said, "Again paid out of STOP but not dedicated to STOP." He asked the grand total.

Mr. Rodarte said the total, according to Teresita's figures for year ending 6-30-2014, the total amount of personnel figures, including benefits is \$265,189.84 coming out of this Program.

- Chair Dominguez said, "So we are subsidizing other programs by that much. In other words, people who are getting a ticket are having to pay for the operation of other programs like DWI, or whatever."
- Councilor Rivera said, "Whether you figure out based on what Nancy gave us or what Robert gave us, the City still in its best year bringing in less money than all those figures provided. So this program, by itself isn't paying for all those positions."

Ms. Jimenez said, "This program was initiated in the 09/10 FY, and in 09/10 and most of 11/12, we didn't pay salaries. When the budget crunch hit in 2011/2012 Fiscal year, we only spent \$32,000 in salaries. Two, three years later, we had bumped up to the \$265,000. That was under the old City Manager, Robert Romero, to help the General Fund which is where these positions were paid two years ago. We had huge cash balances in this program. We had \$813,000 in cash balances when the General Fund needed to get straightened out. The salaries were then moved from General Fund and into the STOP program. So that's where those four individuals' salaries and portions of salaries came into being."

Ms. Jimenez continued, "So now, unfortunately, that we've been paying salaries for almost 2½ years, the balances have reduced. So yes, it may look like we cannot fund what is happening right now with all the salaries coming out of it, because at this point, we have no cash reserves."

- Councilor Rivera said there is still quite a bit in the DWI Forfeiture Program.

Ms. Jimenez said, "Absolutely. Yes."

- Councilor Rivera said then for each \$100 fine, the State gets \$50, Redflex gets \$33 and the City gets \$17. He said Chicago negotiated a 25% yield that they would get and asked why we limited the City to only 17%.

Ms. Jimenez said she doesn't know.

Deputy Chief Lettenberger said he was part of the team, and the contract as presented to them is what they presented to the City Attorney's Office, and asked Mr. Rodarte if he could comment on this.

Mr. Rodarte said, "Based on history, I can't answer that. I just can't remember how that came up. If I remember correctly, during the negotiation it was based on what was being done throughout the State at that time, and Albuquerque was deep into it at that time. And I think we formatted it based on the way that program was."

- Councilor Rivera said, "I'm really mixed on how I feel about this. I think as Councilor Trujillo said, there are some very good things about the program. It's been used in my District to help ease some of the speeding issues upon constituent requests, and that has been a good thing. I know using it at the schools is also a great thing. Some of the concerns I have about it, again not using a Police Officer. I had a constituent that got a Redflex ticket on Richards Avenue coming and going. She shouldn't be speeding, but as she's coming into town, she gets a ticket, and as she's going back out to the College she gets a ticket from the same vehicle. Now if that would have been a Police Officer, it would have happened only once. I have an issue on that side of it."
- Councilor Rivera continued, "Another issue I have is a \$100 fine with the City only getting \$17 of that \$100, I think I could support this a lot more if the City were getting closer to \$25, probably at 25%. But getting only \$17, it feels to me like we're making other people rich. I also think that a \$100 fine to somebody on the east side or the north side of town may not be that big of a deal, but a \$100 fine to somebody on my side of town is huge. And it means that bill doesn't get paid, or it could mean a family doesn't eat for a day or two. But it's a real impact to the people on my side of town. And again, it means that people are going to have to suffer. And again, breaking the law is breaking the law, I understand that. But this to me in so many ways just doesn't seem right."
- Councilor Rivera continued, "And again going back to Chicago and what they're doing, and they're looking about having to repay all the people that received tickets based on the possible corruption that was going on there. I don't believe anything like that has ever happened here, but again, I just don't feel comfortable, I don't think it's right for the City to engage in a contract with a company that's been suspect."
- Councilor Rivera said, "And I also know there are other companies out there. I know Redflex is the only one that responded to us, but I know that there are more out there. And I don't know if would be worth going out to bid, but I don't believe I can support this either."
- Councilor Trujillo read from a communication, "There were a lot of people out there that have received something, and I'm not going to say a name. I never thought I would say this, but please bring back the photo speed vans. I live at Rodeo and Zia and drivers routinely drive at 45 miles per hour between Zafarano and Rodeo to the intersection and it's too fast. Singles for Airport Road."
- Councilor Trujillo said, "So you know there were a lot of people were against this when it first came, but they've seen the impact it's had and the good it has done in some neighbors. And Councilor Rivera, I can respect your comments and I do understand. There are some flaws. I don't know where this vote is going to go, either way, wherever it goes, there's got to be ways that we can fix this and make it a better program, so I'll leave it at that. Thank you, Mr. Chair."

- Councilor Maestas said, "And I've said enough, but I want to emphasize one point, and that's addressing the real problem. And not being able to use a tool like this City-wide really is not effective. And I know by virtue of not being able to deploy these vans on State highways, those are all your arterials, it is severely limiting our coverage. So what we're doing is concentrating the deployment of these vans on the City streets and I don't think it's getting to the problem. So, the coverage is much too limited, it's not getting to the problem. There are other solutions we can come up with that are lower cost and we can deploy where the need is City-wide. So I think the limited coverage really prevents us from addressing the real speeding problem all across the City. And then, I think the funding breakdown and the cost for those FTEs shows how this program has gradually been used to subsidize other positions. And I know folks have received tickets, and maybe they think it's going for a good reason, but if they really saw how this payment of FTEs has kind of crept up over the years, I think they would view this program with more hesitation. And of course, that's the way I see it."

- Councilor Ives said, "If the money is collected by ESI in the collection process, can they only collect up to the amount of \$125, and if they do the collection, how is that money distributed."

Deputy Chief Lettenberger said, "Yes, they'll collect the \$125 and then I believe it's going to be the percentage from the \$125. Again, according to my staff the \$25 is the collections, but the \$100 would be distributed to the State, Redflex and the City."

- Councilor Ives said, "And I'm just trying to understand the State Statute, because it seems to limit it strictly to \$100, saying, 'It shall not exceed \$100,' in §3-18-17(a)(1), so I'm wondering if we are clear we can collect the \$25, and where does that fit under that statutory context."

Deputy Chief Lettenberger said he can't answer that until he researches it.

- Councilor Ives noted, "The default notice is what triggers the \$25 fee, but that's not necessarily what triggers it going to collection. So there may be somebody potentially collecting the \$125, and not having \$25 going to ESI, so I was just curious again about what happens in that circumstance with the distribution of funds."

Deputy Chief Lettenberger said he can find out and let him know.

- Councilor Ives said he appreciates the clarity on a couple of those items. He asked, "Of the almost 6,000 citations in collection, what is the aging on those, out of curiosity. Do we know?"

Deputy Chief Lettenberger said that's probably going to go all the way back to 2009, when we implemented it.

- Councilor Ives said so we don't know how old those are.

Deputy Chief Lettenberger said, "I don't have that off the top of my head, no. I can find out."

- Councilor Ives asked if we know what the statute of limitations is on something like this.

Deputy Chief Lettenberger said, "I don't know right off the top of my head."

Amanda Katz said, "I'm probably the one person that has been involved with the program since the beginning. We also have representatives here from Redflex, if there's some of those questions that they can answer. In general, when it comes to collections, ordinarily the additional \$25, the collection agency actually gets \$17 of the. The original \$100 stays exactly how it is and any other amount goes to the City. On top of it, I cannot answer, as you've requested in regards to the moratorium, but I will tell you that collections didn't start until 2011. The vast majority of those beforehand were never even looked at. We actually dismissed the vast majority due to the fact that there was such a small amount of staff, including just myself. So, because of that, anything you have questions on collection-wise is from 2011 to present. But, we have an aging of 120 days and above."

Ms. Katz continued, "As you may be familiar, it starts with 35 days for default, from there, actual collection does not take place for 90 days. They are initially given a notice, like a warning. It is then also the ability for them to contact the City of Santa Fe at any time. At the time they contact the City they have had options and other choices, including community service in lieu of the payment. Unfortunately, if nothing has been addressed, RSI Collections does deal with the matter. We have decided not to do it to a full collection process whereas a form of lien or what our Ordinance allows which is possible booting or possible other concern against their credit has taken place. That was going to be decided among the Councilors when/if this actually is allowed again. They also have a new company, that is more of a law firm process that is safer, in that paralegals deal with it. It would allow more money to come to the City, but also, people not concerned about their credit at the moment."

- Councilor Ives said, "On page 8 of the packet, it talks about citations are issued at 12 miles over the posted speed limit, except in School Zones where it is 5 miles over the posted speed limit. I suppose I'm trying to figure out why we allow 12 miles, as opposed to a smaller number, if speeding is to some degree speeding, and of course one hears a rule of thumb with regard to State Police Officers on the highways, 7-8 miles before they do anything, but that's a smaller percentage of a larger number. In a 25 mph zone, almost 50% in excess of the speed limit. So just curious where the 12 miles comes from, and what we can do if we wanted to change that, and why would we want to or why would we not want to."

Deputy Chief Lettenberger said, "It's actually in the Ordinance. I'm trying to find exactly where it is, but it's stated in the Ordinance where the threshold goes onto the speed van. I just need to get some time to look it up, or one of my staff will look it up for me."

- Councilor Ives said, "Well, even if it's in the Ordinance, we can change ordinances. People know that and it's in the Ordinance, aren't you inviting people to speed 10 miles over the limit any time they see a speed van."

Deputy Chief Lettenberger said, "That's a good possibility. The Ordinance came in effect back before I was in a position, and I don't know the reason why we did the 12 miles over."

- Councilor Ives said he is just trying to understand and make sense out of it, and having a few challenges in that regard.
- Councilor Ives said, if you could get the answers to the other questions. And as I say, one of the most significant ones I think is reconciling the additional \$25 fee with 3-18-17(a)(1), which says the total amount of assessed penalties, fines fees and costs imposed by an Ordinance for failure to obey a traffic signal, sign or signal, including red light offense or violation, or for a speeding offense or violation shall not exceed \$100. And I don't know if that State Statute has been changed to \$125, or whatever that \$25 fee is, is not a penalty a fine a fee or a cost. So would love to figure that one out too, please."
- Chair Dominguez said, "In the packet that you provided, on page 10, when you see Citations, what kinds of citations are those."

Deputy Chief Lettenberger asked if he is speaking of the Citations Patrol Issued."

- Chair Dominguez said, "Speeding citations, reckless driving citations."

Deputy Chief Lettenberger said, "It's going to a total of citations issued by officers. It's not broken down into speeding, red lights, it's going to be total citations issued by officers during that time frame."

- Chair Dominguez said, "So, for all we know, some of those citations have nothing to do with speeding."

Deputy Chief Lettenberger said, "Yes sir."

- Chair Dominguez said, "At least a follow up question. Was there supposed to be some sort of correlation between crashes and citations that you identified here."

Deputy Chief Lettenberger said, "The correlation that we did here is from 01/15/2013 to 06/20/2013, those were when we had the STOP speed vans out and available. If you look at from 01/15/2014 to 06/20/2014, that's when we didn't have the speed vans out there and officers were actually out there patrolling those areas, the high crime areas."

- Chair Dominguez said, "So, even without a speed van at Siringo Road, crashes went down. I just want to make sure I'm reading this correctly."

Deputy Chief Lettenberger said, "Yes sir."

- Chair Dominguez said, "So, without a van, crashes decreased."

Deputy Chief Lettenberger said, "What I can respond on that one, is during that time frame, we did have officers in vehicles patrolling that area. So it would be the same thing. In 2013, we have speed vans out in locations, so our crashes are 121, and the citations issued. And in the next column, the 2014 is speed vans aren't deployed in those areas, so officers out there doing enforcement on criminal activity or burglary enforcement in those areas."

- Chair Dominguez said, "It's interesting to me that without a speed van, the number of crashes has gone down."

Deputy Chief Lettenberger said, "And my response to that is we actually have officers in the vehicles."

- Chair Dominguez said, "I'm not asking about officers, I'm asking about the speed van, because that's what's on the table. So that's interesting to me."
- Councilor Rivera said, "So what I heard, I just want to clarify, Mr. Chair, is that an officer, in your opinion, is more effective than the speed vans."

Deputy Chief Lettenberger said, "If you're looking at the numbers, yes sir. You have an officer in a vehicle. If you see individuals in the area and they see a police vehicle, an officer, most likely, they are going to slow down if they see an officer driving on the street. Yes."

- Chair Dominguez asked, do we know how much Redflex has made from this program.

Deputy Chief Lettenberger said he doesn't have the exact numbers.

- Chair Dominguez said, "So they're a for-profit corporation. Correct."

Deputy Chief Lettenberger said, "As far as I know, sir, yes."

Chair Dominguez asked Ms. Jimenez if she has those numbers, but not a grand total.

Ms. Jimenez said, "In FY 09/10 Redflex was paid \$99,120. In FY 10/11 Redflex was paid \$212,112. In FY 11/12 Redflex was paid \$297,999. In FY 12/13 Redflex was paid \$314,985. In FY 3/14 Redflex was paid \$156,389, noting it dropped significantly because it was only a partial year. For a grand total of \$1,080,605."

- Chair Dominguez said he presumes the increase as the years have gone by is because we've had additional vans.

Ms. Jimenez said, "Correct. From the first year to the second year it would have been a full year also."

- Chair Dominguez said, "So if we only have one van versus three it's less people paying tickets. That makes sense."

Ms. Jimenez said, "Correct. Yes."

- Chair Dominguez said, "Thank you, that is good information."
- Chair Dominguez said, "I just want to make another quick statement before I ask the last question. I appreciate the data. This is good data to look at. This is not the kind of data we've had in the past, to be able to make comparisons and determine whether or not the program is working. Because, if it is truly about safety and not about revenue, even though we're balancing our budget based on this revenue, the data is important in making sure that we are truly meeting the intent of the program which is to say it's about safety. Because perception is one thing, but the data is the data. And so I asked a little bit about the data, and just making sure I understood citations and crashes and pointing out that without a speed van, the crash ratio has gone down."
- Chair Dominguez asked, "How long did it take you to put this data together?"

Deputy Chief Lettenberger said, "I would say between the personnel in the STOP program, on and off, I mean we were working on it on an every day basis, I would say close to 40-60 man hours. I can't say we were working on it for 3-4 months straight, but when someone would request information."

- Chair Dominguez said, "Well let me ask you this. Has this data been presented to the Public Safety Committee."

Deputy Chief Lettenberger said, "I believe we presented the same thing to the Public Safety Committee back in May. Actually, a correction. I don't think we presented the exact information. We did present the contract."

- Chair Dominguez said, "Some of the data that we are looking at, may or may not have been presented to Public Safety."

Deputy Chief Lettenberger said, "I would say you are correct. Yes."

- Chair Dominguez said, "If you look at the Ordinance on page 14, lines 21-25, can you tell me if that has that been complied with."

Deputy Chief Lettenberger said, "To my recollection, no sir."

- Chair Dominguez asked, "Do you know why that was put in there."

Deputy Chief Lettenberger said, "No sir. It was before my time, sir."

- Chair Dominguez said, "But you are speaking on behalf of the Police Department, irregardless, so whether or not it was before your time or not."

Deputy Chief Lettenberger said, "Yes sir."

- Chair Dominguez said, "That was put in there because the data is so important to prove the effectiveness of the program, and obviously, the law has not been abided by. So we are going to fine the Police Department the revenue they should have generated. My point is, that there was something the Police Department was supposed to have done, or somebody was supposed to have done. And the idea was that they would provide that data to the Public Safety Committee, and they would be able to ask the questions that I asked earlier about the fact that crash rates have decreased without speed vans. But that obviously hasn't happened."

- Chair Dominguez continued, "My problem with this the very first time around was that there was no baseline data to measure the effectiveness of the program. And after making sure that it is part of our City Code, that data or baseline data still has not been debated. So that's really the last question that I had, was whether or not that part of the Ordinance has been complied with and it sounds like you said no."

Deputy Chief Lettenberger said, "Yes sir. Correct."

- Councilor Ives said, "I apologize for going perhaps a little far afield, but in the packet at page 12, there was a page entitled More Stats, and it says, 'For 2013, crime and traffic data shows a correlation between crime and traffic incidents. And I'm just curious, how do you define a crime area and what are traffic areas, and is the correlation statistically significant.'"

Deputy Chief Lettenberger said, "I'm going to refer that to Deputy Chief Salbidrez who has a little bit more information than I do."

Deputy Chief Salbidrez said, "The correlation here identifies the crime rate, the stats gathered in the location, in addition to the traffic data being collected. It is showing there is an overlap in the same areas that there is traffic and crime equally or in conjunction with. What this is trying to show is that we're having to deploy resources/officers or divide them into two different areas – one for traffic and one for crime. And we were trying to show if we could remove the element of having to just assign an officer to enforce traffic, we would focus more on the crime element, such as burglaries, shoplifting, other types of crimes and we can focus on that, and allow technology to help us deal with the traffic incidents or traffic speeding."

- Councilor Ives said he is trying to understand how you generate this crime area, what constitutes a crime area.

Deputy Chief Salbidrez said, "That is just the data that is gathered from the reports that the officers are taking and accumulating that information from records and dispatch and it is deriving this information."

- Councilor Ives asked, "For instance if an officer stops somebody for speeding, that's a crime."

Deputy Chief Salbidrez said, "That would be considered a traffic offense."

- Councilor Ives, "That's what I'm trying to get a sense of. Is this shoplifting, is this armed robbery, is this murder. Do you just include any crime in defining a crime area."

Deputy Chief Salbidrez said, "We have two sections of City Ordinance, State Statutes, that divide traffic offenses in comparison to the criminal offenses. So we do have a sense, a division, of what is crime and what is traffic related. And that's how the difference is identified."

- Councilor Ives said, "I still have probably dozens of questions on this one page itself, but I certainly don't want to burden people here tonight. I don't understand. These definitional issues, they intrigue me."

Chief Salbidrez said, "If you like, we can meet at a later time and hopefully, help out a little bit."

- Councilor Ives said thank you.

[Somebody speaking to the Chair here, but it is inaudible]

- Chair Dominguez asked, "So has that case been adjudicated in Chicago."

Deputy Chief Lettenberger said, "As far as I know, I don't think it's been adjudicated at this time."

- Chair Dominguez asked the reason it hasn't been adjudicated.

Deputy Chief Lettenberger said, "I don't have that information, so I can't say if it has or has not."

- Chair Dominguez asked, "Do you think it's important information."

Deputy Chief Lettenberger said, "Yes sir."

- Chair Dominguez said, "But we don't have the answer. Can you find out for me please."

- Deputy Chief Lettenberger said, "I sure can sir."

- Councilor Maestas said, "I had a question. I'm reading the State Statute, and it was my impression that whatever the program grosses, it's split – half goes to the State, a third to Redflex and the balance to the City. But if you look on page 4, part 3A of SB 519, the bill says, and I could be

reading it wrong, but it says the City is the one that can take off the top of revenues, and it describes what are justified expenses, 'set up maintenance, support and processing service fees charged for the monthly period, pursuant to the contractual terms by the vendor providing systems and services.' But anyway, this implies the City has the first right to retain whatever we need to implement this program."

Councilor Maestas continued, "And then if you look at Part 3B, then it says, okay, 'less the retention authorized in Subparagraph A, one-half of the net total amount assessed in penalties has to be remitted to the State Treasurer. So is there some kind of cost allocation that the City can do to quantify what it costs us and then retain that instead of a set split in the net proceeds from revenues collected from citations. I'm not an attorney, but it seems to give us, the municipality under 200,000 population, the right to basically take off the top, retain whatever we need to implement the program. Is that your reading, but it certainly doesn't say the City, Redflex and the State have a set split of the revenues."

Councilor Maestas continued, "So, we're running long on time, but I think we need to look at this maybe a little closer. And I could be interpreting it incorrectly, but it seems to give the municipality the right to determine the actual cost to implement the whole program, and then retain that, and then whatever the net is, then the State Treasurer gets half. So if you could maybe look at that. Thank you. That's all I have, Mr. Chair."

MOTION: Councilor Rivera moved, seconded by Councilor Maestas, to deny this request.

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

For: Councilor Maestas and Councilor Rivera.

Against: Councilor Trujillo and Councilor Lindell.

The resulting vote was a tie and Chair Dominguez voted in favor of the motion, thus approving the motion.

Explaining his vote: In terms of whether or not this is about public safety and not finance. Let's not kid ourselves. Finances have a lot to do with this. Operating costs have increased because of this program, and we've basically been balancing our budget from this program. Although some Councilors may feel it is about safety and not revenue, the fact is, I believe the Police Department needs those finances in order to be able to balance the budget and they've pretty much said so. In terms of whether or not this is a public safety issue, that it is improving safety in our community, I do not believe that the data shows that. I gave a pretty clear example of that in my line of questioning earlier. Are our streets safer. If we have 3 more vans on the streets, does that mean our streets are three times safer. The data does not show even close to that. It shows it way less. And then I just have a question about Redflex, the situation that Redflex is in. You've got 60 cities in California that are abandoning the program for those reasons. And the jury is out on that. And it makes me nervous to enter into an agreement or into a relationship where I really don't know

whether or not I can 'marry' them or not. I really don't know if they're divorced from their previous spouse. And that's kind of the situation that we're in now I believe. Is that we are potentially entering into an agreement with the company when their position has not been finalized, or as I said earlier, adjudicated, and that makes me nervous, because what could it really cost. And so, had someone management, whoever, done the work which was originally asked for and collected that data and looked at and studied it, at least discussed, then I would be much more inclined to support something like this because the data is there and it may show some increase in safety, but I do not believe that is there, so I vote yes."

Ms. Jimenez said, "May I ask for a clarification. Next steps. Going to Council with a non-recommendation."

Chair Dominguez said, "Well I believe it has to pass one major committee to be able to get it out to the City Council. So you have to get together with the City Manager on that."

Councilor Trujillo said, "I wanted clarification, because, like Councilor Dominguez said it had to pass one. Being that it failed, I don't think it can go to Council, so therefore it dies. It wasn't going to Public Works. It went to Public Safety, but being Public Safety isn't one of the major two, so, you get clarification from the City Manager, get clarification from Kelley Brennan as well. But in my opinion, I believe it dies right here. It will not go to Council next Wednesday."

24. GENERAL BUDGET DISCUSSION. (PLEASE BRING ANNUAL OPERATING BUDGET BOOKS)

Chair Dominguez said the time is late and he doesn't want to keep the members here too much longer. He asked the Committee to bring their budget books. He asked them to look at them. He said he carries his all the time and scribbles in it. He said he has spoken with all of the member of the Finance Committee as well as others on the Governing Body to get a sense of their priority in terms of budget. He said he believed we could wait until we got a Finance Director so we could move into some strategic planning. However, time is becoming of the essence and he believes, as do Councilors Ives and Maestas, that we need to move more quickly than the administration is moving in getting a Finance Director on board.

Chair Dominguez noted the City Manager isn't here, nor is the Finance Director or interim Finance Director. There is a lot of work that needs to be done. He's heard lots of things from the Committee, including making sure we try to do some tax reform, look at our expenditures, look at the vacancy savings – a whole slew of stuff. He said he wants this as an opportunity to provide clear direction to the City Manager our expectations as we approach mid year and then the final budget.

Chair Dominguez said there are critical issues such as the cost of health care, and the hold harmless provision. He said we are at about \$1.6 million in the red right now, give or take a few hundred thousand. He thinks it is prudent and important to begin conversations and to begin establishing our priorities and directions to the City Manager on the record so we can move forward with some critical issues we have.

Chair Dominguez said, in terms of priorities, "One of the things that I want to say, just in a very overarching and general priority, I would like to make sure that whatever austerity measures we make or cuts that we make, we keep them as far away from the young, the poor and the elderly as possible. Those are very vulnerable populations in our community, and so that may be a little too much to ask for, that no cuts or that they are not impacted at all. But, as we are going through this process and thinking, I would like for the Committee to just think about that."

Chair Dominguez continued, "The other thing I would like the Committee to consider as well is going through, as we have called it, an 'ABCs of the Budget,' so that not only can we learn about our budget, the various funds we have and how the shall game is played, but so we can potentially take this to the public and that the public can understand the 'ABCs of the Budget, as well. I think it is important for them to understand really, where their tax money goes, how it is spent, and so I think is important. One of the things that I will start off, and then turn it to the rest of the Committee, and I've said it before, we need to have a policy on vacancy savings. And so some of the data I think we need right off the bat, is understanding what our vacancy savings looked like for the past years to 2007. We need a picture of our vacancies. Because, quite frankly, aside from the STOP program, we've been balancing our budget off vacancy savings as well."

Chair Dominguez continued, "Having said that, I do not think it is beyond this Committee to begin to ask that the City Manager not approve any reclassifications and/or hires even, without this Committee's approval. It's something we've done before with the previous City Manager. Given the fact that we're \$1.6 in the red right now, I think it is appropriate for us to consider bringing that direction and that directive back to the Finance Committee. And so again, we need to be very clear on this direction. So, I will turn this over then to the rest of the Committee. I think I've said everything I want to say."

Councilor Maestas said, "I'm going to try to avoid restating what you said, and I agree with everything you said. I think it's time for this Committee to step up and show leadership. I think the writing has been on the wall, but what is making it even more pressing, is that we're seeing the actual revenues come in versus projected. And it's not good. And I said this before. I don't think we should wait until the middle of the fiscal year to decide to take action. And I'm not going to say the sky is falling. Things could change. However, we know what is coming in the next fiscal year, but we haven't addressed it. You, Mr. Chairman, you've directed staff to put together a gap sheet. And some of the sheer amount we're dealing with in gaps, not just one-time, up front costs, but recurring O&M costs, I think is astounding."

Councilor Maestas continued, "And so what I think we should do immediately is look beyond this fiscal year. We know what's coming. I don't think we ought to make any assumptions that we're going to take any action throughout the course of the fiscal year to increase revenues. So, what I'm saying is, I think, for the purposes of discussion and facing the reality, is that we look at a worst case scenario. For

example, adding up all the gaps, the one-time gaps, the operational and maintenance shortfalls and let's do a two-year budget. Let's see if we include those gaps next year, hold harmless kicking in, the one-time annexation costs. Let's look at a two year budget and see how our current budget would change. I can guarantee we're looking at some cutbacks. And I think we're sticking our heads in the sand by just looking at this fiscal year. And so I think that's something we can do right now, and I urge my colleagues that we should do this. It's not going to cost anything. But I think that will start giving us a glimpse of what we're really facing in the absence of any additional revenues that we have not secured just yet."

Councilor Maestas continued, "Also, I really felt, I got a little upset at the budget hearings because the City Manager did not give us any recommendations in expansion requests. And we, the Committee members, we bore the burden of trying to determine, for example, was the IT expansion request more important than Public Works and so forth. We just simply got a ranking without any kind of an evaluation. That way, we know we're comparing apples to apples and oranges to oranges. And it was literally impossible for me as a Committee member to make that differentiation of what is more important in the way of an expansion request by various department. And I want to see a serious analysis, an objective analysis in terms of what are the risks of us not funding some of these expansion requests by various departments. And I want to a serious, objective analysis in terms of the risks of us not funding some of these expansion requests."

Councilor Maestas continued, "I think Councilor Ives really felt like he stepped up. He read the Presidio Report and said, you know what, you know, he spoke to the risks associated with not addressing our IT needs. I want to see an evaluation, an objective assessment, of all those expansion requests. And I want a total priority list. We've done it for ICIP, I see no reason why we can't do it across the City. So we know, okay, what are our top priority expansion requests, and I want some objective criteria. So I think, just as a start, I think we ought to rework our budget numbers. Let's do a two-year budget forecast and let's include this budget. Let's include all those anticipated gaps and shortfalls that we anticipate in the next fiscal year, and then let's objectively assess all those expansion requests. Because simply asking for a flat budget and turning down all expansion requests, I mean, jeez, that's easy. The hard part is making those hard decisions in determining what needs to be funded."

Councilor Maestas continued, "So, Mr. Chair, at this point, I think these are the only two specific recommendations I would have for trying to assess what we're facing. And I hope we're in a position to actually start taking action by mid-year, if this current trend continues. And again, I want urge that we ought not to assume that we're going to get tax reform, or that there are going to be additional revenues. I think we ought to assume that what we have is what we have, and we've got to work within it. And lastly I think we saw a lot of financial practices that have evolved since the recession and they're not good. And I'm prepared, in that policy, to end those practices, carrying over negative cash balances, not having an explicit policy on reserves, whether it's the State required reserve or our reserve above and beyond the State required reserve. And I know there are other reserve accounts we have and we don't have a policy."

Councilor Maestas continued, "So, I think those are things we can start doing right away to try and... it's a little behavioral modification. And I want to say that I think this City government has done a yeoman's job in putting together these patchwork budgets, but I think we have to say those days are over. We really need to go back to basics, look after the bottom line. I think a lot of the actions we're taken have

been piecemeal, they've been scattered, they don't really relate to any theme or goal that we're moving toward. And so hopefully, after this Committee takes the lead, I hope we can demonstrate to the public that we care about the bottom line, that we are fiscally aware and responsible, and we're showing leadership in bringing our City back to sustainability in a financial sense. That's all I have for now."

Councilor Ives said, "When I consider the budget processes I have been through while sitting as a City Councilor, I have never felt that I fully understood our budgeting process. And I think it's in part because the approach we've taken, as I understand it, is essentially directing folks to come up with a flat budget, which to me, to some degree suggests, let's do what we were doing before and just try and not cut anything. And what that ends up, in this last budget session, was the enhancement list of projects across all the departments, without, in my mind, any sense of real prioritization."

Councilor Ives continued, "I remember when the IT one, we were given that list and asking the question, how were the IT expansion requests generated and the response was, well, I wanted to highlight them. And that, to me, does not suggest that we've been through a real budgeting process which says, what are your needs, put those in your budget, and figure out what you have discretion on, and then we can argue if there's excess revenue, how to spend that on amounts that we have that aren't covering those critical needs."

Councilor Ives continued, "So, some of what I would be interested in doing is, rather than giving a directive across the City that I want a flat budget, why not start the departments at a zero budget and ask them to come in and justify their expenses, so we know really what they want and feel they need to spend money on and in what amounts. And in that way, make sure we're covering what we need to cover, and then we can then identify what funds there might be in excess. Because again, I certainly look forward in this next budget cycle to be able to direct funds to projects that will potentially grow the City as an economic engine. And again, this give me a flat budget doesn't necessarily accomplish that in my mind. So, that's certainly one item I am interested in."

Councilor Ives continued, "The only other one I would indicate or suggest is, I would like to more critically line up our revenue with our expense. So if you look at all our revenue sources, and you may recall back during the potential property tax increase, I said I think there probably are 8 different sources in terms of potential funding across the City. Let's figure out of those core services that we have had at least one opportunity to gather on and talk about, what's coming out of what revenue source and make sure we're lining it up in a way that makes sure that core services are covered by your most steady and regular types of revenue sources, so we are always meeting those needs. And then we get into the more discretionary as we move out from those core services."

Councilor Ives continued, "I'll mention two others. One is I'm always looking for efficiency in everything we do, and honestly sometimes that means spending more money to get that efficient result and save money. So always keeping that in back of my mind, and I can't remember what my other point was, but I know it was a good one."

Councilor Lindell said, "All these are points very well taken, particularly I have it in my mind, the idea of a flat budget isn't necessarily an efficient budget. And I think sending people off and saying we need a flat budget assumes that the budget we're working with now is right and proper. And I think the idea of building a budget more from the ground up would allow us to move much more toward efficiency, and a better budget."

Councilor Lindell continued, "I also think it would be nice to have a report to the Council on things we've approved this year that cost more money than weren't in the budget, revenue streams this year that we've forgiven, that we made decisions that we weren't going to collect those monies, or things we weren't going to charge for. Even the small things like this evening, Councilor Maestas brought it up. Buses for free on election day. Those are great feel good things. What are we getting back on those. We do them week after week after week, and it starts adding up to some money."

Councilor Lindell continued, "If you think that... Unfortunately, I think that this Committee is going to be faced with some areas that we're willing to talk about cutting back on. And I don't know what services we have that we would be willing to cut back on, or how some of our services become more efficient. But in the things that you mentioned Chairman, health care, hold harmless and less revenue, we're talking about a lot of dollars there. And next year is critical. I think Councilor Maestas's suggestion of looking at a budget past 12 months makes an awful lot of sense. We're just holding things together with glue and duck tape, and we can't do that forever. I think we've been doing it for a while, but I really think this Committee is going to have to get down to some very tough work. And thank you for bringing it up early Chairman, because I think we need to start."

Councilor Trujillo said, "Having been here now going on 9 years, it has been rough. You look at the downturn. When the downturn happened, we up here had to make some tough choices, and it was unfortunate. Because there are a lot of things I wanted to be able to spend money for, teen center and things like that. When they said, flat budget.... but you have to understand that. One time I can remember, there was discussion about doing a property tax, and there were a few of us on here that said, if that's what we have to do, we're going to do it. And I remember sitting over there, and when it came up, I'm looking at the spreadsheets, and I said, what are these. Why are these reserves here. And I was in shock, because when I asked the question, well what is this. And they told me, well it's reserves. I'm like \$9 million in the hole, and wouldn't you think it's relevant to tell us there are reserves."

Councilor Trujillo continued, "So yes. I know that there are ways that things were done. But I guess the thing I would see, Mr. Chairman and the rest of the Committee, here we talk about revenue. That's what it's all about. How are we going to make revenue for the City. I think we need to go back and look at all past Ordinances all past Resolutions. There's a lot of money that is still out there that we have not enacted, and we have staff that don't know these Resolutions and Ordinance are even in existence. I think going back, seeing if there are Ordinances that were enacted prior to us being the Council, maybe there's something there. Other than that, I really do like the two-year budget cycle. Because, like Councilor Maestas mentioned, that hold harmless is going to hit us and it's going to hit us hard. Where are we going to be then, because I know all of us up here want money and we want to be able to do for our District. Councilor, you just want your underpass and all that, and I know that. I think we all have that passion here, because this is our District and we want to take care of it, so how can we do that."

Councilor Trujillo continued, "I think we just need to set our mind that this Committee is going to work hard. We're going to find revenue. We're going to have to cut sometimes, that's the name of the game and it's unfortunate. I, for one, can say I don't want to cut personnel, jobs, that's somebody's livelihood, but if there are some ways we can make a balanced budget and move this City forward. So, Councilor Dominguez, this is my first year serving on the Finance Committee, so it definitely has been an eye opener, sitting on the other side having to do other things. One thing, I will give you kudos, Councilor Dominguez, you have kept us fiscally sound these past few years as you have been Chairman. It's been rough. I know it has. You've gotten a lot grayer over the past few years. So, I just think it's important that this Committee set the standards as to how to move this City in the future. And just to conclude, I look forward to working with all my colleagues on this Committee and staff. We're going to hit some bumps in the road, but I think we'll be able to go through them, and in the end the City will be fine and we'll come out looking shiny, maybe not as rich, but we'll make it through. We will weather the storm as we have these past few years. Thank you, Mr. Chair."

Councilor Rivera said, "I agree with pretty much everything that's been said tonight. I've been on the Council, again this is just my first term, but I've been in City government for a while. And it's always been amazing how we spend money based on what we hope to get. And when we don't get that, then we're in trouble. If we get more than that, we're all happy, but these last two years we haven't received what we hoped to get. And that's led to several exercises that I was a part of when I was in the Fire Department. And I think we need to begin those processes again. And that was direction to each City department to do an exercise in what their budget would like if they had to cut 2%, and what it would look like if they had to cut 4%. At one point, we were asked to cut 10% out of our budget, and I think that was way too extreme for any department to stomach and come up with realistic cuts. But I think the 2% and 4% were very realistic."

Councilor Rivera continued, "So on top of looking at other ways to generate revenues, I think we should also look at what it would look like if we had to make cuts at the mid-year point, and where those cuts would come from and what they would look like, and what they would mean to each department. That's all I have Mr. Chair."

Chair Dominguez said we're going to keep this on the Agenda for next time. He said, "I'm going to get to the details of what the subcategories underneath an agenda item might be. And I'll talk to the other Committee members as well. But it looks to me that one of the things we can look at, based on what everyone has heard, is to start off with a general overview of revenues and expenditures. What that looks like, and maybe we can ask staff to begin to project that out for two years or so. And to start, as they look into the future, is your budget outside of.... the reason I talk about revenues and expenditures is that 60% of our expenditures are in personnel and operations I believe. So those two things go hand in hand, in terms of what our expenditures are and personnel."

Councilor Ives said, "I remember the other item. I am hoping as part of this, as we are looking at staffing, at departmental budgets, that we can draw on, or at least have information on what norms are for cities of our size and complexity. Because I think those provide useful benchmarks against which we can assess our own performance. Because if that information is available in ways we can look at it, it acts, I think it can be a useful guide, just knowing that we're not wildly over-spending in particular areas or under-

spending in particular areas. And an example, just looking at the Presidio Report that talked about our IT staffing and IT expenditures, comparatively, it was low. And I think that type of information is helpful as we have these discussions, because it really suggests that across a broad swath of potential comparable entities, we're in the field, or in the appropriate measure. So that would be something I would hope also is information we can get as part of this process as we move it forward."

Chair Dominguez said, "The bottom line is that we have become much more efficient, because we, frankly and simply put, we're not making as much as we're spending. So, it's going to take a pretty methodical and detailed look at some of this stuff. I will also, just so the Committee knows, consider doing some workshops or study sessions on budget, specifically dedicated to just the budget, but I'll be working with staff on that. The other thing, just real quickly, I've heard about the idea of giving stuff away for free. I've looked at past Ordinances and Resolutions where we kind of have these unfunded mandates, I think the City Manager called them last time. And so I think we need to revamp our Fiscal Impact Reports and how that is brought forward, so there is some onus on the Governing Body to determine how much the impact is going to be, or to help determine what the impact is going to be and what the funding source is going to be for that impact. I don't know what that looks like right now, specifically the sheet and the process, but I think it's something we need to look at."

Chair Dominguez continued, "And I guess, just the last thing, maybe it is a good exercise as we look at multi-year budget, we can use the GAP sheet method as a start just to give us a starting point. And I'll get together with staff to talk about the detail. And as we move forward, the Committee can refine the request, or ask for refinement on what they are looking for. But, I wouldn't mind even asking the City Manager to get looking at a 2% or 4% cut in those budget sheets, or those gap sheets as we try to project into the future. As I said, we're \$1 million short in revenue. We know what our hold harmless is going to look like. It's in the order of \$630,000 this year, and another six hundred and whatever thousand next year. And by the time we get to that two year budget, based on hold harmless alone, that's \$1.5 million in the hole. So we have some really significant things that we need to talk about."

Councilor Maestas said, "I just want to add one thing in terms of direction today. If you look at, in the budget briefing book, we had some annexation requirements. For example, there was a call for 10 new officers in FY 14/15 and 5 in 15/16. We only allocated enough budget in FY 14/15 for 5 officers, with the assumption that well, we think we can meet those coverage requirements the City committed to in the Annexation Agreement. I want an evaluation. I want to see how well we are meeting our commitments in the Annexation Agreement by providing adequate, and I want adequate defined, adequate public safety coverage, and I mean that for Police and Fire. Because I think we're really going to need to know, okay, what is our minimum investment. Did we overstate the number of firefighters and police officers needed to provide that coverage in the annexed area, because I see that as a priority. I think you mentioned populations that should be held harmless, Mr. Chair. I think maybe, as a second tier priority, it should be our annexation commitment, especially public safety which is in your neck of the woods. So, we need some early data on how well we are doing funding half the request for police officers to provide that coverage. I think we need to start gathering data on public safety in how well we are doing in covering our public safety requirements in the annexed areas."

Chair Dominguez said it is going to be interesting, noting he will be relying on the Committee to help provide some of that guidance. He will work with staff to get some of this on the agenda for the next time. He is going to work hard to be sure we have light agendas so we can concentrate on this stuff. It's not very likely, although you would think with less money we would have less things to vote on. He looks forward to this. He thanked the Committee for its work, and thanked Councilor Ives for sticking around for this agenda item.

25. OTHER FINANCIAL INFORMATION

A. UPDATE ON GROSS RECEIPTS TAX REPORT RECEIVED IN SEPTEMBER 2014 (FOR JULY 2014 ACTIVITY) AND LODGERS' TAX REPORT RECEIVED IN SEPTEMBER 2014 (FOR AUGUST 2014 ACTIVITY). (TERESITA GARCIA)

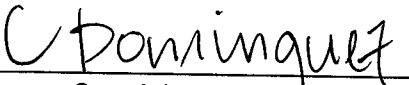
The reports weren't received, so this item was not heard. Chair Dominguez asked staff to send the information to the Committee when it is received.

26. MATTERS FROM THE COMMITTEE

There were no matters from the Committee.

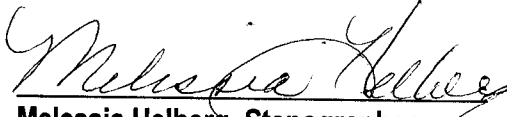
27. ADJOURN

There was no further business to come before the Committee, and the meeting was adjourned at approximately 8:35 p.m.


Carmichael A. Dominguez, Chair

Reviewed by:


Teresita Garcia, Acting Director
Department of Finance


Melessia Helberg, Stenographer