



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
JUNE 15, 2015 – 5:00 P.M.

CITY CLERK'S OFFICE

DATE 6/11/15 TIME 3:00pm

SERVED BY OT Corbett

RECEIVED BY Alicia Hartley

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

Special Finance Committee – April 30, 2015

## CONSENT AGENDA

6. Request for Approval of Cooperative Agreement – Design and Right-of-Way Acquisition for Roundabout at Agua Fria Street/Cottonwood Drive Intersection; New Mexico Department of Transportation. (John Romero)
7. Request for Approval of Amendment No. 3 to Professional Services Agreement – Radio Advertising to Promote and Market the City Parks & Recreation Department; Hutton Broadcasting, LLC. (Liza Suzanne)
8. Request for Approval of Four-Month Emergency Procurement and Professional Services Agreement – Security Services at Municipal Parking Facilities, City Hall/Santa Fe Community Convention Center, Public Libraries, Municipal Court and Santa Fe Trails; Blackstone Security Services, Inc. (Noel Correia)
9. Request for Approval of Donation of Fire Truck to the Sierra Bonita Volunteer Fire Department. (Robert Rodarte)
10. Request for Approval of Amendment No. 1 to Professional Services Agreement – City-Wide Barricading and Traffic Control Services (Bid No. 15/08/B) for Water Division; Southwest Safety Services, Inc. (Michael Moya)
11. Request for Approval of Procurement Under Cooperative Price Agreement – Ten (10) Fifteen Yard Roll-Off Refuse Containers; Wastequip Mfg. Co. LLC (HGACBuy). (Lawrence Garcia and Cindy Padilla)
12. Request for Approval of Procurement Under Cooperative Price Agreement – Sixteen (16) Six-Yard Commercial Front-Loading Refuse Containers; Wastequip Mfg. Co. LLC (HGACBuy). (Lawrence Garcia and Cindy Padilla)



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
JUNE 15, 2015 – 5:00 P.M.

13. Request for Approval of Memorandum of Agreement – Provision of Wastewater Collection and Treatment Service for the Thornburg Amended Master Plan Area Located Outside the Presumptive City Limits; Santa Fe County. (Stan Holland)
14. Request for Approval of Amendment No. 1 to Professional Services Agreement – Website Design and Content Management System (CMS) Services for Tourism Santa Fe; Studio X. (Randy Randall)
15. Request for Approval of Amendment No. 1 to Professional Services Agreement – Public Relations Services for Tourism Santa Fe; Lou Hammond and Associates. (Randy Randall)
16. Request for Approval of Professional Services Agreement – Enterprise Resource Planning System (ERP) Solution Selection and Consulting Services for City of Santa Fe (RFP #15/18/P); BerryDunn. (Renee Martinez)
17. Request for Approval of Agreement – Integrated Services Digital Network Primary Rate Service a/k/a ISDN PRS for ITT Division; CentryLink QC. (Yodel Catanach)
18. Request for Approval of Agreement – Qwest Metro Optical Ethernet Services for City Hall and Most Satellite Offices; Qwest Corporation d/b/a CenturyLink QC and Approval of Budget Increase in the Amount of \$48,852. (Yodel Catanach)
19. Request for Approval of Water Division Payoff of Two (2) Outstanding Drinking Water Loans from New Mexico Finance Authority in the Total Amount of \$13,638,956.35. (Nick Schiavo)
20. Request for Approval of Budget Adjustments to Transfer Restricted Cash in the GRT Bond Funds and to Redistribute Property Tax between GO Bond Funds 4150 and 4151. (Helene Hausman)
21. Request for Approval of an Ordinance Amending Subsection 12-6-6.1 of The City of Santa Fe Uniform Traffic Ordinance to Prohibit the Parking of a Motor Vehicle in a Marked Bicycle Lane; Making Minor Grammatical Changes. (Councilor Bushee) (Keith Wilson)

**Committee Review:**

Public Safety Committee (scheduled)	06/16/15
Bicycle & Trails Advisory Committee (scheduled)	06/17/15
City Council (request to publish)	06/24/15
City Council (public hearing)	07/29/15

Fiscal Impact – No



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
JUNE 15, 2015 – 5:00 P.M.

22. Request for Approval of a Resolution Directing the Public Utilities Staff to Create a "Carbon Neutral Impact Report" (CNIR) Form Designed to Identify and Quantify Carbon Emissions Stemming From Proposed City Resolutions, Ordinances and Other Actions, in Order to Better Ascertain Their Positive or Negative Effects on the Environment; Requiring City Staff to Use and Complete the CNIR When Assessing Proposed Resolutions, Ordinances and Other Actions. (Councilor Ives) (John Alejandro)

**Committee Review:**

Public Utilities Committee (approved)  
City Council (scheduled)

06/03/15  
06/24/15

Fiscal Impact – No

23. Request for Approval of a Resolution Endorsing the North Central Regional Transit District's FY2016 Budget Proposal, Approving the FY2016 City of Santa Fe Regional Transit Plan, and Directing Staff to Submit the City of Santa Fe Regional Transit Plan for FY2016 to the North Central Regional Transit District Board of Directors for Consideration and Approval. (Councilor Bushee) (Jon Bulthuis)

**Committee Review:**

Public Works Committee (scheduled)  
City Council (scheduled)

06/22/15  
06/24/15

Fiscal Impact – No

24. Request for Approval of a Resolution Adopting Guidelines and Regulations for The Acceptance of Memorial Donations for Placement in City-Owned Parks, Open Spaces and Trails. (Councilor Dimas) (Robert Carter)

**Committee Review:**

Public Works Committee (scheduled)  
Parks and Recreation Advisory Commission (scheduled)  
City Council (scheduled)

06/08/15  
06/16/15  
06/24/15

Fiscal Impact – No

25. Request for Approval of a Resolution Amending Resolution No. 2014-19 that Authorized the Establishment of a Community Hospital and Health Care Study Group to Examine the Effects of the Affordable Care Act and Other Changing Conditions on the Effective and Efficient Delivery of Health Care Services to the



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
JUNE 15, 2015 – 5:00 P.M.

Santa Fe Community and the Delivery of Health Care Services to the Indigent; and Called on Santa Fe County, Other Health Care Providers and Stakeholders in the Northern New Mexico Region to Join the City of Santa Fe in Such Efforts. (Councilor Ives) (Kate Noble)

**Committee Review:**

City Council (scheduled)

06/24/15

Fiscal Impact – Yes Professional Services of \$50,000 (non-recurring) Funds not identified

**CONSENT ITEMS IN PREPARATION FOR NEXT FISCAL YEAR**

26. Request for Approval of Sole Source Procurement – FY 2015/16 Santa Fe Municipal Court DUI/Drug Court Treatment Services; Millennium Treatment Services, Inc. (Cordelia Begay)
27. Request for Approval of Agreement – FY 2015/16 Coordinate Outlined Services through the Santa Fe Regional Juvenile Justice Board; State of New Mexico Children Youth and Families Department. (Richard DeMella)
28. Request for Approval of Grant Award and Professional Services Agreement – VO2 Max (Cardiopulmonary) Testing for Santa Fe Fire Department Personnel; University of New Mexico and Approval of Budget Increase in the Amount of \$61,200. (Jan Snyder)
29. Request for Approval of Renewal for Fiscal Year 2015/2016 Comprehensive Insurance Program Coverage for City of Santa Fe (RFP #12/19/P); A.J. Gallagher Risk Management Services. (Barbara Boltrek)
30. Request for Approval of Procurement Under Cooperative Price Agreement – City-Wide Building Supplies and Services for FY 2015/16 and 2016/17; Home Depot. (Robert Rodarte)
31. Request for Approval of Procurement Under Cooperative Price Agreement - City-Wide Auto and Truck Supplies and Service for FY 2015/16 and 2016/17. (Robert Rodarte)
  - Carquest
  - Napa
  - O'Reilly's

**END OF CONSENT AGENDA**



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
JUNE 15, 2015 – 5:00 P.M.

## DISCUSSION

32. Request for Approval of an Ordinance Amending Section 11-12.1 SFCC 1987 to Modify the Formula by Which the Governing Body May Authorize Funds for Transfer From an Enterprise Fund to the General Fund. (Councilor Ives) (Oscar Rodriguez)

### **Committee Review:**

Public Utilities Committee (not approved)	06/03/15
City Council (request to publish) – approved as amended	06/10/15
City Council (public hearing)	07/08/15

Fiscal Impact – Yes (Revenue Sources in operating of \$3,000,000)

33. Discussion on Capital Improvement Plan (2015-2020). (Oscar Rodriguez)
34. Monthly Financial Report as of March 31, 2015. (Oscar Rodriguez)
35. OTHER FINANCIAL INFORMATION
36. MATTERS FROM THE COMMITTEE
37. 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, June 15, 2015**

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

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

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



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

**1. CALL TO ORDER**

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

**2. ROLL CALL**

**MEMBERS PRESENT:**

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

**OTHERS ATTENDING:**

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

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

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

**3. APPROVAL OF AGENDA**

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

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

#### 4. APPROVAL OF CONSENT AGENDA

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

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

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

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

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

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

**CONSENT ITEMS IN PREPARATION FOR NEXT FISCAL YEAR**

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

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END OF CONSENT AGENDA  
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**5. APPROVAL OF MINUTES: SPECIAL FINANCE COMMITTEE – APRIL 30, 2015**

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

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

## **CONSENT CALENDAR DISCUSSION**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

Councilor Maestas would like that in writing.

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

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

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

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

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

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

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

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

Mr. Rodriguez said no.

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

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

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

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

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

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

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

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

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

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

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

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

Councilor Lindell asked the miles on the vehicle.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Councilor Lindell asked if the commercial is metered.

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

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

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

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

Nick Schiavo said, "No and no."

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Chair Dominguez asked if the utility has it.

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

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

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

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

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

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

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

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

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

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

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

Mr. Holland said no.

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

Chair Dominguez said the Memo is from Randy Randall.

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

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

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

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

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

Mr. Rodriguez said it's not an emergency.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Mr. Rodriguez said yes.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Chair Dominguez asked Councilor Trujillo to expound a little more.

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

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

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

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

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

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

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

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

Chair Dominguez asked if these are recurring funds.

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

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

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

Chair Dominguez said he needs to give this more thought.

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

**COUNCILOR RIVERA WITHDREW HIS SECOND.**

**COUNCILOR TRUJILLO SECONDED THE MOTION.**

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

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

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

Councilor Rivera asked if the County is interested in participating.

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

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

Mr. Liming said he doesn't know.

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

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

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

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

Councilor Rivera asked if Christus has agreed to participate.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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**END OF CONSENT CALENDAR DISCUSSION**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Councilor Lindell asked for clarity of what that is.

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

*Councilor Lindell departed the meeting during this presentation*

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

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

*The Committee commented and asked questions as follows:*

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

Mr. Rodriguez said sure.

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

Mr. Rodriguez said it would.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### **35. OTHER FINANCIAL INFORMATION**

There was no other financial information.

### **36 MATTERS FROM THE COMMITTEE**

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

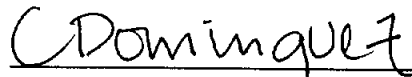
Chair Dominguez introduced the following legislation on behalf of Councilor Ives:

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

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

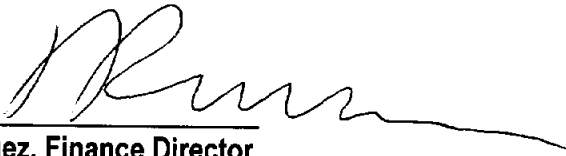
**37. ADJOURN**

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

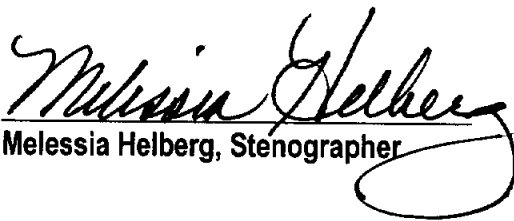


Carmichael A. Dominguez, Chair

**Reviewed by:**



Oscar S. Rodriguez, Finance Director  
Department of Finance



Melessia Helberg, Stenographer



Carolyn Sigstedt 670-6117

I'm here tonight to try to address briefly leadership, unity, respect and integrity. We are all but trusted servants,

To be trusted is both humbling and elevating.

To be an elected leader is an honor and serious responsibility. The best leadership strives for honesty, transparency, open government and highest practices. Highest practices meaning as leaders, you are asked to practice obedience to the unenforceable, Just because you can do it doesn't mean you should do it and certainly does not reflect all the water rate payers of our community's position. Lead by example modeling the highest practices. Plenty of things are more important than instant cash - Trust in all it's forms are one of them. Cut back this budget, put restrictions and limits on any changes to ordinances, enclose a sunset clause not to be transgressed, make public and accountable how every penny is to be used and promise that this practice will not take place again and that in the future our water company will be separate and regarded as sacred to our community's life itself.

Changing this ordinance to allow the city to move \$4.8 million from the water company to the general fund for day-to-day operations is not something to do lightly. Before any ordinance is passed we need to notify all the citizens of Santa Fe and give them ample opportunity to weigh in. After all it is their money that they paid to the water company that they expressly understood would go to the sustainability of Santa Fe's future water needs. Your decision must take into account the peoples' understanding of their high water bills. One public hearing is not sufficient. These public hearings will probably demonstrate agreement, disagreement, ignorance, confusion, resentment, and anger. We need to postpone any decision until you've given all the people who wish to share a chance. GIVE THE PUBLIC A VOICE. What the public says may or may not influence the decision, but they will feel better for having had the opportunity to express their views. If we care about the fate of Santa Fe's future generations, we will never again sacrifice their water resources to ephemeral interests leaving a distrusting community. We would on the contrary promote an honest budget that would enhance reciprocal trust.

*Exhibit 7n*



**FINANCE COMMITTEE MEETING OF**  
**June 15, 2015**  
**BILLS AND RESOLUTIONS SCHEDULED FOR INTRODUCTION**  
**BY MEMBERS OF THE GOVERNING BODY**

<b>Mayor Javier Gonzales</b>		
<b>Co-Sponsors</b>	<b>Title</b>	<b>Tentative Committee Schedule</b>
	AN ORDINANCE AUTHORIZING THE SALE OF 2,263 SQUARE FEET OF REAL PROPERTY LOCATED ADJACENT TO 830 EL CAMINITO STREET AND DESCRIBED AS "AREA OF GAIN" AS SHOWN AND DELINEATED ON A PLAT OF SURVEY ENTITLED, "LOT LINE ADJUSTMENT WORKMAP OF PROPERTY LOCATED AT 830 EL CAMINITO" PREPARED BY PAUL A. ARMIJO, N.M.P.S. NO 13604, DATED OCTOBER 2, 2014, LYING AND BEING SITUATE WITHIN THE SANTA FE GRANT, PROJECTED SECTION 30, T17N, R9E, N.M.P.M., IN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO.	City Council (request to publish) - 6/24/15 City Council (public hearing) - 7/29/15
<b>Councilor Patti Bushee</b>		
<b>Co-Sponsors</b>	<b>Title</b>	<b>Tentative Committee Schedule</b>
<b>Councilor Bill Dimas</b>		
<b>Co-Sponsors</b>	<b>Title</b>	<b>Tentative Committee Schedule</b>
<b>Councilor Carmichael Dominguez</b>		
<b>Co-Sponsors</b>	<b>Title</b>	<b>Tentative Committee Schedule</b>

<b>Councilor Peter Ives</b>		
<b>Co-Sponsors</b>	<b>Title</b>	<b>Tentative Committee Schedule</b>
	AN ORDINANCE AMENDING SECTION 9-2 SFCC 1987 CAMPAIGN CODE; EDITING SEVERAL DEFINITIONS; ADDING A DEFINITION FOR "COORDINATED EXPENDITURE"; AND PROHIBITING INTERFERENCE WITH CAMPAIGN MATERIAL OF ANOTHER CANDIDATE.	City Council (request to publish) - 6/24/15 Finance Committee - 6/29/15 City Council (public hearing) - 7/29/15

*Exhibit "2"*

Councilor Peter Ives - continued		
Co-Sponsors	Title	Tentative Committee Schedule
	AN ORDINANCE AMENDING SECTION 9-3 SFCC 1987 PUBLIC CAMPAIGN FINANCE CODE; EDITING SEVERAL DEFINITIONS; ADDING DEFINITIONS FOR "COORDINATED EXPENDITURE" AND "QUALIFIED SMALL CONTRIBUTION"; DELETING DEFINITIONS FOR "QUALIFYING CONTRIBUTION" AND "SEED MONEY CONTRIBUTION"; MODIFYING THE REQUIREMENTS TO QUALIFY AS A PARTICIPATING CANDIDATE; EDITING SECTION 9-3.6 TO ELIMINATE REFERENCES TO "SEED MONEY" AND INSTEAD REFERENCE QUALIFIED SMALL CONTRIBUTIONS; STRIKING SECTION 9-3.7 IN ITS ENTIRETY; MODIFYING "REPORTS OF EXPENDITURE" TO EXPAND REPORTING REQUIREMENTS; ADDING A NEW SECTION "ADDITIONAL REPORTS OF QUALIFIED SMALL CONTRIBUTIONS; ADDITIONAL MATCHING PAYMENTS FROM FUND".	City Council (request to publish) - 6/24/15 Finance Committee - 6/29/15 City Council (public hearing) - 7/29/15
Councilor Signe Lindell		
Co-Sponsors	Title	Tentative Committee Schedule
Councilor Joseph Maestas		
Co-Sponsors	Title	Tentative Committee Schedule
Councilor Chris Rivera		
Co-Sponsors	Title	Tentative Committee Schedule
Councilor Ron Trujillo		
Co-Sponsors	Title	Tentative Committee Schedule

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

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

2 **BILL NO. 2015-26**

3 **INTRODUCED BY:**

4  
5 Councilor Peter N. Ives  
6  
7  
8  
9

10 **AN ORDINANCE**

11 **AMENDING THE CAMPAIGN CODE, SECTION 9.2 SFCC 1987 TO MODIFY THE**  
12 **DEFINITIONS OF "CONTRIBUTION" AND "EXPENDITURE" AND CREATE A**  
13 **DEFINITION FOR "COORDINATED EXPENDITURE"; TO MODIFY PROVISIONS**  
14 **RELATED TO INDEPENDENTLY SPONSORED CAMPAIGN COMMUNICATIONS AND**  
15 **REPORTING; TO MODIFY PROVISIONS RELATED TO THE CONTENTS OF**  
16 **CAMPAIGN FINANCE STATEMENTS; AND TO MAKE SUCH OTHER CHANGES AS**  
17 **ARE NECESSARY TO CLARIFY THE PROVISIONS OF THE CAMPAIGN CODE.**

18  
19 **BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:**

20 **Section 1. Subsection 9-2.3 SFCC 1987 (being Ord. #1998-41, §3 as amended) is**  
21 **amended to read:**

22 **9-2.3 Definitions.**

23 **As used in the Campaign Code:**

24 **A. *Anonymous contribution* means a contribution for which any of the information**  
25 **required to be recorded or reported by the Campaign Code is unknown to the persons who are**

1 required to record or report it.

2 B. *Ballot proposition* means any measure, amendment or other question submitted  
3 to, or proposed for submission to, a popular vote at a Santa Fe election.

4 C. *Campaign depository* means a bank, mutual savings bank, savings and loan  
5 association or credit union doing business in this state under which a campaign account or  
6 accounts are maintained.

7 D. *Campaign finance statement* means a report of all contributions received and  
8 expenditures made according to a form prescribed by the city clerk which, when completed and  
9 filed, provides the information required in the sections to follow.

10 E. *Campaign materials* means any published communication, electronic or  
11 otherwise, disseminated to more than one hundred (100) persons that either supports the election  
12 or defeat of any identifiable candidate or candidates or supports the approval or defeat of a ballot  
13 proposal, other than communications to, or editorials, reports, or commentary by news media.

14 F. *Campaign treasurer and deputy campaign treasurer* means the individual who is  
15 responsible for keeping the financial records of the political committee or candidate (the  
16 candidate may be their own campaign treasurer or deputy campaign treasurer).

17 G. *Candidate* means any individual who seeks election to a Santa Fe municipal  
18 office. An individual shall be a candidate when they:

- 19 (1) Announce publicly;  
20 (2) File for office;  
21 (3) When contributions are accepted or expenditures made; or  
22 (4) Any activity is held to promote an election campaign of an individual if  
23 that activity is endorsed or supported by that person or if the benefits of such activity are later  
24 accepted by such person.

25 H. *Charity* means an organization that is exempted from federal taxation by Title 26

1 United States Code, section 501(c)(3).

2 I. *Contribution* means a loan, loan guarantee, gift, advance, pledge, contract,  
3 agreement or promise of money or anything of value or other obligation, whether or not these  
4 items are legally enforceable, made directly or indirectly, to a candidate or political committee, or  
5 to a person obligated to file a report under section 9-2.6 SFCC 1987, for the purpose of  
6 [influencing the outcome of a municipal election] supporting the election or defeat of any  
7 identifiable candidate or the approval or defeat of a ballot proposition.

8 (1) The term "contribution" includes:

9 (a) The transfer of funds or anything of value between political  
10 committees;

11 (b) The transfer of anything of value for less than full consideration;

12 (c) Interest, dividends or other income derived from the investment  
13 of campaign funds;

14 (d) The payment for the services of an individual serving on behalf  
15 of a candidate or political committee, which payments are made by a third party;  
16 and

17 (e) The purchase of tickets for fundraising events such as dinners,  
18 rallies, raffles, etc. and the proceeds of collections at fundraising events.

19 (f) ~~[An expenditure by a person other than a candidate or the~~  
20 ~~candidate's political committee that is made in cooperation, consultation or~~  
21 ~~concert with, or at the request or suggestion of, a candidate or the candidate's~~  
22 ~~political committee.] A coordinated expenditure.~~

23 (2) The term "contribution" does not include:

24 (a) A volunteer's personal services provided without compensation  
25 or the travel or personal expenses of such a campaign worker; and

(b) The cost of an event held in honor of or on behalf of a candidate when the total cost of the event amounts to no more than two hundred dollars (\$200.).

J. *Contributor* means:

(1) *Individual contributor* means an individual who makes a contribution from their personal assets which are not those of a business, corporation, partnership, labor organization, unincorporated association or political committee.

(2) *Business or organizational contributor* means an individual who uses the assets of a business, corporation, partnership, labor organization, unincorporated association or political committee as a contribution, or any business, corporation, partnership, labor organization, unincorporated association or political committee which makes a contribution.

K. *Coordinated Expenditure* means an expenditure made:

(1) by an individual or entity other than a candidate or the candidate's political committee; and

(2) in cooperation, consultation or concert with, or at the request or suggestion of, a candidate, his/her representatives or agents or the candidate's political committee, including but not limited to, the following examples in 9-2.3(K)(2)(a)-(d):

(a) there has been substantial discussion between the individual or entity making the expenditure and the candidate, candidate's political committee, or his/her representatives or agents. Substantial discussion includes, but is not limited to, an exchange of campaign strategies, polling information, voter lists or any other similar information that would facilitate the election or defeat of a candidate.

(b) an entity making the expenditure is directly or indirectly formed

1 or established by or at the request or suggestion of, or with the encouragement of  
2 the candidate, candidate's political committee, or his/her representatives or  
3 agents;

4 (c) the candidate, candidate's political committee or his/her  
5 representatives or agents has solicited funds or engaged in other fundraising  
6 activities on behalf of the person or entity making the expenditure during the  
7 twelve-month (12) period preceding the date of the expenditure. Fundraising  
8 activities include, but are not limited to, exchanging names of potential donors or  
9 other lists to be used in engaging in fundraising activity, regardless of whether or  
10 not the individual or entity pays fair market value for the names or lists provided;  
11 or being a featured guest or speaker at a fundraising event for the benefit of the  
12 entity making the expenditure.

13 (d) if the individual or entity making the expenditure has employed,  
14 has in a leadership position, or has accepted a donation of the campaign related  
15 professional services of any person, who, during the twelve-month (12) period  
16 preceding the date of the expenditure, has been an employee of, has advised, or  
17 provided or is providing services to the candidate or candidate's political  
18 committee. These services include, but are not limited to, any services in support  
19 of the candidate's or candidate's political committee's campaign activities, such  
20 as advertising, message, strategy or policy services, polling, allocation of  
21 resources, fundraising or campaign operations.

22 (e) an expenditure is not a coordinated expenditure solely because:

23 (i) the individual or entity and a candidate or candidate's  
24 political committee use the same vendor to provide polling services,  
25 printing or distribution services or physical space, provided that the



1 vendor has in place prior to the expenditure a firewall to ensure that there  
2 is no exchange of information between the individual or entity and the  
3 candidate or campaign committee. Evidence of an adequate firewall is a  
4 vendor's formal written policy or a contractual agreement with the  
5 vendor prohibiting the exchange of information between the individual  
6 or entity and the candidate or candidate's political committee, which  
7 policy or contract is distributed to all relevant employees, consultants,  
8 and clients affected by the policy or contract. The firewall shall be  
9 designed and implemented to prohibit the flow of information between  
10 employees and consultants providing services to the individual and entity  
11 and to those currently or previously providing services to the candidate  
12 or candidate's political committee. Coordination will be presumed in the  
13 absence of such a firewall; or

14 (ii) the individual or entity making the expenditure  
15 interviews a candidate; has endorsed a candidate; has obtained from the  
16 candidate a biography of the candidate or a position paper, press release,  
17 or similar material about the candidate; has invited the candidate to make  
18 an appearance before the person's members, employees or shareholders;  
19 or has shared space with a candidate or candidate's political committee  
20 for one or more single events of limited duration.

21 [K]L. Election means any regular or special Santa Fe municipal election.

22 [L]M. Expenditure means a payment or transfer of anything of value in exchange for  
23 goods, services, property, facilities or anything of value for the purpose of ~~[assisting, benefiting~~  
24 ~~or honoring any public official or candidate, or assisting in furthering or opposing any election~~  
25 ~~campaign for a]~~ supporting or opposing the election or defeat of any identifiable candidate or the

1 approval or defeat of a ballot proposition. This includes contributions, subscriptions,  
2 distributions, loans, advances, deposits, or gifts of money or anything of value, and includes a  
3 contract, a promise or agreement, whether or not legally enforceable, to make an expenditure. The  
4 term "expenditure" also means the transfer of funds or anything of value between political  
5 committees. ~~[In determining the dollar value of an expenditure, only that proportion of a payment~~  
6 ~~or transfer of anything of value that is directly related to the campaign shall be considered an~~  
7 ~~expenditure.]~~

8 [M]N. *Political committee* means any entity formed for the principal purpose of:

9 (1) Raising or collecting, and expending or contributing money or anything  
10 of value for supporting the election or defeat of any identifiable candidate or candidates  
11 or for supporting the approval or defeat of ballot propositions; or

12 (2) Coordinating or cooperating in efforts to support the election or defeat of  
13 any identifiable candidate[s] or of supporting the approval or defeat of any ballot  
14 proposition.

15 **Section 2. Subsection 9-2.5 of SFCC 1987 (being Ord. #1998-41, §4, as**  
16 **amended) is amended to read:**

17 **9-2.5 Identification of Campaign Material.**

18 A. Campaign materials disseminated or communicated by a candidate shall  
19 conspicuously identify the name of the candidate and campaign treasurer or deputy campaign  
20 treasurer.

21 B. Campaign materials disseminated or communicated by a political committee  
22 shall conspicuously identify the name of an officer or other responsible person of the political  
23 committee sponsoring such materials.

24 C. Any candidate, or person acting on behalf of a candidate, shall not willfully steal,  
25 destroy, or damage another candidate's campaign materials.

1           [~~C~~]D. Written, printed or posted materials shall also show a telephone contact number.

2           **Section 3.       Subsection 9-2.6 SFCC 1987 (being Ord. #2005-14, §29, as amended)**  
3 **is amended to read:**

4           **9-2.6           Independently Sponsored Campaign [~~Materials~~]Communications**  
5 **And Reporting.**

6           A. Any person or entity that [~~contracts for or initiates the dissemination of campaign~~  
7 ~~materials supporting the election or defeat of any identifiable candidate or of a ballot proposition,~~  
8 ~~and that spends in the aggregate]~~ makes expenditures of two hundred fifty dollars (\$250[;]) or  
9 more in the aggregate during a single election to pay for any form of public communication  
10 including print, broadcast, cable or electronic advertising, billboards, signs, pamphlets, mass  
11 mailers, mass electronic mail, recorded phone messages, organized phone-banking or organized  
12 precinct-walking, that is disseminated to one-hundred (100) or more eligible voters, and that  
13 either expressly advocates the election or defeat of a candidate, or the approval or defeat of a  
14 ballot proposition; or refers to a clearly identifiable candidate or ballot proposition within sixty  
15 (60) days before an election at which the candidate or proposition is on the ballot, [~~for such~~  
16 ~~purpose]~~ shall thereafter, on each of the days prescribed for the filing of campaign finance  
17 statements [~~of political committees~~], file with the city clerk a report of all such expenditures  
18 made and all contributions received for [~~such~~] the purpose of paying for such expenditures on or  
19 before the date of the report and which have not been previously reported. Each report shall be  
20 submitted on a form prescribed by the city clerk. Contributions shall be specified by date, amount  
21 of contribution, name, address and occupation of the person or entity from whom the contribution  
22 was made. No contribution shall be reported in the name of a person who is not the actual  
23 contributor or who has been or will be reimbursed or compensated for the contribution by another  
24 person. The president, chief executive officer or equivalent position shall certify on the filing that  
25 its expenditures were or were not made in cooperation, consultation or concert with, or at the

1 request or suggestion of, a candidate, his/her representatives or agents or the candidate's political  
2 committee. Expenditures shall be specified by date, the amount of the expenditure, the name and  
3 address of the person or entity where an expenditure was made and the purpose of the  
4 expenditure. No report is required under this subsection for expenditures made exclusively for  
5 communications to the news media, editorials, reports or commentary by the news media,  
6 impartial candidate forums or debates or the announcements thereof, or for impartial voter guides  
7 allowed by the Internal Revenue Code for Section 501(c)(3) organizations or a communication by  
8 a membership organization or corporation to its current members, stockholders or executive or  
9 administrative personnel unless the membership organization or corporation is a campaign  
10 committee or a political committee.

11 B. Any person or entity that has to file under this subsection and receives  
12 contributions from another entity that does not have to disclose its contributors to the city clerk,  
13 shall place the following visible disclosure on its campaign materials: "This campaign material is  
14 supported in part by donations from an organization that is not required to disclose its  
15 contributors to the Santa Fe city clerk.

16 C. Contributions shall be specified by date, amount of contribution, name, address  
17 and occupation of the person or entity from whom the contribution was made. The name of the  
18 president, chief executive officer or equivalent position and the address of the entity shall be  
19 stated in the report.

20 D. Expenditures shall be specified by date, the amount of the expenditure, the name  
21 and address of the person or entity where an expenditure was made and the purpose of the  
22 expenditure. The name of the president, chief executive officer or equivalent position and the  
23 address of the entity shall be stated in the report.

24 **Section 4. Subsection 9-2.9 SFCC 1987 (being Ord. #1998-41, §7, as amended)**  
25 **is amended to read:**

1           **9-2.9           Campaign Treasurer; Deputy Campaign Treasurer; Duties.**

2           A.       The campaign treasurer or deputy campaign treasurer shall keep a true and full  
3 record of contributions and expenditures. The record of contributions and expenditures required  
4 to be kept under the terms of the Campaign Code and the Public Campaign Finance Code shall  
5 reflect the requirements in subsection 9-2.11 SFCC 1987 and Section 9-3 SFCC 1987,  
6 respectively.

7           B.       The campaign treasurer or deputy campaign treasurer shall maintain:

8                   (1)     Receipts reflecting the purpose of each expenditure and the day and  
9 method of payment; and

10                  (2)     All campaign bank records, including deposit slips and canceled checks.

11          C.       The campaign treasurer or deputy campaign treasurer shall not accept anonymous  
12 contributions. Any such contribution received by the campaign treasurer or deputy campaign  
13 treasurer shall, within seven (7) days of receipt, be donated to a charity or to the city's general  
14 fund. The campaign treasurer or deputy campaign treasurer shall keep a record of the amount and  
15 date of receipt of any such contributions and of the disposition that was made of the contribution,  
16 including the date when it was donated to the city or to a charity and the identity of the recipient  
17 of the donation.

18          D.       Records required to be kept by the campaign treasurer or deputy campaign  
19 treasurer under the terms of paragraph A of this subsection, shall be filed with the city clerk as  
20 part of the public record, shall be provided to the ethics and campaign review board set forth in  
21 Section 6-16, SFCC 1987 upon request and may be inspected by the public during usual business  
22 hours, Monday through Friday, excluding legal holidays.

23          E.       Records kept by the campaign treasurer or deputy campaign treasurer shall be  
24 made current not more than seven (7) days after the date of a contribution or of an expenditure.  
25 During the eight (8) days immediately preceding the date of any election for which the political

1 committee has received any contributions or made any expenditures, the books of the account  
2 shall be kept current within one (1) business day.

3 F. The campaign treasurer or deputy campaign treasurer shall preserve books of  
4 accounts, bills, receipts and all other financial records of the campaign or political committee for  
5 two (2) calendar years following the year in which the transaction occurred.

6 G. The campaign treasurer or deputy campaign treasurer shall deposit within five (5)  
7 business days after receipt all monetary contributions received by a candidate, political  
8 committee, campaign treasurer or deputy campaign treasurer in the campaign depository  
9 designated for that purpose.

10 H. Campaign funds shall be used and distributed as follows:

11 (1) All contributions received shall be under the custody of the campaign  
12 treasurer or deputy campaign treasurer and shall be segregated from, and not be commingled  
13 with, the personal funds of an individual, group or political committee. Contributions shall be  
14 used exclusively to pay expenses incurred in furtherance of the candidate's campaign, and shall  
15 not be used for any other purpose, including:

16 (a) The candidate's personal living expenses or compensation to the  
17 candidate;

18 (b) A contribution to the campaign of another candidate or to a  
19 political party or political committee or to a campaign supporting or opposing a ballot  
20 proposition;

21 (c) An expenditure supporting the election or defeat of ~~[a]~~any  
22 identifiable candidate or the ~~[approval]~~passage or defeat of a ballot proposition; or

23 (d) Any gift or transfer for which compensating value is not  
24 received, other than a donation or distribution permitted by this subsection at the conclusion of an  
25 election.

1                   (2)     Any campaign contributions remaining unspent and any tangible assets  
2 with an estimated resale value greater than two hundred dollars (\$200.00) that were purchased  
3 with such contributions and remain in the possession of the campaign at the conclusion of an  
4 election shall be distributed for the following purposes:

5                               (a)     Expenditures of the campaign;  
6                               (b)     Donations to the city's general fund or, in the case of tangible  
7 assets, to the city for its use or disposition in accordance with the city's procurement code.  
8 Proceeds from such disposition shall be deposited in the city's general fund;

9                               (c)     Donations to charities; or  
10                              (d)     Disbursements to return unused funds to the contributors.

11                   (3)     All unspent campaign contributions shall be distributed within six (6)  
12 months following a municipal election, for any of the purposes listed in this subsection 9-2.9H.  
13 All candidates and political committees shall file reports listing the date, amount and recipient of  
14 each post-election expenditure, donation or disbursement made from campaign funds pursuant to  
15 this subsection 9-2.9H. Such report shall be part of the final campaign finance statement that is  
16 required by subsection 9-2.10B SFCC 1987.

17                   I.       A campaign treasurer, deputy campaign treasurer or political committee may  
18 invest funds deposited in the campaign account in an account of indebtedness of a financial  
19 institution up to the amount of federal deposit insurance; United States bonds or certificates of  
20 indebtedness or those of a federal agency; and/or bonds or warrants of the state or any municipal  
21 corporation of the state. All interest, dividends, and/or other income derived from the investment  
22 and the principal when repaid shall be deposited in the campaign account.

23                   **Section 5.       Subsection 9-2.11 SFCC 1987 (being Ord. #1998-41, §10, as**  
24 **amended) is amended to read:**

25                   **9-2.11           Campaign Finance Statement; Contents.**

1           A.       Each campaign finance statement shall be filed in accordance with subsection 9-  
2 2.10 SFCC 1987. The initial statement shall begin with the date of the first contribution or  
3 expenditure. Subsequent statements shall begin on the day after the end date of the previous  
4 reporting period. Statements shall contain the following information:

5                   (1)       The funds on hand at the beginning of the period. This shall include the  
6 cumulative total amount of all contributions and expenditures. This includes, but is not limited to,  
7 contributions and expenditures in aid of, or in opposition to, candidates or ballot propositions  
8 before they qualify for the ballot and contributions and expenditures following the election;

9                   (2)       The full name, home address, occupation, name of employer, date of  
10 receipt and amount of each contribution received from each individual contributor from whom a  
11 contribution in money, goods, materials, services, facilities or anything of value has been  
12 received and whether the contribution was received in cash, by check, by credit card, by  
13 electronic transfer or otherwise[;]. No contribution shall be reported in the name of a person who  
14 is not the actual contributor, or who has been or will be reimbursed or compensated for the  
15 contribution by another person.

16                   (3)       The full name, type of business, physical address, date of receipt and  
17 amount of each contribution for each business or organizational contributor, from whom a  
18 contribution in money, goods, materials, services, facilities or anything of value has been  
19 received, and whether the contribution was received in cash, by check, by credit card, by  
20 electronic transfer or otherwise[;]. No contribution shall be reported in the name of a person who  
21 is not the actual contributor, or who has been or will be reimbursed or compensated for the  
22 contribution by another person.

23                   (4)       The date of receipt and amount of any anonymous contribution received  
24 by the campaign treasurer or deputy campaign treasurer and the disposition that was made of each  
25 such contribution pursuant to subsection 9-2.9B SFCC 1987, including the date when it was



1 donated to the city or to a charity and the identity of the recipient of the donation.

2 (5) The full name and complete mailing address of each individual or  
3 business to whom an expenditure has been made, the purpose of each campaign expenditure and  
4 the date each expenditure was made. This report shall be itemized with the total amount paid to  
5 each individual or business for the goods, services or facilities provided;

6 (6) The full name of the candidate or political committee and the full name  
7 and complete address of the campaign treasurer or deputy campaign treasurer;

8 (7) For each contributor, the cumulative total of all contributions made; and

9 (8) Where goods, materials, services, facilities or anything of value other  
10 than money is contributed or expended, the monetary value thereof shall be reported at the fair  
11 market value.

12 B. Loans of money, property or other things made to a candidate or political  
13 committee during the period covered by the campaign finance statement shall be reported  
14 separately in the statement, with the following information:

15 (1) The total value of all loans received during the period covered by the  
16 campaign finance statement;

17 (2) The full name and address of each lender, the date of the loan, the  
18 interest rate and the amount of the loan remaining unpaid;

19 (3) The cumulative total value of all loans received; and

20 (4) The total amount of loans remaining unpaid.

21 C. If a loan has been forgiven or paid by a third person, it shall be reported pursuant  
22 to this section.

23 D. Investments made with campaign funds under subsection 9-2.9 SFCC 1987 and  
24 interest, dividends and/or other income received shall be reported separately in the statement.

25 **Section 6. Subsection 9-2.12 SFCC 1987 (being Ord. #1998-41, §11, as**

1 amended) is amended to read:

2 **9-2.12 Campaign Finance Statement; Signing.**

3 Each campaign finance statement shall be signed under oath and acknowledged by both  
4 the campaign treasurer or deputy campaign treasurer and the candidate and shall contain a  
5 statement that:

6 A. the campaign finance statement has been prepared with all reasonable diligence and that  
7 it is true and complete; however, the campaign finance statement of a candidate for  
8 municipal judge is not required to be signed or acknowledged by the candidate.

9 B. a candidate or political committee that receives contributions from another entity that  
10 does not have to disclose its contributors to the city clerk, shall indicate as such on the  
11 campaign finance statement submitted to the city clerk pursuant to existing reporting  
12 requirements.

13  
14 APPROVED AS TO FORM:

15  
16 \_\_\_\_\_  
17 KELLEY A. BRENNAN, CITY ATTORNEY  
18  
19  
20  
21  
22  
23  
24

25 *Legislation/Bills 2015/Campaign Code 9-2 Bill*

**CITY OF SANTA FE, NEW MEXICO**

**BILL NO. 2015-27**

**INTRODUCED BY:**

Councilor Peter Ives

**AN ORDINANCE**

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

**BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE.**

1           **Section 1.        Subsection 9-3.3 SFCC 1987 (being Ord. #2009-44, §4, as amended)**

2 **is amended to read:**

3           **9-3.3    Definitions.**

4           As used in this section, the following terms have the following meanings:

5           A.       *Campaign depository* means a bank, mutual savings bank, savings and loan  
6 association or credit union doing business in this state under which a campaign account or  
7 accounts are maintained.

8           B.       *Campaign materials* means any published communication, electronic or  
9 otherwise, disseminated to more than one hundred (100) persons that either supports the election  
10 or defeat of any identifiable candidate or candidates or supports the approval or defeat of a ballot  
11 proposal, other than communications to, or editorials, reports, or commentary by news media.

12          C.       *Candidate* means any individual who seeks election to a Santa Fe municipal  
13 office. An individual shall be a candidate when they:

14                   (1)       Announce publicly;

15                   (2)       File for office;

16                   (3)       When contributions are accepted or expenditures made; or when

17                   (4)       Any activity is held to promote an election campaign of an individual if  
18 that activity is endorsed or supported by that person or if the benefits of such activity are  
19 later accepted by such person.

20          D.       *Contested race* means a race in which there are at least two (2) candidates for the  
21 office sought.

22          E.       *Contribution* means a loan, loan guarantee, gift, advance, pledge, contract,  
23 agreement or promise of money or anything of value or other obligation, whether or not legally  
24 enforceable, made directly or indirectly, to a candidate or political committee, or to a person  
25 obligated to file a report under section 9-2.6 SFCC 1987, for the purpose of ~~[influencing the~~

1 ~~outcome of a municipal election]~~ supporting or opposing the election of a candidate or the  
2 approval or defeat of a ballot proposition.

3 (1) The term "contribution" includes:

4 (a) The transfer of funds or anything of value between political  
5 committees;

6 (b) The transfer of anything of value for less than full consideration;

7 (c) Interest, dividends or other income derived from the investment  
8 of campaign funds;

9 (d) The payment for the services of an individual serving on behalf  
10 of a candidate or political committee, which payments are made by a third party;  
11 and

12 (e) The purchase of tickets for fundraising events such as dinners,  
13 rallies, raffles, etc. and the proceeds of collections at fundraising events.

14 (f) ~~[An expenditure by a person other than a candidate or the~~  
15 ~~candidate's political committee that is made in cooperation, consultation or~~  
16 ~~concert with, or at the request or suggestion of, a candidate or the candidate's~~  
17 ~~political committee.]~~ Coordinated expenditure.

18 (2) The term "contribution" does not include:

19 (a) A volunteer's personal services provided without compensation  
20 or the travel or personal expenses of such a campaign worker; and

21 (b) The cost of an event held in honor of or on behalf of a candidate when the total  
22 cost of the event amounts to no more than two hundred dollars (\$200.).

23 F. *Coordinated Expenditure* means an expenditure that is made:

24 (1) by an individual or entity other than a candidate or the candidate's  
25 political committee; and

1           (2) in cooperation, consultation or concert with, or at the request or  
2 suggestion of, a candidate, his/her representatives or agents or the candidate's political  
3 committee, including but not limited to, the following examples in 9-3.3(F)(2)(a)-(d):

4           (a) there has been substantial discussion between the individual or  
5 entity and the candidate, candidate's political committee or his/her  
6 representatives or agents. Substantial discussion includes, but is not limited to, an  
7 exchange of campaign strategies, polling information, voter lists or any other  
8 similar information that would facilitate the election or defeat of a candidate;

9           (b) an entity is directly or indirectly formed or established by or at  
10 the request or suggestion of, or with the encouragement of the candidate,  
11 candidate's political committee or his/her representatives or agents;

12           (c) the candidate, candidate's political committee or his/her  
13 representatives or agents has solicited funds or engaged in other fundraising  
14 activities on behalf of the person or entity making the expenditure during the  
15 twelve-month (12) period preceding the date of the expenditure. Fundraising  
16 activities, include but are not limited to, exchanging names of potential donors or  
17 other lists to be used in engaging in fundraising activity, regardless of whether or  
18 not the individual or entity pays fair market value for the names or lists provided;  
19 or being a featured guest or speaker at a fundraising event;

20           (d) if the individual or entity has employed, has in a leadership  
21 position, or has accepted a donation of the campaign related professional services  
22 of any person, who, during the twelve-month (12) period preceding the date of  
23 the expenditure, has been an employee of, has advised, or provided or is  
24 providing services to the candidate or candidate's political committee. These  
25 services include, but are not limited to, any services in support of the candidate's

1 or candidate's political committee's campaign activities, such as advertising,  
2 message, strategy or policy services, polling, allocation of resources, fundraising  
3 or campaign operations.

4 (e) an expenditure is not a coordinated expenditure solely because:

5 (i) the individual or entity and a candidate or candidate's  
6 political committee use the same vendor to provide polling services,  
7 printing or distribution services or physical space, provided that the  
8 vendor has in place prior to the expenditure a firewall to ensure that there  
9 is no exchange of information between the individual or entity and the  
10 candidate or campaign committee. Evidence of an adequate firewall is a  
11 vendor's formal written policy or a contractual agreement with the  
12 vendor prohibiting the exchange of information between the individual  
13 or entity and the candidate or candidate's political committee, which  
14 policy or contract is distributed to all relevant employees, consultants  
15 and clients affected by the policy or contract. The firewall shall be  
16 designed and implemented to prohibit the flow of information between  
17 employees and consultants providing services to the individual and entity  
18 and to those currently or previously providing services to the candidate  
19 or candidate's political committee. Coordination will be presumed in the  
20 absence of such a firewall.

21 (ii) the individual or entity making the expenditure  
22 interviews a candidate; has endorsed a candidate; has obtained from the  
23 candidate a biography of the candidate or a position paper, press release,  
24 or similar material about the candidate; has invited the candidate to make  
25 an appearance before the person's members, employees or shareholders;

1 or has shared space with a candidate or candidate's political committee  
2 for one or more single events of limited duration.

3 [F]G. *Election* means any regular or special Santa Fe municipal election.

4 [G]H. *Expenditure* means a payment or transfer of anything of value in exchange for  
5 goods, services, property, facilities or anything of value for the purpose of ~~[assisting, benefiting~~  
6 ~~or honoring any public official or candidate, or assisting in furthering or opposing any election~~  
7 ~~campaign for]~~ supporting or opposing the election of a candidate or the approval or defeat of a  
8 ballot proposition. This includes contributions, subscriptions, distributions, loans, advances,  
9 deposits, or gifts of money or anything of value, and includes a contract, a promise or agreement,  
10 whether or not legally enforceable, to make an expenditure. The term "expenditure" also means  
11 the transfer of funds or anything of value between political committees. ~~[In determining the dollar~~  
12 ~~value of an expenditure, only that proportion of a payment or transfer of anything of value that is~~  
13 ~~directly related to the campaign shall be considered an expenditure.]~~

14 [H]I. *Fund* means the public campaign finance fund created by subsection 9-3.4 SFCC  
15 1987.

16 [I]J. *Non-participating candidate* means a candidate who is not a participating  
17 candidate.

18 [J]K. *Participating candidate* means a candidate who has qualified and has been  
19 certified pursuant to subsection 9-3.9 SFCC 1987 as eligible to receive payments from the fund.

20 [K]L. *Qualified elector* means a person who is registered to vote in the City of Santa  
21 Fe.

22 [L]M. ~~[Qualifying contribution means a contribution of no more or no less than five~~  
23 ~~dollars (\$5.00) that is received from a qualified elector during the qualifying period by a~~  
24 ~~candidate seeking to become a participating candidate. A candidate for councilor shall only~~  
25 ~~receive qualifying contributions from qualified electors registered to vote in the council district in~~



1 ~~which the candidate is running.]~~ Qualified small contribution means a contribution of no more  
2 than one hundred dollars (\$100) made and accepted in compliance with the provisions of  
3 subsection 9-3.6 SFCC 1987.

4 [M]N. Qualifying period means the period during which a candidate seeking to become  
5 a participating candidate is permitted to collect ~~[qualifying]~~ qualified small contributions and to  
6 apply for certification as a participating candidate. It begins one hundred eighty-three (183) days  
7 before the election and ends one hundred six (106) days before the election.

8 [N]O. Race means the electoral process in which one (1) or more candidates run and  
9 one (1) candidate is elected to the office of mayor, municipal judge or city councilor for a  
10 particular district.

11 ~~[O. Seed money contribution means a contribution of no more than one hundred~~  
12 ~~dollars (\$100.) made and accepted in compliance with the provisions of subsection 9-3.6 SFCC~~  
13 ~~1987 and used exclusively for the purposes specified in that section.]~~ P. Uncontested  
14 race means a race in which there is only one (1) candidate for the office sought.

15 **Section 2. Subsection 9-3.4 SFCC 1987 (being Ord. #2009-44, §5, as amended)**  
16 **is amended to read:**

17 **9-3.4 Public Campaign Finance Fund.**

18 A. A dedicated public campaign finance fund ("the fund") is established to be  
19 administered by the ~~[municipal]~~ city clerk for the purpose of providing public financing for the  
20 election campaigns of participating candidates. Monies in the fund and disbursed from the fund to  
21 participating candidates are public monies entrusted to the candidates to be used solely for the  
22 public purposes specified in this Section 9-3 SFCC 1987.

23 B. Beginning with the city budget for fiscal year 2009-2010 and in each fiscal year  
24 thereafter, the sum of one hundred fifty thousand dollars (\$150,000.) shall be budgeted for and  
25 deposited in the fund.

1 C. Beginning with the election of 2014, the governing body shall appropriate and  
2 deposit in the fund such additional sums, if any, as may be necessary to ensure:

3 (1) That the balance in the fund one hundred nineteen (119) days preceding  
4 each election for mayor and four (4) council seats is at least six hundred thousand dollars  
5 (\$600,000.); and

6 (2) That the balance in the fund one hundred nineteen (119) days preceding  
7 each election for municipal judge and four (4) council seats is at least three hundred  
8 thousand dollars (\$300,000.).

9 D. In addition to the deposits required by paragraphs B. and C. of this subsection,  
10 the following shall also be deposited in the fund:

11 ~~[(1) All seed money contributions received by candidates seeking to become~~  
12 ~~certified as participating candidates which remain unspent;~~

13 ~~(2) All qualifying contributions received by candidates seeking to become~~  
14 ~~certified as participating candidates;]~~

15 ~~[(3)]~~1 All amounts paid from the fund to participating candidates which have  
16 not been spent or obligated as of the date of the election;

17 ~~[(4)]~~2 All fines levied by the ethics and campaign review board or as decreed  
18 by a court of competent jurisdiction as a condition of probation;

19 ~~[(5)]~~3 Voluntary donations made to the fund;

20 ~~[(6)]~~4 All interest and other income earned from investment of the fund; and

21 ~~[(7)]~~5 Such other appropriations to the fund as may be made by the governing  
22 body as necessary to fulfill the requirements of this Section 9-3 SFCC 1987.

23 **Section 3. Subsection 9-3.5 SFCC 1987 (being Ord. #2009-44, §6, as amended)**  
24 **is amended to read:**

25 **9-3.5 Eligibility as a Participating Candidate.**

1       ~~[Beginning with the election of 2012, a]~~ Any candidate for municipal office may qualify  
2 as a participating candidate eligible to receive payments from the fund pursuant to subsections 9-  
3 3.10 and 9-3.12 SFCC 1987 if the candidate:

4       A.       Meets the requisites to be listed on the ballot as a certified candidate for  
5 municipal office pursuant to the provisions of Section 3-8-27 (B) through (E) NMSA 1978 and  
6 Article IV Section 4.03 of the Santa Fe Municipal Charter;

7       B.       Has collected ~~[the requisite number of qualifying contributions, as follows]:~~

8               (1)     For a candidate running for the office of mayor, six hundred (600)  
9 ~~[qualifying]~~ qualified small contributions of no less than five dollars (\$5.00) from  
10 separate qualified electors;

11              (2)     For a candidate running for the office of city councilor, one hundred fifty  
12 (150) ~~[qualifying]~~ qualified small contributions of no less than five dollars (\$5.00) from  
13 separate qualified electors registered to vote in the council district in which the candidate  
14 is running;

15              (3)     For a candidate running for the office of municipal judge, one hundred  
16 fifty (150) ~~[qualifying]~~ qualified small contributions of no less than five dollars (\$5.00)  
17 from separate qualified electors.

18       C.       Submits an application for certification pursuant to subsection 9-3.8 SFCC 1987  
19 setting forth the agreement and the averments and accompanied by the forms[,]  
20 and reports ~~[and payments]~~ that are required by that section.

21       **Section 4.       Subsection 9-3.6 SFCC 1987 (being Ord. #2009-44, §7, as amended)**  
22 **is amended to read:**

23       **9-3.6   ~~[Seed Money]~~ Qualified Small Contributions.**

24       A.       A participating candidate or a candidate seeking to become a participating  
25 candidate may solicit and accept ~~[seed money contributions to defray expenses incurred in~~

1 ~~obtaining qualifying contributions and in seeking certification as a participating candidate]~~  
2 qualified small contributions.

3 B. The aggregate amount of ~~[seed money]~~ qualified small contributions from any  
4 one contributor to any one candidate shall not exceed one hundred dollars (\$100)~~[, and the~~  
5 ~~aggregate amount of seed money contributions accepted by a candidate shall not exceed ten~~  
6 ~~percent (10%) of the amount payable under subsection 9-3.10 SFCC 1987 to a candidate in a~~  
7 ~~contested election for the office sought].~~

8 C. Each ~~[seed money]~~ qualified small contribution shall be accompanied by a form  
9 signed by the contributor, which shall include the contributor's name, home address, telephone  
10 number, occupation and name of employer. The ethics and campaign review board may, by  
11 regulation, permit the use of an electronic signature on such forms.

12 D. ~~[All seed money contributions received by a candidate shall be deposited in a~~  
13 ~~non-interest-bearing account in a campaign depository to be established by the candidate before~~  
14 ~~soliciting or accepting any such contributions. All expenditures of seed money shall be made~~  
15 ~~from the campaign depository.]~~ No person shall knowingly make and no candidate shall  
16 knowingly receive a qualified small contribution which is not from the person named on the form  
17 or for which the person named on the form has been or will be reimbursed or compensated by  
18 another person.

19 E. Before soliciting or accepting qualified small contributions, a candidate shall  
20 appoint a treasurer and establish a campaign depository in the manner required by subsection 9-  
21 2.8 SFCC 1987. All qualified small contributions received by a candidate shall be recorded by the  
22 candidate's campaign treasurer, deposited in a separate non-interest-bearing account in the  
23 campaign depository and used in the candidate's campaign or disposed of following the election  
24 in the manner required by subsection 9-2.9 SFCC 1987. All such contributions shall be timely  
25 reported in a campaign finance statement prepared in the manner and filed on the dates required

1 by subsections 9-2.10 through 9-2.12 SFCC 1987. Campaign finance statements reporting the  
2 receipt of qualified small contributions shall be accompanied by copies of the forms signed by  
3 each contributor pursuant to paragraph C of this subsection.

4 ~~[E. — Seed money contributions shall be used only for the purposes specified in~~  
5 ~~paragraph A. of this subsection, and all seed money contributions that have not been spent or used~~  
6 ~~for such purposes by the time the candidate applies for certification as a participating candidate or~~  
7 ~~by the end of the qualifying period, whichever is sooner, shall then be paid over to the municipal~~  
8 ~~clerk for deposit in the fund; provided, however, that if payment of all of the candidate's unspent~~  
9 ~~seed money to the municipal clerk would cause the bank account in the campaign depository to~~  
10 ~~be closed, an amount of seed money necessary to keep the account open may be temporarily~~  
11 ~~retained in the account and paid over to the municipal clerk at a later time in compliance with~~  
12 ~~paragraph C of subsection 9-3.10 SFCC 1987.]~~

13 **Section 5. Subsection 9-3.7 SFCC 1987 (being Ord. #2009-44, §8, as amended)**  
14 **is repealed.**

15 **[REPEAL] -- [9-3.7 — Qualifying Contributions.]**

16 ~~[A. — Each qualifying contribution shall be accompanied by a form signed by the~~  
17 ~~contributor, which shall include the contributor's name, registered address and telephone number.~~

18 ~~B. — No candidate or person acting on a candidate's behalf shall pay to any other~~  
19 ~~person any form of compensation for soliciting or obtaining a qualifying contribution.~~

20 ~~C. — No person shall knowingly make and no candidate shall knowingly receive a~~  
21 ~~qualifying contribution which is not from the person named on the form or for which the person~~  
22 ~~named on the form has been or will be reimbursed or compensated by another person.~~

23 ~~D. — All qualifying contributions received by a candidate shall be deposited in a non-~~  
24 ~~interest bearing account in a campaign depository to be established by the candidate before~~  
25 ~~soliciting or accepting any such contributions, and shall be paid over to the municipal clerk for~~

1 ~~deposit in the fund when the candidate applies for certification as a participating candidate or~~  
2 ~~when the qualifying period ends, whichever is sooner.]~~

3 **9-3.7 Reserved.**

4 **Section 6. Subsection 9-3.8 SFCC 1987 (being Ord. #2009-44, §9, as amended)**  
5 **is amended to read:**

6 **9-3.8 Application for Certification as a Participating Candidate.**

7 A. A candidate who wishes to be certified as a participating candidate shall, [~~before~~  
8 ~~the end of the qualifying period~~] on or before the one hundred and sixth (106<sup>th</sup>) day preceding the  
9 election, file an application for such certification with the municipal clerk on a form prescribed by  
10 the [~~municipal~~] city clerk.

11 B. The application shall identify the candidate and the office that the candidate is  
12 seeking, and shall set forth:

13 (1) The candidate's averment under oath that the candidate satisfies the  
14 requisites for qualification and certification as a participating candidate prescribed by  
15 subsection 9-3.5 SFCC 1987;

16 (2) The candidate's averment under oath that the candidate has accepted no  
17 contributions to the candidate's current campaign other than [~~qualifying contributions and~~  
18 ~~seed money~~]qualified small contributions solicited and accepted pursuant to subsections  
19 9-3.6 SFCC 1987 [~~and 9-3.7 SFCC 1987~~];

20 (3) The candidate's averment under oath that the candidate has made no  
21 expenditures for his or her current campaign from any source other than [~~seed money~~]  
22 qualified small contributions; and

23 (4) The candidate's agreement that his or her current campaign will not  
24 solicit, direct, or accept any further contributions other than qualified small contributions  
25 or make any further expenditures from any sources other than qualified small

1        contributions and payments received from the fund pursuant to subsections 9-3.10 and 9-  
2        3.12 SFCC 1987.

3        C.        The application shall be accompanied by:

4                (1)        Reports listing all [~~seed money contributions and qualifying~~  
5        ~~contributions~~] qualified small contributions received by the candidate [~~and all~~  
6        ~~expenditures of seed money contributions made by the candidate,~~] and showing the  
7        aggregate amounts of all such contributions [~~and expenditures and the aggregate amounts~~  
8        ~~of all contributions received from each contributor~~]; and

9                (2)        Copies of forms signed by contributors for all [~~seed money contributions~~  
10        ~~and qualifying~~] qualified small contributions received by the candidate. [~~and~~

11                (3)        ~~A check or checks issued to the City of Santa Fe from the candidate's~~  
12        ~~campaign depository for the amount of all qualifying contributions received by the~~  
13        ~~candidate and all seed money contributions received by the candidate except:~~

14                (a)        ~~Amounts previously spent for the purposes specified in paragraph A of~~  
15        ~~subsection 9-3.6 SFCC 1987; and~~

16                (b)        ~~The amount, if any, that has been temporarily retained by the candidate~~  
17        ~~for the purpose of keeping open the bank account in the campaign depository pursuant to~~  
18        ~~paragraph E of subsection 9-3.6 SFCC 1987.]~~

19        **Section 7.        Subsection 9-3.9 SFCC 1987 (being Ord. #2009-44, §10, as amended)**  
20        **is amended to read:**

21        **9-3.9    Certification as a Participating Candidate.**

22        A.        On or before the eighty-ninth (89th) day before the election the municipal clerk  
23        shall make a determination whether the candidate's application complies with the requirements of  
24        subsection 9-3.8 SFCC 1987 and whether the candidate satisfies the requisites for certification as  
25        a participating candidate prescribed by subsection 9-3.5 SFCC 1987, and shall thereupon issue a

1 decision, in accordance with the determination so made, granting or refusing such certification to  
2 the candidate.

3 B. The [~~municipal~~] city clerk may revoke a candidate's certification as a  
4 participating candidate for any violation by the candidate of the requirements of this section, and  
5 may require that any candidate whose certification has been revoked to pay over to the municipal  
6 clerk for deposit in the fund any amounts previously paid to the candidate pursuant to subsection  
7 9-3.10 SFCC 1987.

8 C. Qualified small contributions in the campaign depository of a candidate who fails  
9 to obtain certification as a participating candidate, whose certification is revoked or who  
10 withdraws as a participating candidate may be retained by the candidate to be used in the  
11 candidate's campaign and disposed of after the election in the manner required by subsection 9-  
12 2.9 SFCC 1987.

13 **Section 8. Subsection 9-3.10 SFCC 1987 (being Ord. #2009-44, §11, as**  
14 **amended) is amended to read:**

15 **9-3.10 Payments to Participating Candidates.**

16 A. Within three (3) business days of certifying a candidate as a participating  
17 candidate, the municipal clerk shall disburse to the candidate from the fund:

18 (1) Sixty thousand dollars (\$60,000.) for a candidate in a contested race for  
19 the office of mayor;

20 (2) Fifteen thousand dollars (\$15,000.) for a candidate in a contested race for  
21 the office of city councilor;

22 (3) Fifteen thousand dollars (\$15,000.) for a candidate in a contested race for  
23 the office of municipal judge; or

24 (4) For a candidate in an uncontested race, ten percent (10%) of the amount  
25 that would be due to a candidate in a contested race for the same office.



1           B.       If the amounts required to be paid to candidates under paragraph A of this  
2 subsection exceed the total amount available in the fund, each payment shall be reduced in  
3 proportion to the amount of such excess. Any such proportionate reduction in the payment due to  
4 any candidate under paragraph A of this subsection shall give the candidate the option to reject  
5 the payment and to withdraw as a participating candidate. A candidate who withdraws as a  
6 participating candidate pursuant to this paragraph shall file an affidavit with the [municipal] city  
7 clerk so stating and shall thenceforth be treated for all purposes as a non-participating candidate  
8 relieved of all obligations and restrictions and excluded from all benefits and exemptions imposed  
9 or conferred on a participating candidate by this Section 9-3 SFCC 1987.

10           ~~[C.       Within five (5) business days of the candidate's receipt of the amount disbursed~~  
11 ~~under paragraph A of this subsection or the municipal clerk's refusal to certify the candidate as a~~  
12 ~~participating candidate pursuant to paragraph A of subsection 9-3.9 SFCC 1987, whichever is~~  
13 ~~sooner, the candidate shall pay over to the municipal clerk for deposit in the fund any amount of~~  
14 ~~seed money that has been temporarily retained by the candidate for the purpose of keeping open~~  
15 ~~the bank account in the campaign depository pursuant to paragraph E of subsection 9-3.6 SFCC~~  
16 ~~1987.]~~

17           **Section 9.       Subsection 9-3.11 SFCC 1987 (being Ord. #2009-44, §12, as**  
18 **amended) is amended to read:**

19           **9-3.11 Use of Payments from the Fund[; the Fund as Exclusive Source].**

20           A.       All payments received by a participating candidate from the fund shall be  
21 deposited in a non-interest-bearing account in the candidate's campaign depository and shall be  
22 used exclusively to pay expenses reasonably incurred in furtherance of the candidate's current  
23 campaign.

24           B.       Payments received from the fund shall not be used for any other purpose,  
25 including:

1           (1)     The candidate's personal living expenses or compensation to the  
2 candidate or the candidate's family;

3           (2)     A contribution to another campaign of the candidate or a payment to  
4 retire debt from another such campaign;

5           (3)     A contribution to the campaign of another candidate or to a political  
6 party or political committee or to a campaign supporting or opposing a ballot proposition;

7           (4)     An expenditure supporting the election of another candidate or the  
8 approval or defeat of a ballot proposition or the defeat of any candidate other than an  
9 opponent of the participating candidate;

10          (5)     Payment of legal expenses or any fine levied by a court or the ethics and  
11 campaign review board.

12          (6)     Any gift or transfer for which compensating value is not received.

13         C.       All payments from the fund received by a participating candidate which have not  
14 been spent or obligated for the purposes specified in paragraph A of this subsection and any  
15 tangible assets purchased with such payments remaining in the possession of the campaign as of  
16 the date of the election shall be returned by the candidate and shall be conveyed to the municipal  
17 clerk within forty-five (45) days after that date. Returned payments shall be deposited in the  
18 fund. Tangible assets shall be conveyed to the city for its use or disposition in accordance with  
19 the city's procurement code. Proceeds from such disposition shall be deposited in the fund.

20         D.       In accordance with the agreement entered into pursuant to subparagraph B(4) of  
21 subsection 9-3.8 SFCC 1987, a candidate who has been certified as a participating candidate shall  
22 not thereafter accept any contribution to the candidate's campaign other than payments received  
23 from the fund pursuant to subsections 9-3.10 and 9-3.12 SFCC 1987 and qualified small  
24 contributions received pursuant to subsection 9-3.6 SFCC 1987, and shall not make any  
25 expenditure in support of the candidate's campaign from any source other than payments and

1 contributions so received and previously deposited in the candidate's campaign depository.

2 **Section 10. A new Subsection 9-3.12 SFCC 1987 is ordained to read:**

3 **9-3.12 [Reserved.] [NEW MATERIAL] Additional Reports of Qualified Small**  
4 **Contributions; Additional Matching Payments from the Fund.**

5 A. Those participating candidates who wish to submit for matching payments from the  
6 Fund, in addition to the dates specified for the filing of campaign finance statements by  
7 subsection 9-2.10 SFCC 1987, may file campaign finance statements reporting the receipt of  
8 qualified small contributions on the sixty-second (62<sup>nd</sup>) day preceding the election and the  
9 fifteenth (15<sup>th</sup>) day preceding the election.

10 B. Within two business days after the filing of a campaign finance statement by a  
11 participating candidate reporting the receipt of qualified small contributions and accompanied by  
12 copies of the forms signed by the contributors as required by paragraph C of subsection 9-3.6  
13 SFCC 1987, the municipal clerk shall disburse to the candidate an additional payment from the  
14 fund equal to four times the total amount of the qualified small contributions reported in the  
15 campaign finance statement; provided, that no such additional matching payments shall be made  
16 for contributions reported in a campaign finance statement filed after the Tuesday preceding the  
17 election; and provided further that additional matching payments for contributions listed in a  
18 report filed with the candidate's application for certification under subsection 9-3.8 SFCC 1987  
19 shall not be made until two business days after such contributions have been listed anew in a  
20 campaign finance statement filed under paragraph E of subsection 9-3.6 SFCC 1987 or paragraph  
21 A of this subsection.

22 C. Additional payments made to a participating candidate pursuant to paragraph B  
23 of this subsection shall be deposited in the separate account in the candidate's campaign  
24 depository that was established by the candidate for the deposit of payments received from the  
25 fund pursuant to paragraph A of subsection 9-3.11.

1        D. The aggregate amount of additional payments made to a participating candidate  
2 pursuant to paragraph B of this subsection shall not exceed two hundred percent (200%) of the  
3 amount initially paid to the candidate pursuant to subsection 9-3.10 SFCC 1987.

4        E. If the amounts required to be paid to candidates under paragraph B of this  
5 subsection exceed the total amount available in the fund, each payment shall be reduced in  
6 proportion to the amount of such excess.

7        ~~[(Former subsection 9-3.12, Reports of Expenditures by Non-Participating Candidates~~  
8 ~~and Other Persons, previously codified herein and containing portions of Ordinance No. 2009-44,~~  
9 ~~was repealed in its entirety by Ordinance No. 2011-28, §17.)]~~

10        **Section 11. Subsection 9-3.14 SFCC 1987 (being Ord. #2009-44, §15, as**  
11 **amended) is amended to read:**

12        **9-3.14 Reports of Expenditures[; ~~Exemption from Certain Reporting~~**  
13 **Requirements].**

14        A. A participating candidate shall file with the municipal clerk reports under oath of  
15 expenditures made from the payments received from the fund, indicating that the expenditures  
16 were made from that source and showing the date and amount of each such expenditure, the name  
17 and address of the person or organization to whom it was made, the purpose of the such  
18 expenditure, the aggregate amount of such expenditures made to each person or organization and  
19 the aggregate amount of all expenditures made by the candidate or by his or her campaign.  
20 Receipts for all such expenditures shall be preserved for a period of two (2) years from the date of  
21 the expenditure.

22        B. The reports required by paragraph A of this subsection shall be filed on each of  
23 the days prescribed for the filing of campaign finance statements by subsection 9-2.10 SFCC  
24 1987.

25        C. A signed campaign finance statement filed by a participating candidate to report

1 qualified small contributions pursuant to paragraph E of subsection 9-3.6 SFCC 1987 or  
2 paragraph A of subsection 9-3.12 SFCC 1987 shall also include a report of all expenditures made  
3 during the period covered by the statement from the separate account established by the candidate  
4 for the deposit of such contributions pursuant to paragraph D of subsection 9-3. SFCC 1987. The  
5 statement shall show that the expenditures were made from that source and shall contain all the  
6 information concerning the expenditures, account balances and funds on hand that is required for  
7 campaign finance statements filed pursuant to subsection 9-2.11 SFCC 1987. Receipts for all  
8 such expenditures shall be preserved for a period of two (2) years from the date of expenditure.

9 [C]D.. Except as provided in paragraph A [~~and B~~] through C of this subsection [~~and~~],  
10 paragraph E of subsection 9-3.6 SFCC 1987, paragraph C of subsection 9-3.8 SFCC 1987[;]and  
11 paragraph A of subsection 9-3.12 SFCC 1987, participating candidates are exempt from the  
12 requirement to file campaign finance statements imposed by subsections 9-2.10 SFCC 1987  
13 through 9-2.12 SFCC 1987 and from the requirements to file campaign records with the  
14 municipal clerk imposed by paragraph C of subsection 9-2.9 SFCC 1987; provided, however, that  
15 campaign records shall be maintained in the manner required by the applicable provisions of the  
16 Campaign Code (Section 9-2 SFCC 1987) and shall be made available upon request to the  
17 municipal clerk and the ethics and campaign review board.

18 [D]E. [~~A seed money and qualifying contribution report and an~~] Campaign finance  
19 statements and contribution and expenditure reports of a candidate for municipal judge are not  
20 required to be signed or acknowledged by the candidate.

21 APPROVED AS TO FORM:

22 \_\_\_\_\_  
23  
24 KELLEY A. BRENNAN, CITY ATTORNEY

25 *Legislation/Bills 2015/Campaign Code 9-3 Bill*

**CITY OF SANTA FE, NEW MEXICO**

**BILL NO. 2015-\_\_**

**INTRODUCED BY:**

Mayor Javier Gonzales

**AN ORDINANCE**

**AUTHORIZING THE SALE OF 2,263 SQUARE FEET OF REAL PROPERTY LOCATED ADJACENT TO 830 EL CAMINITO STREET AND DESCRIBED AS "AREA OF GAIN" AS SHOWN AND DELINEATED ON A PLAT OF SURVEY ENTITLED, "LOT LINE ADJUSTMENT WORKMAP OF PROPERTY LOCATED AT 830 EL CAMINITO" PREPARED BY PAUL A. ARMIJO, N.M.P.S. NO. 13604, DATED OCTOBER 2, 2014, LYING AND BEING SITUATE WITHIN THE SANTA FE GRANT, PROJECTED SECTION 30, T17N, R9E, N.M.P.M., IN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO.**

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

**Section 1.** The attached Exhibit A, Quitclaim Deed between the City of Santa Fe (Grantor) and Mike and Jennifer Marie Tansey (Grantees) for real property lying and being situated within the City and County of Santa Fe, New Mexico, is approved subject to the conditions set forth in Section 2 below. The real property is a portion of the Camino Rancheros Street right-of-way located adjacent to the property at 830 El Caminito Street and more particularly described as follows:

1           “Area of Gain” as shown and delineated on a Plat of Survey entitled, "Lot Line Adjustment  
2   Workmap of Property Located at 830 El Caminito” prepared by Paul A. Armijo, N.M.P.S. No. 13604,  
3   dated October 2, 2014, lying and being situate within the Santa Fe Grant, Projected Section 30, T17N,  
4   R9E, N.M.P.M., in the City and County of Santa Fe, New Mexico.

5           **Section 2.**       The sale of the real property is approved subject to the terms herein and the  
6   following easements and restrictions:

7           1. The property shall not be considered a separate legal lot of record for any purpose, but  
8   rather shall be consolidated with the adjoining lands commonly known as 830 El Caminito by the  
9   Grantees.

10          2. The parcel shall be subject to easements for existing utilities and rights thereto.

11          3. The metal culvert under the driveway within the Camino Rancheros Street right-of-way  
12   shall be maintained by the Grantees.

13          **Section 3.**       The appraised value of the real property is \$41,000.

14          **Section 4.**       The manner of payment to Grantor shall be cash. The time of payment shall  
15   be as soon as practicable after the effective date of this ordinance.

16          **Section 5.**       The sale price of the real property is \$41,000.

17          **Section 6.**       The purchasers of the real property are Mike and Jennifer Marie Tansey.

18          **Section 7.**       The purpose of the sale of the real property by the municipality is the  
19   disposal of surplus real property and the generation of revenue for the municipality.

20          **Section 8.**       This ordinance shall become effective forty-five (45) days after its adoption,  
21   unless a referendum election is held pursuant to Article 3-54-1 NMSA 1978.

22   APPROVED AS TO FORM:

23  
24  
25   \_\_\_\_\_  
KELLEY A. BRENNAN, CITY ATTORNEY

*M/Legislation/Bills 2015/El Caminito Property Sale*