

CITY CLERK'S OFFICE
City of Santa Fe, NM DATE 3/17/16 TIME 10:11a
Regular Committee SERVED BY Carolynn Reibel
Monday, March 20, 2017 COINED BY SSS
05:00 PM – Finance Committee
Council Chambers

AGENDA

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

Regular Finance Committee Minutes - February 27, 2017
Finance Committee Minutes 2-17-17.pdf

INFORMATIONAL ITEM

6. *Resolution 2016-90 Feasibility and Fiscal Impact Report. (Shannon Jones)*
Action Sheet - Resolution 2016-90.docx

Resolution 2016-90 Feasibility and Fiscal Impact Report.pdf

CONSENT AGENDA

7. *Request for Approval of Amendment No. 1 to Professional Services Agreement - Water and Wastewater Service Line Protection Services (RFP #14/12/P); Service Line Warranties of America, Inc. (Nick Schiavo)*

Action Sheet - Service Line Warranties - Amendment 1.docx

Amendment 1 - Service Line Warranties of America.pdf

8. *Request for Approval of Bid No. 17/08/B in the Amount of \$75,818.75 - Sewer Line Chemical Root Control Services for Wastewater Division; Dukes Root Control, Inc. ((Jerry Tapia)*

Action Sheet - Dukes Root Control Award of Bid 17-08-B.docx

Award of Bid 17-08-B Dukes Root Control.pdf

9. *Request for Approval of Procurement Under Cooperative Price Agreement and Professional Services Agreement in the Amount of \$256,762.69 - Security System Improvements Project, Phase I for Canyon Road Water Treatment Plant; B & D Industries, Inc. (Alex Gamino)*

Action Sheet - B&D Industries PSA.docx

PSA with B&D Industries.pdf

10. *Request for Approval of Professional Services Agreements in the Amount of 76,200 - Collaborative Arts Marketing Program (RFP #17/21/P). (Debra Garcia y Griego)*
- *Institute of American Indian Arts, "Be Here Now: Counterculture in New Mexico," \$30,000*
 - *Museum of New Mexico Foundation, "Art of the Draw," \$30,000*
 - *WiseFool New Mexico, "ExperienceArt in the Siler Road Area," \$16,200*

1754-15 Collaborative Arts Marketing Finance Packet 2017.pdf

11. *Request for Approval of Procurement Under Cooperative Price Agreement in the Amount to Exceed \$50,000 - Medical Supplies for Fire Department. (Greg Cliburn)*
- *BoundTree Medical*
 - *Life Assist, Inc.*

Finance Packet Bound Tree & Life Assist Inc.pdf

12. *Request for Approval of Professional Services Agreement in the Amount of \$52,000 - Consulting Pharmacist Services (RFP #17/29/P) for Fire Department; Gonzales Pharmacy Consultant. (Greg Cliburn)*
- Finance Packet for Gonzales Pharmacy PSA (2).pdf

Fire-FCM 03.20.17 Gonzales Pharmacy -Procurement approval.pdf

13. *Request for Approval of Procurement Under Cooperative Price Agreement in the Amount to Exceed \$50,000 - Medical Supplies for Fire Department; Henry Schein, Inc. (Greg Cliburn)*
- Finance Packet Henry Schein 1.pdf

Finance Packet Henry Schein 2.pdf

Finance Packet Henry Schein 3.pdf

14. *Request for Approval of Master Service Agreement in the Amount of \$100,783 - Pilot Program for Printer Consolidation and Managed Print Services (RFP #17/01/P); Document Solutions, Inc. (David Kulb)*

ITT FCM 03.20.17-DSI-2.pdf

15. *Request for Approval of Amendment No. 1 to Professional Services Agreement in the Amount of \$63,475 - City-Wide Kronos Telestaff Software Implementation Project Management Services (RFP #17/13/P); Berry Dunn McNeil & Parker, LLC. (Renee Martinez)*

Berry Dunn McNeil-Renee Mtz.pdf

16. *Request for Approval of Procurement Under Cooperative Price Agreement in the Amount of \$124,032 - Upgrades with Warranty for CPR Radio Remote School Flasher System and RTC Connect System and 10 Year Cellular Plan for Communications for Signal Shop; Consolidated Traffic Controls, Inc. (Nick Lovato)*

CPR Radio Remote System - Nick Lovato.pdf

17. *Request for Approval of FY 2016/2017 Budget by Increasing the Community Services Department Budget by \$70,000 for Law Enforcement Assisted Diversion Program (LEAD). (Chris Sanchez)*

LEAD Program Budget FY2016-17.pdf

18. *Request for Approval of FY 2016/17 Law Enforcement Protection Fund (LEPF) Application in the Amount of \$129,000 for Police Department; State of New Mexico Department of Finance, Local Government Division. (Patrick Gallagher)*

SFPD-FCM 03.20.17 LEPF App.pdf

19. *Request for Approval of Professional Services Agreement in the Amount of \$43,350 - Assessment of Fair Housing and Associated Research by HUD's Community Development Block Grant Program and New Mexico Mortgage Finance Authority; BBC Research and Consulting. (Margaret Ambrosino)*

BBC Research-Ambrosino.pdf

20. *Request for Approval of Recommendations to Sections Pertaining to Economic Development Code (Chapter 11.11) Entitled "2017 Economic Development Code Analysis Report" per Directives of Resolution 2016-75. (Fabian Trujillo)*

Economic Dev. Code Analysis Recommendations - 03 Mar 17.pdf

21. *Request for Approval of a Resolution Directing the Sustainable Santa Fe Commission to Research and Assess the Creation of a Joint City, Santa Fe County, and State of New Mexico Sustainability Authority for the Purpose of Developing, Implementing and Financing Sustainability-Related Programs in Santa Fe County that Counter the Effects of Climate Change, and Achieve Carbon Neutrality By 2040. (Councilor Ives) (John Alejandro)*

Committee Review:

Sustainable Santa Fe Commission (scheduled)

03/15/17

City Council (scheduled)

03/29/17

Fiscal Impact: No

Leg-FCM 03.20.17 Sustainability Authority.pdf

22. *Request for Approval of an Ordinance Amending Subsection 23-6.2 SFCC 1987 to Permit the Sale and Consumption of Alcohol at the Railyard Park for the Bike and Brew Event. (Councilors Lindell, Villarreal, Ives and Trujillo) (Alfred Walker)*

Committee Review:

Public Works Committee (approved)

02/20/17

City Council (request to publish) (approved)

02/22/17

City Business Quality of Life Committee

03/08/17

City Council (public hearing)

03/29/17

Fiscal Impact - No

Leg-FCM 03.20.17 Bike and Brew Railyard Pk-1.pdf

Action Sheet #12.pdf

23. *Request for Approval of an Ordinance Amending Chapter 7-1 SFCC 1987 Regarding Building and Related Codes; Adopting the 2015 International Building Code, the 2015 International Residential Building Code, the 2015 International Existing Building Code, and Other Related Codes as Amended by the State of New Mexico and the City of Santa Fe. (Councilor Harris) (Michael Purdy)*

Committee Review:

Public Works Committee (approved)

03/06/17

City Council (request to publish)

03/08/17

City Council (public hearing)

04/12/17

Fiscal Impact - No

Leg- FCM 03.20.17 Building Code Updates.pdf

Action Sheets - 17 PWC.docx

24. *Request for Approval of an Ordinance Amending Section 6-17, Membership of the City Business and Quality of Life Advisory Committee to Change the Name to the Economic Development Advisory Committee; to Remove One Member of the Governing Body; Removing the Requirement for Governing Body Review of the Work of the Advisory Committee; and Amending the Membership of the Economic Development Review Subcommittee to add a Member of the Governing Body, and Remove One Appointed Member. (Councilors Harris, Lindell and Ives) (Fabian Trujillo)*

*Committee Review:**Economic Development Review Subcommittee**(approved w/amend) 02/23/17**Public Works Committee (approved) 03/06/17**City Business Quality of Life Committee (approved) 03/08/17**City Council (request to publish) 03/08/17**City Council (public hearing) 04/12/17**Fiscal Impact - No*Leg- FCM 03.20.17 CBQL and EDRC Changes -Ord.pdfAction Sheets - Item 9 PWC.doc

25. *Request for Approval of a Resolution Expressing the City Of Santa Fe's Desires for Redevelopment of the Garrett's Desert Inn Property and Offering to Cooperate with the New Mexico Commissioner of Public Lands in His Office's Review and Ranking of Solicited Land Use/Redevelopment Proposals. (Councilor Maestas) (Matthew O'Reilly)*

*Committee Review:**Public Works Committee (approved) 03/06/17**City Business Quality of Life Committee (approved) 03/08/17**City Council (scheduled) 03/29/17**Fiscal Impact - No*Leg-FCM 03.20.17 Desert Inn Property Development Preference.pdfAction Sheets - Item 16 PWC.doc

26. *Request for Approval of a Resolution Sponsoring the Next Generation Water Summit and Waiving all Space Rental Fees for Use of the Santa Fe Community Convention Center. (Mayor Gonzales) (Randy Randall)*

*Committee Review:**Water Conservation Committee (scheduled) 03/14/17**City Council (scheduled) 03/29/17**Fiscal Impact - Yes - \$18,900 in waived fees*Leg-FCM 03.20.17 Next Generation Water Summit.pdf

27. *Request for Approval of a Resolution adding the Water History Park and Museum Phase III Project to the Fiscal Year 2017/18 Capital Improvement Plan (CIP). (Councilors Maestas and Ives) (David Pfeifer)*

Committee Review:

<i>Public Works Committee (approved)</i>	<i>03/06/17</i>
<i>City Business Quality of Life Committee (approved)</i>	<i>03/08/17</i>
<i>City Council (scheduled)</i>	<i>03/29/17</i>

Fiscal Impact - No

Leg. -Water History Museum Phase 3 (Substitute).pdf

Action Sheets - Item 13 PWC.doc

28. *Request for Approval of a Resolution Authorizing and Approving Submission of a Completed Application for Financial Assistance and Project Approval to the New Mexico Finance Authority to Refund, Refinance and Defease the City's Outstanding Subordinate Lien Gross Receipts Tax Improvement Revenue Bonds, Series 2012C. (Councilor Dominguez) (Adam Johnson and Bradley Fluetsch)*

Committee Review:

<i>Public Works Committee (scheduled)</i>	<i>03/27/17</i>
<i>City Council (scheduled)</i>	<i>03/29/17</i>

Fiscal Impact - Yes

Leg-FCM 03.20.17 NMFA App 2012C Sub Lien GRT Refunding.pdf

29. *Request for Approval of an Ordinance Authorizing the Issuance and Sale of the City of Santa Fe, New Mexico Taxable Subordinate Lien Gross Receipts Tax Refunding Revenues Bonds, Series 2017 in an Aggregate Principal Amount of \$4,540,000 for the Purpose of Defraying the Cost of Refunding, Paying and Defeating the Outstanding City of Santa Fe, New Mexico Subordinate Lien Gross Receipts Tax Improvement Revenue Bonds, Series 2012C; Providing That the Bonds Will be Payable and Collectible From Certain Gross Receipts Tax Revenues Distributed to the City; Establishing the Principal Amounts, Interest Rates and Other Details of the Bonds; Approving the Execution and Delivery of a Bond Purchase Agreement for the Sale of the Bonds; Providing for Redemption of the Refunded Bonds; Providing for the Collection of Certain Gross Receipts Tax Revenues; Approving Certain Other Agreements and Documents in Connection With the Refunded Bonds; Ratifying Action Previously Taken in Connection With the Bonds; Repealing All Ordinances in Conflict Herewith; and Related Matters. (Councilor Dominguez) (Adam Johnson)*

Committee Review:

<i>City Council (request to publish)</i>	<i>03/29/17</i>
<i>City Council (public hearing)</i>	<i>04/26/17</i>

Fiscal Impact - Yes

Leg-Refunding 2012C Sub Lien GRT Bond Authorization (FC Pkt) 1.pdf

30. *Request for Approval of RFP for Fiscal Agent Services. (Robert Rodarte and Christina Keyes)*
Binder2-Fiscal Bank Svcs -RFP.pdf

DISCUSSION

31. *Joint Report on City of Santa Fe Fraud, Waste and Abuse Hotline - Call No. 12. (Liza Kerr and Kelley Brennan)*

Fraud, Waste and Abuse Hotline.pdf

MATTERS FROM STAFF

32. *City of Santa Fe FY 2017/2018 Five-Year Capital Improvement Plan. (Adam Johnson and Becky Casper)*

Memo_5yrCIP_Complete Finance.pdf

CIP COMPLETE V2_FC03202017.pdf

MATTERS FROM THE COMMITTEE

ADJOURN

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FINANCE COMMITTEE MEETING
March 20, 2017**

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REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT AND PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$256,762.69 – SECURITY SYSTEM IMPROVEMENTS PROJECT, PHASE I FOR CANYON ROAD WATER TREATMENT PLANT; B & D INDUSTRIES, INC.	Approved	12-14

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REQUEST FOR APPROVAL OF RECOMMENDATIONS TO SECTIONS PERTAINING TO ECONOMIC DEVELOPMENT CODE (CHAPTER 11.11) ENTITLED, “2017 ECONOMIC DEVELOPMENT CODE ANALYSIS REPORT,” PER DIRECTIVES OF RESOLUTION 2016-75	Approved	17-20
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REQUEST FOR APPROVAL OF A RESOLUTION AUTHORIZING AND APPROVING SUBMISSION OF A COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO FINANCE AUTHORITY TO REFUND, REFINANCE AND DEFEASE THE CITY'S OUTSTANDING SUBORDINATE LIEN GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2012C	Approved	24-25
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<u>DISCUSSION</u>		
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**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE**
Monday, March 20, 2017

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, March 20, 2017, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Carmichael A. Dominguez, Chair
Councilor Mike Harris
Councilor Peter N. Ives
Councilor Signe I. Lindell
Councilor Renee Villarreal

OTHERS ATTENDING:

Adam Johnson, Director, Finance Department
Kelley Brennan, City Attorney
Teresita Garcia, Assistant Director, Finance Department
Yolanda Green, 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 Finance Committee packets for all agenda items are incorporated herewith to these minutes by reference. The original Finance Committee packet is on file in the Finance Department.

2(A) ITEMS CONSIDERED PRIOR TO APPROVAL OF AGENDA.

1. Proclamation

Chair Dominguez read a proclamation into the record from Mayor Gonzales, declaring the month of March 2017 as Certified Government Financial Managers Month.

Elena Tercero said it is a national organization, with two chapters in New Mexico, the Chapter serving the majority of our Santa Fe residents, and the Albuquerque Chapter. They encourage employees at the State, City and County level to participate with the organization, ting there are many opportunities for continuing education, and this is one where you can be in accounting, but don't have to go through the rigorous CPA exam, and it is specific to government. It helps those in this field to "narrow in and hone our skills." She introduced Vince Lithgow, President of the local Chapter.

Vincent Lithgow, Chapter President, of the New Mexico program, expressed thanks and appreciation that the City has recognized March as Certified Government Financial Managers Month. He said this is the third year the City has done this, and thanked the City for giving them this recognition.

Mr. Johnson said with regard to the AGA, many employees are embarking on achieving the Certified Government Financial Management credentials at the end of this fiscal year. The goal in the next fiscal year is that all of the financial analysts, supervisors and connections in the departments will have this certification moving forward so we can raise the bar across the City with regard to Financial Management.

Chair Dominguez thanked Mr. Lithgow and Ms. Tercero for attending, congratulated them and said, "Keep up the good work."

2. Discussion on Item #31

Chair Dominguez asked if there is someone in attendance on behalf of the administration with regard to Item #31. He said the City Attorney, Deputy City Manager, Human Resources Director and Internal Auditor are here.

Chair Dominguez said the information provided in the packet is for a personnel issue. He said our employees deserve due process. He noted the City Attorney is here, and said he is a little reluctant to hear this case tonight, although he will defer to the Committee. He said if the administration wants to respond, they are welcome to do so.

Kelley Brennan, City Attorney, said, "You are quite correct that this does raise personnel issues that this body and the Governing Body cannot address, but are within the purview of the Manager. I'm not sure I speak for the administration, but we felt the Audit Ordinances require the presentation, these reports to come to the Governing Body via the Finance Committee, so this seemed the required venue. And certainly we felt it raised a number of issues and concerns that you may want to address and ask questions about, beyond personnel, about processes, and policies and those kinds of things. If you, as a body, feel those questions are really not particularly relevant and that most of it relates to personnel matters, we are fine with deferring discussion of the report."

Chair Dominguez said he read the report and it is interesting, to say the least. He said there are all these personnel issues that he has trouble separating from the audit itself. He said, "It kind of went from being audit to all of a sudden becoming this big old personnel issue. And I don't want to put the Committee or the Governing Body in this position, just because we say you are required to give us the

report. The report isn't an Audit Report, it's kind of a personnel report kind of mixed in there. And so I'm reluctant to do it because I don't want to violate the due process of any of these employees. And I feared that having a public conversation about it, even though the administration has already provided it publicly, you know it is kind of a very slippery sloped. And to me, I almost feel like calling the Fraud, Waste and Abuse Hotline just on that issue itself."

Ms. Brennan said, "Certainly, due process and privacy considerations are paramount, and we believe those are protected in the Report. Again, we can't discuss the personnel issues."

Chair Dominguez said, "The whole thing is a personnel issue, Kelley."

Ms. Brennan said, "Well. I understand."

Chair Dominguez asked, "So why would you bring to the Finance Committee a personnel issue?"

Ms. Brennan said, "Councilor, I understand your characterizing it that way. I think it raises a number of other considerations that the Finance Committee and the Governing Body may be interested in. Again, I leave that to this body."

Chair Dominguez said he will leave it to this Committee to decide, he asked the Committee to keep it in the context of the Approval of the Agenda.

Councilor Ives said, "We certainly did, when we were working on the Ordinance and Resolutions relating to the Auditor, asked that matters and reports come back through the Finance Committee to the Governing Body. So I think, procedurally, this is postured correctly in that sense. I think the particular matter at issues does raise questions about the effectiveness with which the City has engaged in these processes, and begs, to some degree, the question of what do we need to do differently. Because when I see that this relates to incidents that occurred in June 2015, was it.

Ms. Brennan said, "The complaint was June 4, 2015."

Councilor Ives said, "We are now in March 2017, almost 2 years later, and apparently this is still chugging along. And that, to me, suggests, and especially because it appears that the Hotline was, it seems to me, was relatively straightforward. So if we have a process that takes 2 years to not even bring a matter to conclusion, I'm thinking we have serious problems with that process, and we need to figure out how to do it better. So, from that perspective, I'm supportive of considering it, and then trying to get this Governing Body. This really stimulates and creates the opportunity to put in place those corrections, I think."

Chair Dominguez said, "I agree, Councilor Ives. And don't forget that the whole reason we did a Fraud, Waste and Abuse Hotline was because were just coming off the heels of the Parks Bond. Right. There are a whole lot of other issues that I think could be part of this. And if we want to go there, I'll certainly bring it up during the discussion of this item. We were trying to get hold of our finances, and trying to figure out funds were part of what."

Chair Dominguez continued, "To me, I just think that the administration could have presented this is a much better format so it doesn't become a personnel issue. I don't want to go as far as saying that the administration has purposely brought it to us like this, so that it does become a personnel issue and that we all of a sudden violate someone's due process. I don't think this administration would necessarily like that, but then it doesn't provide that transparency and justice, for lack of a better word, that really people deserve and decide. I'm kind of torn, because the 'cat is already out of the bag,' the media has already gotten hold of it and has written a number of reports about it. It kind of reminds me of what is going on at the national level, with all these leaks and stuff. Right. But it's just a little disappointing to me that we would be presented with a packet that has so much personnel information there. It makes me pause a little bit."

Councilor Harris said, "I read this, and yes, at the same time read it in the newspaper. I wondered how we are going to address it. It's kind of a fine line. To me, the main issues that were raised, I would hope, would be addressed in some of the work that's being done through the Kronos time system. I also know, because I asked Ms. Trujillo specifically about when we're going to have our H.R. policy update. And I was told, and this body was told, that by the end of this fiscal year. I've not, quite frankly, read our current policy. But I think that many of the issues that get raised here, need to be dealt with in a timely way through a process as outlined in our H.R. Manual."

Councilor Harris continued, "And I agree, it has gone on far too long. I also think of what this report seems to indicate, is kind of the dysfunctional nature of the GCCC. I'm thinking about Lifeguards, and any number of things. It's not just not working very well. So if we can talk about all those things, if that's valuable, that's great, let's do it. But, and somebody will raise a flag, either Ms. Brennan or Ms. Trujillo, if the conversation goes too far."

Chair Dominguez said, "Well I would depend on them to protect this Governing Body, not the administration when it comes to those issues. So just to make that clear and we need to police ourselves as well."

3. APPROVAL OF AGENDA

Mr. Johnson said Item #16 needs to be pulled and postponed to the April 10, 2017 Public Works Committee meeting. He said it somehow slipped through the process, but it hasn't first gone to Public Works.

Mr. Johnson continued, saying secondly, Item #22 needs to be withdrawn from the Agenda.

Mr. Johnson continued, saying he made an error and Item #30 should have fallen under Discussion rather than under the Consent Agenda, commenting he believes it would come off Consent anyway.

Chair Dominguez said then he wants Item #30 as a part of the Discussion Agenda. He said we don't have to pull that, we can make that part of the Approval that it will be on the Discussion Agenda.

MOTION: Councilor Ives moved, seconded by Councilor Villarreal, to approve the agenda, as amended.

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

4. APPROVAL OF CONSENT AGENDA

Councilor Ives noted he will be recusing himself on Item #10, because it involves a matter involving the Institute of American Indian Arts, because his wife is an attorney for the Institute, and he is a member of the Foundation Board of the Institute.

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

DISCUSSION: Responding to a question from Ms. Helberg, Chair Dominguez said he will pull Item #10 for discussion.

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

CONSENT AGENDA

7. *[Removed for discussion by Councilor Harris]*
8. REQUEST FOR APPROVAL OF BID NO. 17/08/B IN THE AMOUNT OF \$75,818.75 – SEWER LINE CHEMICAL ROOT CONTROL SERVICES FOR WASTEWATER DIVISION; DUKES ROOT CONTROL, INC. (JERRY TAPIA)
9. *[Removed for discussion by Councilor Harris]*
10. *[Removed for discussion by Chair Dominguez]*
11. *[Removed for discussion by Councilor Villarreal]*
12. REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT IN THE AMOUNT OF \$52,000 – CONSULTING PHARMACIST SERVICES (RFP #17/29/P) FOR FIRE DEPARTMENT; GONZALES PHARMACY CONSULTANT. (GREG CLIBURN)

13. REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT IN THE AMOUNT TO EXCEED \$50,000 – MEDICAL SUPPLIES FOR FIRE DEPARTMENT; HENRY SCHEIN, INC. (GREG CLIBURN)
14. REQUEST FOR APPROVAL OF MASTER SERVICE AGREEMENT IN THE AMOUNT OF \$100,783 – PILOT PROGRAM FOR PRINTER CONSOLIDATION AND MANAGED PRINT SERVICES (RFP #17/01/P); DOCUMENT SOLUTIONS, INC. (DAVID KULB)
15. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$63,475 – CITY-WIDE KRONOS TELESTAFF SOFTWARE IMPLEMENTATION PROJECT MANAGEMENT SERVICES (RFP 17/13/P); BERRY DUNN McNEIL & PARKER, LLC. (RENEE MARTINEZ)
16. REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT IN THE AMOUNT OF \$124,032 – UPGRADES WITH WARRANTY FOR CPR RADIO REMOTE SCHOOL FLASHER SYSTEM AND RTC CONNECT SYSTEM AND 10 YEAR CELLULAR PLAN FOR COMMUNICATIONS FOR SIGNAL SHOP; CONSOLIDATED TRAFFIC CONTROLS, INC. (NICK LOVATO) *This item was removed from the Agenda and postponed to the Finance Committee meeting of April 3, 2017*
17. *[Removed for discussion by Councilor Lindell]*
18. REQUEST FOR APPROVAL OF FY 2016/17 LAW ENFORCEMENT PROTECTION FUND (LEPF) APPLICATION IN THE AMOUNT OF \$129,000 FOR POLICE DEPARTMENT; STATE OF NEW MEXICO DEPARTMENT OF FINANCE, LOCAL GOVERNMENT DIVISION. (PATRICK GALLAGHER)
19. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$43,350 – ASSESSMENT OF FAIR HOUSING AND ASSOCIATED RESEARCH BY HUD'S COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM AND NEW MEXICO MORTGAGE FINANCE AUTHORITY; BBC RESEARCH AND CONSULTING. (MARGARET AMBROSINO)
20. *[Removed for discussion by Councilor Ives]*
21. *[Removed for discussion by Councilor Harris and Councilor Lindell]*
22. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SUBSECTION 23-6.2 SFCC 1987, TO PERMIT THE SALE AND ALCOHOL AT THE RAILYARD PARK FOR THE BIKE AND BREW EVENT (COUNCILORS LINDELL, VILLARREAL, IVES AND TRUJILLO). (ALFRED WALKER. *This item was withdrawn from the Agenda*)

23. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING CHAPTER 7-1 SFCC 1987, REGARDING BUILDING AND RELATED CODES; ADOPTING THE 2015 INTERNATIONAL BUILDING CODE, THE 2015 INTERNATIONAL RESIDENTIAL BUILDING CODE; THE 2015 INTERNATIONAL EXISTING BUILDING CODE AND OTHER RELATED CODES AS AMENDED BY THE STATE OF NEW MEXICO AND THE CITY OF SANTA FE (COUNCILOR HARRIS). (MICHAEL PURDY).) Committee Review: Public Works Committee (approved) 03/06/17; City Council (request to publish) 03/08/17; and City Council (public hearing) 04/12/17. Fiscal Impact – No.
24. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 6-17, MEMBERSHIP OF THE CITY BUSINESS AND QUALITY OF LIFE ADVISORY COMMITTEE TO CHANGE THE NAME TO THE ECONOMIC DEVELOPMENT ADVISORY COMMITTEE; TO REMOVE ONE MEMBER OF THE GOVERNING BODY; REMOVING THE REQUIREMENT FOR GOVERNING BODY REVIEW OF THE WORK OF THE ADVISORY COMMITTEE; AND AMENDING THE MEMBERSHIP OF THE ECONOMIC DEVELOPMENT REVIEW SUBCOMMITTEE TO ADD A MEMBER OF THE GOVERNING BODY, AND REMOVE ONE APPOINTED MEMBER (COUNCILOR HARRIS, COUNCILOR LINDELL AND COUNCILOR IVES). (FABIAN TRUJILLO) Committee Review: Economic Development Review Subcommittee (approved w/amend) 02/23/17; Public Works Committee (approved w/amendment) 03/06/17; City Business & Quality of Life Committee (approved) 03/08/17; City Council (request to publish) 03/08/17; and City Council (public hearing) 04/12/17. Fiscal Impact – No.
25. REQUEST FOR APPROVAL OF A RESOLUTION EXPRESSING THE CITY OF SANTA FE'S DESIRES FOR REDEVELOPMENT OF THE GARRETT'S DESERT INN PROPERTY AND OFFERING TO COOPERATE WITH THE NEW MEXICO COMMISSIONER OF PUBLIC LANDS IN HIS OFFICE'S REVIEW AND RANKING OF SOLICITED LAND USE/REDEVELOPMENT PROPOSALS (COUNCILOR MAESTAS). (MATTHEW O'REILLY) Committee Review: Public Works Committee (approved w/amendment) 03/06/17; City Business & Quality of Life Committee (approved) 03/08/17; and City Council (scheduled) 03/29/17. Fiscal Impact – No.
26. REQUEST FOR APPROVAL OF A RESOLUTION SPONSORING THE NEXT GENERATION WATER SUMMIT AND WAIVING ALL SPACE RENTAL FEES FOR USE OF THE SANTA FE COMMUNITY CONVENTION CENTER (MAYOR GONZALES). (RANDY RANDALL) Committee Review: Water Conservation Committee (scheduled) 03/14/17; and City Council (scheduled) 03/29/17. Fiscal Impact – Yes. \$18,900 in waived fees.
27. REQUEST FOR APPROVAL OF A RESOLUTION ADDING THE WATER HISTORY PARK AND MUSEUM PHASE III PROJECT TO THE FISCAL YEAR 2017/18 CAPITAL IMPROVEMENT PLAN (CIP) (COUNCILORS MAESTAS AND IVES). (DAVID PFEIFER) Committee Review: Public Works Committee 03/06/17; City Business & Quality of Life Committee (approved) 03/08/17; and City Council (scheduled) 03/29/17. Fiscal Impact – No.
28. *[Removed for discussion by Councilor Harris]*

29. REQUEST FOR APPROVAL OF AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF SANTA FE, NEW MEXICO TAXABLE SUBORDINATE LIEN GROSS RECEIPTS TAX REFUNDING REVENUE BONDS, SERIES 2017 IN AN AGGREGATE PRINCIPAL AMOUNT OF \$4,540,000 FOR THE PURPOSE OF DEFRAYING THE COST OF REFUNDING, PAYING AND DEFEASING THE OUTSTANDING CITY OF SANTA FE, NEW MEXICO SUBORDINATE LIEN GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2012C; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE FROM CERTAIN GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY; ESTABLISHING THE PRINCIPAL AMOUNTS, INTEREST RATES AND OTHER DETAILS OF THE BONDS; APPROVING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT FOR THE SALE OF THE BONDS; PROVIDING FOR REDEMPTION OF THE REFUNDED BONDS; PROVIDING FOR THE COLLECTION OF CERTAIN GROSS RECEIPTS TAX REVENUES; APPROVING CERTAIN OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION WITH THE REFUNDED BONDS; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION WITH THE BONDS; REPEALING ALL ORDINANCES IN CONFLICT HERewith; AND RELATED MATTERS (COUNCILOR DOMINGUEZ). (ADAM JOHNSON) Committee Review: City Council (request to publish) 03/29/17; and City Council (public hearing) 04/26/17. Fiscal Impact – Yes.

30. *[Moved to the Discussion Agenda at the request of the Finance Director]*

END OF CONSENT AGENDA

5. APPROVAL OF MINUTES:

REGULAR FINANCE COMMITTEE MEETING – FEBRUARY 27, 2017

MOTION: Councilor Ives moved, seconded by Chair Dominguez, to approve the minutes of the Regular Finance Committee meeting of February 27, 2017, as presented.

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

INFORMATIONAL ITEM

6. RESOLUTION 2016-90 FEASIBILITY AND FISCAL IMPACT REPORT (SHANNON JONES)

Shannon Jones, Director, Wastewater Management Division, presented information from his Memorandum of February 8, 2017, with attachments, regarding *Resolution 2016-90 Feasibility and Fiscal Impact Report*, which is in the Committee packet. Please see this Memorandum for specifics of Mr. Jones presentation.

Mr. Jones said the conclusion was that this would not be self sustaining financially, and whatever entity overseeing the recreational vehicle dump station facility would have to subsidize the services.

The Committee commented and asked questions as follows:

Chair Dominguez said then this is for information only, and it then will go to Public Utilities.

Mr. Jones said it was before Public Utilities at the beginning of the month, then Finance, and will be heard at the City Council next week.

Chair Dominguez asked Mr. Jones what direction he seeking from this Committee.

Mr. Jones said the Resolution just asked for this assessment to be done, compiled into a report and provided to the Governing Body. He said staff feels this concludes the direction of the Resolution.

Chair Dominguez said on packet page 4, Table 2, it indicates \$224,000 is the total evaluated estimated cost for the BuRTT Station and the return of the investment will take 62 years. He asked the reason it would take so much time there.

Mr. Jones said he looked at the operating cost, noting the BuRTT Station also had an annual operating cost, but the other two sites were considered minimum because sewer service was already available to those sites. He said the BuRTT would have what we refer to as a "dump and pump," received and then transported from there.

Chair Dominguez said then you are developing a whole new operation in some ways, because there is no sewer.

Mr. Jones said because sewer service was not available, it was estimated it would cost \$ 6,000 a year to receive it, hauled by a septic hauler and removed to the site.

Councilor Harris said you're saying this isn't self-sustaining economically even at the Wastewater Treatment Facility. He asked if it creates additional problems for Wastewater.

Mr. Jones said because of the chemicals used in the RV's to help break down enzymes, because of the close proximity to the plant and not having the dilution that would be carried through the system, that we would do an aggressive approach to mitigate the local uses on green chemicals. However, since this also would be open to visitors as well, we would be concerned about how it is released into the system and we would be on top of industrial pre-treatment to see how we could mitigate the effect of those chemicals being added directly at the treatment plan.

Councilor Harris said 7 facilities have dump stations, 3 of which are in the City. He noted one business owner feels if the City did this it would have a negative impact on their business. He asked if there is a real reason to do this, "in your opinion," other than possibly for convenience. He said if the market place is fairly well covered, it doesn't seem there is real value to visitors or residents.

Mr. Jones said as part of the study, he reached out to the owners who would speak with them, two are amenable to that. He said one of the sites felt it wouldn't impact its business because it offers more services that we are considering – filling propane tanks, recreational maps and other services. The other businesses said any diversion of revenue from their business would impact them and asked him to emphasize that in the report.

Councilor Harris reiterated it seems the marketplace is covering the service, and unless people are illegally pumping or dumping, he sees no reason the City should do this.

Mr. Jones said based on the information they gave us, they were saying about 30 recreational vehicles dump on average per month, with peaks in the Fall or in high travel months. He said the financial impact was driven by two assumptions. One is they're charging \$10 for the service per visit, with about 30 vehicles per month, really is what drives the return on investments and evaluations.

Councilor Lindell said she echos all of Councilor Harris's concern. The payback on this is a very, very, very long time, and seems unnecessary. The market is being served and we have one private provider who would feel the City was being competitive with local business. This isn't our intention, and wasn't Councilor Trujillo's intention in bringing this forward. She said, "It's nothing that I would be able to support."

Councilor Ives said he is a cosponsor of the request to study this. He thanked Mr. Jones for the report, saying it sounds like an expensive solution to a problem that doesn't necessarily exist in significant form. He said it's good to be able to confirm the numbers and understand it better.

Chair Dominguez said, "My sense is that the Committee is not willing or interested in giving further direction on whether or not to include it in some sort of plan or anything. So, we'll just wait to see if somebody else brings something forward."

CONSENT CALENDAR DISCUSSION

7. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – WATER AND WASTEWATER SERVICE LINE PROTECTION SERVICES (RFP #14/12/P; SERVICELINE WARRANTIES OF AMERICA, INC. (NICK SCHIAVO)

Councilor Harris asked how many utility customers have signed up for the warranty program; have there been many claims for reimbursement under the warranty program; and were they handled appropriately by the vendor.

Mr. Schiavo said under the Sewer Service Line 1,648 people have signed up and 1,641 have signed up under Water, so pretty good crossover. He said under Wastewater, \$178,000 has been paid out through 402 claims, and under Water, \$25,184 has been paid for 45 claims. He said the only challenge he's seen, as part of this contract, Service Line Warranty of America has to use the City's logo for the Spring and Fall Campaign. He said they put nothing out that isn't reviewed by him and the staff. When it

goes out, it has the City's logo next to the City's seal next to their logo on the letterhead. He said there have been constituent complaints that this less than straightforward and they're being tricked into signing up for something. He said Constituent Services get phone calls, noting he tries to give advance notice before the Spring and Fall campaigns go out. His staff knows about it and are able to address the questions. He said this is his only problem with it.

Mr. Schiavo said all claims have been paid, and no one has ever been denied for a water or a wastewater claim.

Councilor Harris said then all claims were handled by the vendor with no real issues.

Mr. Schiavo said that is correct. He said over the past 3 years there have been perhaps 2 individuals who felt they weren't getting good service and reached out to him, in one case on Saturday. He spoke with his representative, Brian Davis of Service Line Warranty of America who made a telephone call to them on that Saturday to get things handled.

Chair Dominguez asked how he is dealing with the logo issue, noting it has been around since he came on the Council, commenting sometimes it's more contentious than others. He said that isn't a new issue.

Ms. Schiavo said in the past, they just put the City seal at the top of the letter, so it looked as if it was coming from the City. He said for the past 3 years, he has required them to put both our seal and theirs on the letter so it is clear isn't a letter that is coming from the City. He said the homeowner is to contact Service Line Warranty of America with any questions.

Chair Dominguez asked the reason for putting the City seal on the letter.

Mr. Schiavo said it's clear that they get a stronger response with the seal.

Chair Dominguez said the company is profiting from our organization.

Mr. Schiavo said he wouldn't go that far, but they are getting a better response by having our seal.

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

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

9. REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT AND PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$256,762.69 – SECURITY SYSTEM IMPROVEMENTS PROJECT, PHASE I FOR CANYON ROAD WATER TREATMENT PLANT; B & D INDUSTRIES, INC. (ALEX GAMINO)

Councilor Harris said this is a \$260,000 contract, with a straightforward scope of work, and asked the reason this went through CES instead of going out to bid.

Mr. Schiavo understands staff thought it would get a good price through CES.

Councilor Harris said perhaps they are familiar with B & D, and it's comfortable and easy, but doesn't know they can prove they're getting better work. He thinks it is a mistake to out for a contract of this size for a straightforward scope of work. He said this is the infrastructure and not the security system itself.

Mr. Schiavo said that his understanding.

Councilor Harris asked if a security system has failed, saying he wonders at the urgency.

Mr. Schiavo said we don't have security systems in many of our locations.

Councilor Harris asked if there is a formal policy in the Utilities Department about when they would out for a 3rd party procurement as opposed to going out for bid.

Mr. Schiavo said there is no policy.

Councilor Harris asked if there is a rule of thumb.

Mr. Schiavo said no. He said he hasn't worked as closely as he should with this, noting he has been in a different role lately. He said if he felt we would have gotten a better price, he would have pushed to go out to bid.

Councilor Harris reiterated he thinks a project like this should go out to bid. However, if we have no security system, and this is ready to go, he isn't saying we should pull the plug.

Councilor Ives said a previous design phase occurred, and asked Mr. Schiavo if he recalls the pricing on that portion.

Mr. Schiavo said he doesn't know, but he thought much of the design was done in-house.

Councilor Ives said he understands this doesn't include the installation of the equipment.

Mr. Schiavo said that is correct.

Councilor Ives said he had some of the same concerns, commenting it seems a lot. However, he appreciates Councilor Harris reviewing the drawings. He said there is another phase of an unknown amount for the equipment. He asked if we are talking about a \$500,000 contract to put in a security system for the facility, which sounds like a lot of money. He is unsure what to do, because he doesn't have the expertise to evaluate the drawings. It does suggest looking for an RFP as opposed to a price agreement which at times may bring better value. He said he has caution, but no real basis to say no, other than it seems like lot.

Mr. Schiavo said it his understanding that this beyond the Canyon Road facility, and would be at many of our well locations. He said currently Chavez Security makes rounds several times each shift, but it's challenging, and that person can't be everywhere at once and it takes them several hours to complete the route. He said there is a lot of value in getting cameras and detection equipment at these locations. It will allow us to know someone has arrived, and has been hanging around for several minutes, and to be able to see via camera what is happening at that location.

Councilor Ives said he thought Chavez Security has some of this capability through its equipment and was providing that kind of service.

Mr. Schiavo said they do have that capability, but we haven't taken advantage of it, noting he isn't completely satisfied with the price they would be charging. He feels doing it this way is a better plan for the City in the long term.

Councilor Ives said that sounds as if we have been doing comparative pricing.

Mr. Schiavo said, "Absolutely Councilor."

Councilor Lindell said her questions have been answered.

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

DISCUSSION: Councilor Harris said there should be a rule of thumb on going out to bid as opposed to going through CES. He said B&D is a solid Albuquerque based company with operations in different States. He said a contract like this could go to a local electrical contractor, particularly with a 10% preference. However, it is in the works and he doesn't want to stop this particular project. He thinks we need more effective security at these critical infrastructure locations.

He said perhaps Mr. Johnson, Mr. Rodarte and Public Works/Public Utilities could get together to develop some sort of guidelines for this, commenting we're seeing a lot of third party procurement.

Mr. Johnson said he makes record of all comments and they are great concerns. He said intermixed is the idea that CES is a competitive process on the front side, so that has happened. So there is an assumption these prices would hold if they go through an RFP. He said staff is often in the situation where they have to balance that process with getting the right price, but also going through the City process, the timing and the RFP, and at the end of the day weighing what is the better value. He said, at this point we don't have

that criteria. It would be a very complex criteria where it would go onto the work load of purchasing through the RFP process and it would be prolonged. He would be happy to take the topic and work toward a better process.

Councilor Harris said he was a CES vendor for 5-6 years, so he understands.

VOTE: The motion was approved on a voice vote, with Councilor Villarreal, Councilor Lindell and Councilor Harris voting in favor of the motion, no one voting against and Councilor Ives abstaining. **Explaining his vote:** Councilor Ives said, "At this point I would simply abstain, I'm interested in getting a little additional information on the additional costs associated with putting this system in place."

Chair Dominguez said, "Let the record show there is one abstention. Nick, Adam, I'm not sure if you will get as far as we need to be, when this goes to Council, to answer some of those questions for Councilor Ives. Maybe some sort of rough timeline when we could expect for some of that systemic process to at least get underway and maybe could get completed. And we'll leave it at that."

10. **REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENTS IN THE AMOUNT OF \$76,200 – COLLABORATIVE ARTS MARKETING PROGRAM (RFP #17/21/P). (DEBRA GARCIA Y GRIEGO)**
- a. **INSTITUTE OF AMERICAN INDIAN ARTS, "BE HERE NOW: COUNTERCULTURE IN NEW MEXICO," \$30,000;**
 - b. **MUSEUM OF NEW MEXICO FOUNDATION, "ART OF THE DRAW," \$30,000; AND**
 - c. **WISEFOOL NEW MEXICO, "EXPERIENCE ART IN THE SILER ROAD AREA," \$16,200.**

Disclosure: Chair Dominguez said, "Let the record show that Councilor Ives has recused himself."

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

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

11. **REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT IN THE AMOUNT TO EXCEED \$50,000 – MEDICAL SUPPLIES FOR FIRE DEPARTMENT. (GREG CLIBURN)**
- a. **BOUND TREE MEDICAL; AND**
 - b. **LIFE ASSIST, INC.**

Councilor Villarreal said she had technical difficulties in opening this file, but she subsequently was able to open the file. She asked Mr. Cliburn to summarize the request.

Greg Cliburn, Medical Officer, Fire Department, said the attachment is very large. It is the entire bid packet from McKinley County for medical supplies which is what we have been using as a cooperative agreement for the whole fiscal year. He said the request before the Committee is to spend in excess of \$50,000 before the end of the fiscal year, and it's simply where their budget and needs are taking them. He said both of these vendors are on the McKinley County bid.

Councilor Villarreal asked what Bound Tree is.

Mr. Cliburn said Bound Tree Medical is a vendor of medical supplies, and so is Life Assist, Inc.

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

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

17. REQUEST FOR APPROVAL OF FY 2016/2017 BUDGET BY INCREASING THE COMMUNITY SERVICES DEPARTMENT BUDGET BY \$70,000 FOR LAW ENFORCEMENT ASSISTED DIVERSION PROGRAM (LEAD). (CHRIS SANCHEZ)

Councilor Lindell asked the reason this doesn't wait until the next budget year, noting we are just getting ready to do an increase, and this is an increase for 16/17. She asked where is the money for this, and why don't we wait until next year's budget.

Mr. Johnson said this is part of a request part to establish the full funding for this program for this year. He said during last year's budget process there were often too many spoons in the pot, and changes were made that should not have been made. He said funding was supplied for the first half of the year, with direction to track the expenditures and activity, and to decide at mid-year if we should request additional appropriation to take them to the end of this year. This is what this request is – funding for the balance of the fiscal year. These funds are available in the General Fund balance for funding for this program.

Councilor Lindell asked if we get an annual update on the LEAD program activities.

Nancy Jimenez, Budget Officer, Police Department, said this is a pilot project, and she doesn't know if a yearly update has been provided, noting currently they are in the evaluation process. A third party company was contracted to do the evaluation and yes, that will be coming to this Committee so it can continue on July 1, 2017, to the 4th and 5th years.

Councilor Lindell asked if this was a \$1 million project.

Ms. Jimenez said her understanding was that \$300,000 was appropriated for year 1. However, it took 1-1/2 to 2 years to get 50 people into the program, so the \$300,000 was not used until the second year.

Councilor Lindell asked Ms. Jimenez to check that and let her know, and Ms. Jimenez said, "Absolutely."

Councilor Lindell said it's time to have a report on the results of that program and spending, and asked if that is coming up soon.

Ms. Jimenez said the evaluation contractor is on board and asking questions now. She get a definite data, but imagines they can do that by May 2017, but if it changes she will let the Councilor know and keep her on track of when that will come forward.

Councilor Harris said Councilor Lindell asked his questions. He said the packet was scrambled in Granicus, and it is still in reverse order. He said he would caution to ensure it is entered correctly. He said as Councilor Lindell said, he would be interested in the results of the evaluation.

Councilor Ives said he is glad the report is being done, but the caution he has is that the successful implementation of these kinds of programs does take a period of time, especially in terms of actually seeing results. He can affirm that in the reading he's done, including reports from NLC and NACO talk about diversion programs as being significant components of any community's response to opioid and other types of abuse and circumstances. He said the uptick in participation gives him great hope for the program in Santa Fe. He wants to see results that suggest we need to expand it. If we want to break those cycles, and cycles of property crime, etc., this is one bright light in this process. He looks forward to seeing the information, commenting he is fully in support of what they are doing here.

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

DISCUSSION: Councilor Villarreal said she is supportive of these kinds of programs, especially when they are pro-active in looking at ways and approaches to alternatives to incarceration. She wants to know the cost savings and the recidivism rates, commenting it would be helpful if those are part of the evaluation.

Responding to Councilor Villarreal, Ms. Jimenez said she would hope the evaluation results are ready by the budget hearings, but she can't promise that will happen.

Chair Dominguez expressed support for this is well, commenting this was initiated by Councilor Dimas. He said at the time Captain Sanchez was running the program, and it was housed in the Police Department. He asked if this is still the case.

Ms. Jimenez said it started in Community Services when Terry Rodriguez was working. When Terry retired, she helped with the RFP's and payments to our contractor LifeLink. She said when Terry's position was filled, in theory, it should have gone back to Community Services. Right now, it is a collaboration between several individuals and both departments. She said Captain Sanchez has retired and is now a consultant for the program, noting he has a contract and is being paid from two different sources – the City of Santa Fe and another individual company.

Chair Dominguez said it seemed at the time, it was very important for the Police Department to be the lead agency because the interaction with the Police and offenders was critical and necessary to capture clients and get them from arrest through treatment.

Ms. Jimenez said that is still is the point. She said the Police are the lead in that they send the individuals to the program, or individuals self-report or want to get into the program. Unfortunately, Police Officers and the Police Department aren't the specialists services required by these individuals. Ms. Rodriguez has all of those connections with LifeLink and other diversion companies and such.

Chair Dominguez asked how we ensure that communication isn't lost and the collaboration continues. He said when we discussed it "back then and it was sold to us," that it was funded, the community wanted it. The Police Department was a very important part of that. He wants to ensure that we don't lose that critical component to it. He said Chris will do the best job he can, and will be sure that he "knocks this out of the park," within his power. However, he isn't the Police Chief. He asked if there is an endorsement by the Police Chief that this needs to happen.

Ms. Jimenez said yes, and they meet twice a month at the Police Department, with Community Services, LifeLink, the actual case managers. The other two Wednesdays, they meet at the D.A.'s Office. She said they definitely are in it, and every single week they have a meeting somewhere.

Chair Dominguez said he would recommend that they do what they can to get those organizations to provide a letter of support. He said when this was started, we used to get packed with the Courts, and he doesn't want to lose any momentum.

Chris Sanchez said the District Attorney attended the last meeting, and it has now been expanded to the County, as well as to Juvenile Probation. He said the program is alive and well, and he and the Chief talk about this consistently.

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

20. REQUEST FOR APPROVAL OF RECOMMENDATIONS TO SECTIONS PERTAINING TO ECONOMIC DEVELOPMENT CODE (CHAPTER 11.11) ENTITLED, "2017 ECONOMIC DEVELOPMENT CODE ANALYSIS REPORT," PER DIRECTIVES OF RESOLUTION 2016-75. (FABIAN TRUJILLO)

Councilor Ives asked Mr. Trujillo to do a 5 minute highlight of what is being changed, and to include whether or not this program is fashioned after any other successful programs in economic development that you looked at in different parts of the Country.

Fabian Trujillo, Office for Business Growth, presented information from his Memorandum of March 8, 2017, with attachments, which is in the Committee packet.

Councilor Ives asked what Resolution No. 2016-75 said.

Mr. Trujillo said it was basically Councilor Maestas' recommendation that we have an Economic Development Plan Ordinance, we review the Code and then do a mini update. The other parts of that will be coming through, which will include a budget, if approved, to go out for a comprehensive update of the Economic Development Plan. This is the review of the Code.

Councilor Ives thanked him, saying he recalls our discussion about the Angelou Plan with updates, and that we needed to do an entirely new assessment of that plan. He asked what we can expect in terms of timing on that effort.

Mr. Trujillo said that report will be starting in the City BQL in April, and should come to Finance and Council by the end of April, early May.

Responding to Councilor Ives, Mr. Trujillo said it is an update report, noting staff is calling it "The Crossroads Report," giving recommendations on what we need to do for the comprehensive report.

Councilor Ives asked the timing for the comprehensive report.

Mr. Trujillo said it would be a 6 month process. That's when we involve the community, like we did with the Angelou Plan. The Crossroads Report will provide an outline of our recommendations and basically, how we would like to do that. Eventually, we will go out for an RFP for the cost for this. That would include a comprehensive report and community plan, plus most of these include an implementation strategy as well.

Councilor Ives said it sounds as if we have pushed the report to the next Fiscal Year. He had hoped that at this point we would be looking shortly at an updated economic plan for the City that we could include in this budget cycle. He said this a statement of the frustration at the pace at which we engage in some of these processes.

Councilor Ives, referring to packet page 15, Subsection E, where it says, "*All applications for economic development projects requesting economic assistance from the City shall clearly demonstrate the benefits which will accrue to the community as the result of the donation of public resources.*" He thinks we are prohibited under the Anti-donation Clause from donating public resources, so he is unsure about the language unless exceptions are carved out that this is specifically addressing.

Mr. Trujillo said the LEDA Ordinance is the exception to the Anti-donation Clause which allows the City to provide public resources for for-profit companies for that. He said the whole process is outlined in the enabling legislation for us to provide for the private sector.

Councilor Ives asked if "private sector," includes for-profit as well as not-for-profit organizations contributing significant economic activity to the City.

Mr. Trujillo said yes, if they are a qualified entity in our ordinance, which they are in our Ordinance.

Chair Dominguez said we don't have an Economic Development Division director hired.

Mr. Trujillo said that is correct, for the Office of Economic Development which was part of the requirement in the Resolution.

Chair Dominguez said, "Then each chapter would have its – is it going to be one Ordinance with everything in there, or will it be separate ordinances articulating each chapter."

Mr. Trujillo said it would be one ordinance that articulates all of the chapters in the Code that we're recommending.

Chair Dominguez said some of it is saying that staff doesn't recommend revising a section of the Code, and asked if you will include it in the Ordinance.

Mr. Trujillo said they would not.

Chair Dominguez said the form of the Ordinance will be strike-outs and the other stuff with the memo that Mr. Trujillo will provide.

Mr. Trujillo said that is correct, they would do that. He said it will come before this Committee for a detailed review, so you can look at the Ordinance that is being recommended for revision.

Chair Dominguez said when you say that the sanitary sewer rate will be on penalty schedule, there is a recommended that it be amended to give the flexibility to waive fees for economic development projects, which he thinks would be a whole separate bill. He said we could articulate it in that Ordinance, but it means we would have to amend the Ordinance on the Wastewater side.

Mr. Trujillo said that is correct. He said they would recommend an ordinance for that particular subsection of the Wastewater Ordinance be included to amend that for economic development purposes.

Chair Dominguez asked if that would come simultaneously, and Mr. Trujillo said yes.

Chair Dominguez said that could be a significant fiscal impact to Wastewater.

Mr. Trujillo said it could, but it would be the Governing Body's discretion.

Chair Dominguez said he understands that. He asked if that analysis happened, and if not, are you planning to do that kind of analysis. He doesn't want to support one thing without understanding the risks to something else, and these things need to be considered carefully and closely by Mr. Trujillo as well as Utilities, or Finance Department. Especially, since we're entering the whole budget process and budget approval. He said for example, if we support this and it has an impact on Utilities, that needs to be reflected in the operating budget, or not.

Mr. Trujillo said he is happy to do the analysis and work with Public Utilities on those numbers. However, there have been only 2-3 projects where the Economic Development program has paid for utility costs, or water costs, under that program – Santa Fe Spirits and [inaudible].

Chair Dominguez said that's just one example where there will be a fiscal impact on Impact Fees, and you need to consider this throughout the City – how it impacts everyone. He said he wants a risk/benefits analysis.

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

DISCUSSION: Mr. Johnson said with regard to the status of hiring an Economic Development Director, the Deputy City Manager was given an opportunity to rewrite the job description and publish it one more. He said that is now closed, and they are in the process of analyzing applications.

Chair Dominguez said he hopes that happens soon, because we haven't have one for too long, "and it's important stuff."

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

21. **REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE SUSTAINABLE SANTA FE COMMISSION TO RESEARCH AND ASSESS THE CREATION OF A JOINT CITY, SANTA FE COUNTY AND STATE OF NEW MEXICO SUSTAINABILITY AUTHORITY FOR THE PURPOSE OF DEVELOPING, IMPLEMENTING AND FINANCING SUSTAINABILITY-RELATED PROGRAMS IN SANTA FE COUNTY THAT COUNTER THE EFFECTS OF CLIMATE CHANGE AND ACHIEVE CARBON NEUTRALITY BY 2040 (COUNCILOR IVES). (JOHN ALEJANDRO).)**
Committee Review: Sustainability Commission (scheduled) 03/15/17; and City Council (scheduled) 03/29/17. Fiscal Impact – No.

Councilor Lindell said she is unsure why this is specific to Santa Fe County and didn't include the City in the caption. Secondly, she wants more information about this. She said there projects floating around looking for developing, implementing and financing and typically it is the financing is "what trips me up on these." She wants to see a description of what we're looking to do this. She said if Mr. Schiavo is trying to pinch-hit on this, he doesn't have to do that and he can take a walk.

Chair Dominguez said the sponsor is here.

Councilor Ives said with regard to the caption, if you look at that again, it says, "*Request for approval of a Resolution directing the Sustainable Santa Fe Commission to research and assess the creation of a Joint City, Santa Fe County and State of New Mexico Sustainability Authority...*" So it does call on the jurisdictions which would be involved in this process. He said the County includes the City of Santa Fe as a jurisdictional construct.

Councilor Lindell said she understands. She asked what is it focused on, and thought that Sustainable Santa Fe had come up with these programs already.

Councilor Ives said the charge to the Commission is to create a 25-year plan toward the City's carbon neutrality as a core function of the Committee. Broadly stated, it has additional functions evaluating questions of sustainable practices, and conservancy across the City's programs, platforms and services. He said this is an effort to recognize the City does not exist in a vacuum. There is a tremendous amount of intercession between the unincorporated party of the County, the City of Santa Fe and other parts of the State that contribute an impact of us moving toward carbon neutrality. This is an effort to recognize if we did it in the City we wouldn't necessarily be accomplishing all our intended purposes. He noted the Chair of the Sustainable Santa Fe Commission is in the audience and can explain if she would like.

Councilor Lindell said she doesn't need a long explanation. She asked if the State is committed on this.

Councilor Ives said this was meant to be exploratory in part, and those discussions have begun, but not concluded. He said Ms. Beloff would have specifics on what has been accomplished to date in that regard.

Councilor Harris asked the status of the 25 year plan with which the Commission is charged.

Beth Beloff, Chair, Sustainable Santa Fe Commission, said they have been developing the plan through 11 working groups and 50 community experts for the last year and a quarter, and are now at the point where we have a fairly large set of recommendations by working group, which they are winnowing to high priority, and plan to roll them out to the community in May, in 4 community conversations in the 4 Districts. They don't want to complete the recommendations without serious input from the community. They are happy to make a presentation to the Committee before the community rollout.

Councilor Harris said walking past the Mayor's office 10 minutes ago, he saw the first sign for the community conversations. He knew the plan had been worked on, but not presented to the community at large, nor to the Governing Body. He believes we should allow the Commission to complete its work before we undertake an authority. He said it is compounded by the Verde Fund and how it fits in the Commission's recommendation. He said he is afraid it is a shotgun approach and he can't support putting a lot of effort into an authority. It takes a lot of work to put together the City, County and the State. He thinks the work of the Commission should first be done, then we can look at the report, see what can be implemented. He said perhaps something that might come out of that is the creation of a broader authority. He said he thinks in part this is a premature effort.

Councilor Villarreal said she had the same question as Councilor Lindell as to why we're saying the implementation and financing of sustainability related programs in Santa Fe County, when we're talking about achieving carbon neutrality in 2040 and that's a City effort and our goal. She doesn't know what the

County and State have in terms of matching goals. She thinks it's more semantics. She said she is having a hard time trying to figure out researching an authority when we haven't gone through the community outreach process. She said perhaps there is a regional approach, and we should be working with the County on certain initiatives.

Councilor Ives said he will try to answer her questions, and would welcome any follow-up. He said within the City, we have an incredibly significant presence of the State. The County has a significant presence, but not so vast as the State. Both have significant presence of facilities, programs and employees. He said, for example, for PACE, the County designated the entire County as a PACE structure for energy efficiency funding and such. He said the Resolution talks about research an authority, not to establish an authority. He said his point is for us to answer the City specific questions, in the presence of the other governmental entities, and the broad contribution of their existence in terms of facilities, employees, transportation, etc., they play a significant role in how we successfully answer that question. Additionally, there are programs involving the County.

Ms. Beloff said the boundaries they have been considering go beyond City limits, and they have seen their mandate as going beyond City limits. Secondly, a lot of issues they are addressing that don't know political boundaries. They are sub-optimizing by not working together with the entities at the County or State. An example is transportation, noting the largest greenhouse gas emission component in the greenhouse gas inventory comes from transportation. She said 60% of Santa Fe's workforce lives outside the City and commutes for several reasons, one of which is there is not adequate low and moderate income housing to support affordable housing. This is a large area that we have to tackle to be carbon neutral. She has spoken with people at the State and County and it appears as if we are duplicating effort in addressing these issues.

Chair Dominguez he has never been one to deny a colleague's idea to have a debate before the Governing Body. However, he is interested in how much "skin in the game" other entities have. He said environmental justice has been clearly articulated by this Governing Body to make sure we do everything we can to protect the environment. However, if the County and State don't pony up funds to make sure this happens we will be left holding the bag. He would hope we get some sort of firm commitment from the State and/or the County that go beyond just saying, yes we support environmental justice which is easy to do. He said commitment of funds is where organizations will have some pause. He is not looking for an answer tonight, but he is letting you know this is one of the thinks he is looking for. He said the City shouldn't be left holding the entire bag.

Councilor Ives said he recalls when the County agreed to dedicate \$10,000 for exploring public education within the County on heating, solar, and he introduced a Resolution for the City to do likewise, and the \$10,000 was seen to be too great an expense to consider participating. He said in his experience it is the City which has been hesitant.

Chair Dominguez said that is fine and within our purview. However, he doesn't want to commit to something with a promise that State or County are going to contribute, and then they don't, and we're stuck with paying the bill. He appreciates the exploratory premise, because governance issues arise as well as the makeup of the commission and how much influence, and how the votes will parse out. He said we know, through SWMA and the BDD, and various other joint organizations, that can be tricky. He said this is significant and deserves a lot of thought.

Councilor Harris said he would build on Ms. Beloff's remarks. He said as the Commission does its work, the boundaries are expanding, and Ms. Beloff started to make the argument for a broader construct and authority. He said that may be true. However, he thinks it is then the responsibility of the Commission in presenting its 25-year plan to say there are limitations as to what the City can do, and we feel we can have much more significant success if we combine under an authority. He thinks, first things first, and we need to focus on what the Commission can do, and to complete its work, and then perhaps to go on to an authority.

Councilor Lindell said she feels the same as Councilor Harris, and thinks we're a little ahead of ourselves. She would like to hold this back until the community meetings are held. She thinks that would put us in a position to have a little deeper understanding about supporting or not supporting this. She also agrees very much with the Chair, and wants to ensure everybody is willing to pay and participate. She doesn't want the City to pay the whole tab.

Ms. Beloff said they have given a great deal of thought to the financing. She said they have explored the option to create a Special Assessment District under the Infrastructure Development Zone Act of 2009. They changed a technical glitch at the Legislature to make it more feasible to expand this to a population as large as the City and part of the County. This has been used previously for small commercial developments. She said, under this legislation, they would have to depend on the BDD to initiate the creation of the Special Assessment District, as being broader than the City and to hold public hearings. She said Former County Commissioner Holian, Vice-Chair of the Sustainability Commission, to explore that in depth to utilize that to come up with money to fund a sustainability, and not have it fall solely on the City. That would be included in property taxes at the County level.

Ms. Beloff continued, saying, secondly they have created a Sustainability Fund at the Santa Fe Community Foundation, and have a pool of funds, and they are looking to attract large foundations in lieu of federal interest in climate change and carbon neutrality so there would be an additional fund from private and foundation sources to support this joint effort.

Councilor Ives said he finds it interesting when we say we want you to study this more before you bring it to us, when we're looking at a measure that says please study this and bring it to us. He doesn't think this is putting anything in place, but asking for this to be part of what the Sustainable Commission is engaged in. They are trying to do some of this now, but want that to have a serious look, so when it comes to specific recommendations, we will have something concrete to look at. He would urge moving this forward to give direction to the Sustainable Commission to look at this as another tool in the toolbox to accomplish the broad societal purposes, and sounds like it has the opportunity to leverage accomplishment of these goals in significant ways.

MOTION: Councilor Ives moved, seconded by Councilor Villarreal, to approve this request, “with the understanding that this is saying research and assess, not put in place, and then presumably you would be coming back to us on the basis of that research, assessment and engagement of the County and the State.”

DISCUSSION: Chair Dominguez said it looks like he will be the one to break the tie. He will vote in support of moving this forward, but that doesn’t necessarily mean he will support it at Council. He will be looking for and asking for more clarity – not just rhetoric, not just talk. He will ask for specifics on this which he thinks are relevant and important.

Councilor Ives said he would hope there is sufficient time before the meeting where this is considered, to try to address amendments to this or address the Chair’s questions.

Chair Dominguez said, “I think you know me, Councilor Ives. I work pretty hard to try to get that stuff ahead of time.

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

For: Councilor Ives, Councilor Villarreal and Chair Dominguez.

Against: Councilor Harris and Councilor Lindell.

The resulting vote was a tie with Chair Dominguez voting in favor of the motion.

Explaining her vote: Councilor Lindell said, “I would like to support this, but I can’t at this time, so I’m a no.

Chair Dominguez said, “Good luck at Council, Councilor Ives. And I say that only because usually when you have this kind of division at the Finance Committee, you never know what happens at Council.

- 28. REQUEST FOR APPROVAL OF A RESOLUTION AUTHORIZING AND APPROVING SUBMISSION OF A COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO FINANCE AUTHORITY TO REFUND, REFINANCE AND DEFEASE THE CITY’S OUTSTANDING SUBORDINATE LIEN GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2012C (COUNCILOR DOMINGUEZ). (ADAM JOHNSON AND BRADLEY FLUETSCH) Committee Review: Public Works Committee (scheduled) 03/27/17; and City Council (scheduled) 03/29/17. Fiscal Impact – No.**

Councilor Harris said he is looking at Items #28 and #29 which are different sides of the same coin. We defease what was put in place in 2012 on #28, and for #29, we propose to issue new bonds for the Railyard. He asked Mr. Fluetsch to give a brief summary why it is necessary to do this.

Bradley Fluetsch, Cash and Investments Manager, said the primary reason is we're converting a tax exempt issue, 2012C, to a taxable issue. And this opens a great deal of opportunities for the City to lease the property for non-governmental use – open it and rent to the private sector. It increases the number of potential clients, noting there are a couple of restrictive covenants that would be going away because of the tax exempt nature of it.

Councilor Harris said he spoke earlier with Mr. Fluetsch who is unclear as to the reason the tax exempt bonds were issued in the first place.

Mr. Fluetsch said that is correct.

Mr. Johnson said under the original purchase of the condo, the City had the intent to occupy the entire space and therefore did it on a tax exempt basis. Since that time, it's become clear the City doesn't need the entire space and would be well suited to not be in that space at all. And under tax exempt issuance, the pleasure of tax exempt bonds means we also are very very limited on private activity use of the assets financed by those bonds, and therefore the conversion is needed.

Councilor Harris said it will increase interest expense by \$24,000.

Mr. Fluetsch said yes, per year, for the remainder.

Councilor Harris asked the transaction cost on the whole package.

Mr. Johnson said this bond/loan was originated by the Finance Authority which would be doing the refunding. He doesn't have that figure with him, and he can follow up before Council on the cost, but believes there is a flat refunding fee of \$75,000 for the transaction.

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

DISCUSSION: Councilor Harris said, "I just want to say that the City needs to be more careful about how we approach these things. Because, in my own opinion, I think we struck a bad deal to begin with. I think the way we structured it was incorrect, and not really thought through. And not being able to use the space. It is my understanding, that in addition to purchase cost, we spent \$1 million to renovate this facility. And here we are getting ready to, essentially, refinance it so we have more flexibility. Besides the fact that it's just another location where the City is trying to operate, so we continue to scatter. There's lessons to be learned in this transaction, that we need to avoid these types of things. We really need to think through what we're getting into."

VOTE: The motion was approved on a voice vote, with Councilor Harris, Councilor Lindell, Councilor Villarreal and the Chair voting in favor, no one voting against, and Councilor Ives absent for the vote.

END OF CONSENT CALENDAR DISCUSSION

DISCUSSION

30. REQUEST FOR APPROVAL OF RFP FOR FISCAL AGENT SERVICES. (ROBERT RODARTE AND CHRISTINA KEYES)

Mr. Johnson said they are providing the RFP for Fiscal Agent Services for the City, noting this isn't the traditional route by which RFP's come to the Governing Body. He said, in response to previous discussion and comment at Finance Committee and Council, they wanted to present an opportunity to the Governing Body, this Committee and the general public to provide feedback on the RFP. He said these are large RFP's and require a lot of lead time, specifically if a new institution is awarded the contract, it requires significant transition time. He said they researched the City of Seattle, the City of New York, and others about the different steps they have taken for similar purpose and incorporated it into an RFP which we thought was an appropriate way to do so.

Chair Dominguez said then this is the result of what.

Mr. Johnson said it is the result of the public support for current agency provider "with regard to some of the activity they are involved in, and we wanted to give an opportunity to the Governing Body which it wouldn't normally have in this process.

Chair Dominguez thanked staff for reacting to the Governing Body and the public in this regard.

Councilor Villarreal thanked Mr. Johnson for taking this direction. She understands it isn't easy to make this change. She asked if there is language about looking at social equity practices as part of the RFP, and if so, to direct her to that section.

Christina Keyes, Treasury Officer, said she added a section specifically addressing that, but she doesn't have a numbered pages version. She said two sections were added, contribution disclosure, a new section patterned after the State Treasurer's Office which requires political contribution disclosure. She said the next section, Community Based Initiative, is where they address the social, environmental and economic impact of the applicant. There are a variety of questions for them to address and provide transparency.

Mr. Johnson said that can be found on packet page 39.

Councilor Harris said he spoke directly with Ms. Keyes, and we are bringing forward the RFP for acknowledgment as much as anything. He said we are approaching the end of our 4 year period, so we would be issuing an RFP no matter what. He wants to make sure to acknowledge the depth and breadth of the review committee, with 9 individuals from the appropriate departments, as well as a public member with bank experience. He think a good process has been outlined, and it will be interesting to see what kind of response we received. He said when we looked at the contract a few months ago and the associated costs, it seems to him we have gotten good value in the past. He said, "But we'll see what happens the next go around."

MOTION: Councilor Harris moved, seconded by Councilor Villarreal, to approve this request.

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

31. JOINT REPORT ON CITY OF SANTA FE FRAUD, WASTE AND ABUSE HOTLINE – CALL NO. 12. (LIZA KERR AND KELLEY BRENNAN)

The Committee commented and asked questions as follows:

- Chair Dominguez said, “Again, I just want to express my concern about how and why we have so much personnel information in here. It seems what turned what was, at first a fraud case, and then it turned into this personnel case which is something that is troublesome to him, especially given the fact the media has picked it up and it is out there in the public. And I believe every employee should not be presumed guilty immediately, that they deserve some due process. And again, I want to make it very clear that this Committee is not interested in violating the due process of that, or any individual. so we’re going to do our best to keep it at a systemic level. And I trust, Kelley, that you will do whatever you can to protect the Governing Body, not the City Attorney’s Office, not the Administration, or not, well, you work for the Governing Body and not your office. I suspect you will do whatever you can to protect us for getting into a personnel issue, even though you have already presented the personnel issue to us.”

Ms. Brennan said, “Councilor, that is of course, my first charge, and you’ve indicated a high degree of sensitivity to the items withing your purview and those that are not.”

- Chair Dominguez said it is more sensitivity, “I take some exception to it, because I know how these sorts of things can spin out of control very easily. So I’m going to some of the specific questions that I have.”
- Chair Dominguez said on page 2, at the top, the 2nd sentence, it says, ‘...Because the calls alleged a crime, the matter was referred to the Santa Fe Police Department for investigation and follow-up.’ He asked who made the referral to the Police Department. He wants to understand the systemic value of this exercise.

Ms. Kerr said this is a joint report.

- Chair Dominguez said he knows that, and asked again who made the referral.

Ms. Kerr said when the call came into the Hotline...

- Chair Dominguez asked again who made the referral to the Police Department.

Ms. Kerr said if it is an alleged crime, there is a referral to the Police Department, and an HR issues is automatically referred to H.R.

- Chair Dominguez said that isn't his question. He asked if it was a referral or Ms. Kerr.

Ms. Kerr said, "Yes, I would say it was me."

- Chair Dominguez said then you referred this item to the Police Department.

Ms. Kerr said yes, they met as a group.

- Chair Dominguez said he has lots of questions and wants to be able to get to as many as he can while giving everyone the opportunity to be heard.
- Chair Dominguez said on the first page of the Incident Report from the Police Department – Ms. Kerr referred it to the Police Department, and the Police Department said in one instance this case is considered closed as far as they were concerned. And on another page in reference to the same report it says, "At this time, I am able to prove any criminal intent to defraud the City of Santa Fe." He said he wants to understand the process. It went from, "I'm giving this to the Police Department, and they came back with a report, and then I guess it was referred to somebody else. What is the process or policy as it is outlined, because this is where it gets tricky. Right."

Ms. Brennan said, "The matter, as Liza has said, was referred as a matter of policy, because a criminal act was alleged to the PD [Police Department]. The PD investigated the single incident. The Hotline callers had alleged multiple incidents in the history. Yes, I'm leading up to... and I would say that I believe that the conclusion as to legal intent was incorrect. The investigating officer's conclusion."

- Chair Dominguez so, it's incorrect, and Ms. Brennan said, "Correct."
- Chair Dominguez asked, "Did you investigate that. You're basically saying that they're wrong that the information they are providing is incorrect."

Ms. Brennan said, "The conclusion that there was no legal intent was, I believe was incorrect, and yes, we did have considerable discussion around that."

- Chair Dominguez then you took the opportunity, there was a door open, you decided to go through that door and continue the investigation.

Ms. Brennan said, "My prosecutor at the time was asked the question, and it came to my attention via the prosecutor, about whether or not there was intent."

- Chair Dominguez asked who was the prosecutor.

Ms. Brennan said it was Krishna Piccard.

- Chair Dominguez said so she basically decided that and you guys decided to take it further.

Ms. Brennan said, "Ms. Piccard responded to the officer, another attorney, Alfred Walker, who frequently works on PD matters, had responded earlier with a different answer. And I was brought in to address that apparent conflict of opinion."

- Chair Dominguez said on page 20 of the report, it says, "*While the City's Parks and Recreation Department have updated their cash handling policy*, the policy does not address the larger issue is uniform City-wide case handling. And so, are we going to go ahead and go through that same process for all of those other City-wide case handling policies. I would hope so. I hope we're going to be as thorough with all of those other cases as we are with this one."

Ms. Brennan said, "I would say that I felt that this, among the other matters, the cash management bond, she was timekeeping temporary employees plant security and inventory management. For example, weighs larger issues, which are in fact, I think are policy issues and have a [inaudible] and yes, absolutely, these have been flagged for [inaudible]."

- Chair Dominguez said, "So we're going to spend the same kind of resources and time and effort on this, on all those other City-wide, cash handling."

Ms. Brennan said, "I believe and I'll let Liza speak to this, I believe we had identified weaknesses in the system that need to be addressed through policies and procedures. And we're back to policies and procedures and implementation of them should proceed. If wrongdoing is identified in the course of that, or through other audits, absolutely, it will be pursued."

- Chair Dominguez asked Ms. Brennan if there was a cross-examination of anonymous witnesses or anonymous callers as we have in here.

Ms. Brennan said, "Councilor Dominguez, people were questioned further..."

- Councilor Dominguez said no, he was asking if there was cross-examination.

Ms. Brennan asked, "By whom."

- Chair Dominguez said, "Do you want me to weigh in."

Ms. Brennan said, "You're cross examining me. I'm truly not sure exactly what you mean, but if you mean did people have an opportunity...."

- Chair Dominguez said, "What I means is this, is that there's a lot of hearsay in here, right."

Ms. Brennan said, "Yes."

- Chair Dominguez said, "And we've basically spent a lot of time and energy, City public resources on hearsay. And the intent of the Fraud, Waste & Abuse Hotline, in my opinion, was not to allow something to become an audit finding and turn it into a personnel kind of issue. It was to identify systemic issues that need to be addressed within our City government, so we can prevent those sorts of things from happening. This, to me, seems like it's gone from being 'hey, we want you to look at this, to all of a sudden caller 1 said this and caller 2 said that, and there's all these innuendos in there, and that's troublesome to me. How much time did you spend on this, Liza."

Ms. Kerr said at least 200 hours.

- Chair Dominguez asked Ms. Liza to quantify how much this cost – in addition to her time, the time of the Police Department and any other time spent on this one issue, even though there are other City-wide issues that need to be addressed.

Ms. Kerr said she didn't bring that information, but she can get it to him.

- Chair Dominguez said, "I would like that, because, if I'm correct the claim is \$38."

Ms. Kerr said she has no idea how much time the PD put into this.

- Chair Dominguez said, "I want to know how much time the public is paying for, for you to investigate thirty-eight dollars and ever how many cents it is. An investigation needs to be done, but it needs to be done correctly. And again, the intent of the Fraud, Waste and Abuse Hotline, as I remember as a cosponsor, not the main sponsor, was not so we can turn these sorts of fraud issues into personnel issues and kind of single people out."
- Chair Dominguez continued, saying he has two more questions. He said, "This is a management question. One of the things he knows has happened over the course of his term as a City Councilor and as a member of the Finance Committee, is that we have depleted Parks & Recreation out of the resources they need to function correctly. I remember the administration and the Finance Department saying across the board cuts aren't something that are acceptable, because you could compromise the integrity of something that is very valuable. In other words, to get rid of the Finance Department doesn't work well for the integrity of the Organization."
- Chair Dominguez continued, "You can parse that down to Parks & Recreation, because I know there was an administrative manager on site at the Chavez Center, and that no longer exists. I think the position is still there, and somebody has filled the position, but the position is not physically at the Chavez Center. So again, this is maybe a management question, and I don't think either one of you, or even Lynette can answer it. But in my opinion, it almost seems we depleted the resources that they need in order to keep these things from happening. Any opinion on that. Did you investigate that. Did you consider that. Did you have a discussion about that, or did you ask any questions with regard to that. Again, this is a budget issue, and something we need to understand and know. If the resources need to be there, we need to know that as a Finance Committee so they can be properly staffed so that these sorts of things don't happen."

Ms. Brennan said, "I'm sorry Councilor, I do not know."

- Chair Dominguez said then you don't know if that was ever part of the discussion in this investigation. We want to make sure our employees are given resources needed to succeed, and mistakes like this don't happen.

Ms. Brennan said, "I think that actually would have been a broadening of the investigation beyond the initial of fraud and the evidence that was gathered early, in terms of what was identified as the problem. I'm not saying it's not an issue or concern, but I'm saying no."

- Chair Dominguez said then you chose to broaden the investigation with regard to cameras and trucks getting vandalized and everything else that is in the report, but you didn't broaden it enough to consider if our City employees have the resources needed.

Ms. Brennan said, "We did not."

- Chair Dominguez said on page 8 and 9, there is stuff about batteries and weight and materials of batteries. He said this Committee has asked questions about procurement processes in the past, and to work hard at handling our inventory, what resources we have, the different funds, operating budgets and capital budgets. He asked if Mr. Rodarte has an inventory of those items.

Ms. Brennan said she can't speak to what Mr. Rodarte has.

- Chair Dominguez asked if she investigated whether or not there is inventory of these items.

Ms. Brennan said, "We did note that inventory management and control is something system-wide that could use improvement in the City. I think there was a day when every desk had a sticker on it and was inventoried, but I don't think that's true any more. In this case, the transactions were traced through the assistance of the purchase order, through receipts through checks and so forth, so that there is a trail of the acquisition of the materials."

- Chair Dominguez said so there is an inventory of these items.

Ms. Brennan said, "Inventory being a word that means something to me.... there isn't an inventory, but there is a...."

- Chair Dominguez said, "This exists, it is City property and there is an inventory on it, this battery.

Ms. Brennan said " I don't know if there is an inventory, but there would be a requisition or a purchase order. There would be a check, but whether there was a tag put on it, and it was identified for addressing disposition down the road, I don't know."

- Chair Dominguez asked if that wouldn't be important.

Ms. Brennan said, "I think that the inventory, management and control is something that needs to be"

- Chair Dominguez said he is talking about the tag. He said he is a public employee, and the pencil sharpener on his desk has a tag on it. He is asking because he thinks it's important.

Ms. Brennan said, "I agree that inventory is something that needs to be done better and it's one of the systemic issues that was identified..."

- Chair Dominguez said he thinks there are a lot of systemic issues in this packet, noting it is a large packet. He said, "I would like to know how much we spent on this. And again, I take exception to this idea that the Committee is kind of presented this personnel issue, when the intent of the Fraud, Waste and Abuse Hotline needs to be worked on. And I blame management for that. I blame management for not making it clear about what it's for. There is a chain of command that needs to be followed. I have no indication or clue whether or not that was a part of this. Retaliation is really not a audit issue, it is a personnel issue, but yet it's spelled out here in so many different places. And so I'll leave it at that. I'll turn it over the Committee, I think I've made my point. The Finance Committee, hopefully, will not be put in a position that is going down that personnel road."
- Councilor Ives said he can say from where he sits, the Fraud, Waste and Abuse Hotline was specifically meant to identify all of the types of issues that this report raises, including referrals of potential criminal activity to the Police that is fundamental to the reason it was created. Because it has potential contributing to ensuring the public's sense that we are appropriately tracking issues such as raised in this report, and we do take them seriously, even though it might be a small dollar amount in one instance as was reference in the report of \$39.80.
- Councilor Ives continued, saying he appreciates all of this was undertaken. He understands there still may be issues being laid out. What really concerns him are the timeframes involved which suggests there are policies we need to address as part of this. He looks forward to working with the City Attorney's office to figure out what those policies are and bring them back for action by the Governing Body. He said part of his frustration is the length of time in the process, which we need to solve, but is unsure how. He said some Councilors have talked about an Inspector General, but he thinks is over-kill. Others have talked about a forensic side to the audit staff. He said many problems with which we deal are perceptions of potential favoritism or connections between people. Some of that was involved in earlier audits addressed by the City.
- Councilor Ives continued, saying he would like to consider as a potential resolution to the possible criminal activity is referral of the matter to a third party – an attorney with prosecutorial experience, independent of the City to investigate these charges and refer them to the D.A.'s Office, and make recommendations with regard to personnel changes. He said we are kidding ourselves if we say it's just such a small amount, we shouldn't take this seriously. This isn't the way we should be doing business.

- Councilor Ives continued, saying he appreciates this coming forward. It is almost the first of its kind during his time at the City, so is valuable in terms of complexity and the number of levels at which it suggests we need to take various kinds of policy action. He hopes these can be handled more timely and effectively. He said, "In the law, we have a saying, 'Justice delayed is justice denied.' So I will be a strong proponent if such allegations are made that we actually follow them quickly through to completion." He said there is plenty of audit work to be done, and looking to third parties on these matters seems a reasonable approach and gets outside of the City purview in its analysis so we don't deal with any of those kinds of issues.

Ms. Brennan said, "I concur, that's one of the lessons learned, and exactly what I would recommend. This is an unusual instance. We haven't seen any complaints of this nature before or since, so I do feel it's a rare instance. But I think probably, for me, a lesson learned is that it would be better done by someone outside for the reasons you gave."

- Councilor Lindell asked Ms. Brennan what is the purpose of this coming to Finance – what's our job in this.

Ms. Brennan said, "As I said, I think reading this list, I would say it identifies some issues that I think may be systemic. I said procurement, cash management, volunteers, time keeping, temporary employees, plant security and inventory management. I believe those are all of concern at the policy level to the Governing Body. I do want to say that the Ordinance requires that reports be brought to the Governing Body via the Finance Committee, and in these cases, also creates them as public records. So I think that it is to inform you, and perhaps lead to other questions. Councilor Ives has expressed an interest in the process of how we pursue these, and there may be other matters that you have specific interest in."

- Councilor Lindell said she is very, very appreciative of the thoroughness of this investigation, everyone that touched it. She appreciates the work that is put into this. It's complicated, it's a lot of work, and when you have a Fraud and Abuse Hotline, you find out about fraud and abuse, that's what you get. Often those are issues that will end up as personnel issues. When someone commits fraud, they are behaving in ways outside of the expectations we have for one another and as policy in the City.
- Councilor Lindell continued, saying she could go on and on about what she read in the Report, and it seems clear cut to her. It doesn't raise a lot of questions for her. She said Ms. Brennan addressed 8 different areas to look at, and those are reasonable. She said these are primary concerns, but it seems a lot of things have been addressed, we have policies for them, and people didn't follow policy. She thinks we have policies on many of these things. She said people put a fair amount of effort into not following these policies. She said she has no surprise that we come up with fraud and abuse from a Fraud and Abuse Hotline. She said the dollar amount really is of no interest to her, whether it's \$15 or \$15,000. She said she thinks she has been clear about her feelings about this, and said, "Thank you for the good work."

- Councilor Harris said this has a life of its own. It started with something which seemed to be fairly simple in 2012, and it led in a number of different directions. He agrees with Councilor Ives that it has taken too long to get to this point. He also agrees with Councilor Lindell that it is important. He said these are systemic issues, and thinks the City is starting to address these various issues through Kronos Time Management. He said we have lots of good employees, but there are instances where a better time management system will improve all of our performance.
- Councilor Harris continued, saying the systemic issues identified in the conclusions, he hopes will be addressed in the new H.R. Manual which Ms. Trujillo is working on that. He pressed on that two months ago without thinking about an H.R. Manual in the context of this set of circumstances. These circumstances will inform the H.R. Manual decisions we need to make. He said, "I would want to strengthen our Human Resources Manual and policy, and our behavior. And I also would look to strengthen and perhaps change the approach for our Hotline and the work Ms. Kerr does. And so I think this is important, and I think as soon as possible we should wrap it up, whatever that may be. I don't know what that may be. I'm just thinking in terms of personnel and the internal actions. I'm not even really talking about the legal side of things."

Ms. Brennan said, "Of course, Councilor, I'm not going to discuss personnel matters. I do want to just briefly.... something that Councilor Lindell raised, which is that there are existing policies. I think one of the things that showed up that I haven't identified to you, is that, while there are existing policies, because of turnover and training and things like that, they may not be communicated effectively. And one of the things that may need to be addressed is training, communications and informing employees on a regular basis of changes in policy. And I think that probably should be part of the development of a new Manual and new Policies and Procedures."

- Chair Dominguez said, "Please don't misinterpret my criticism as something that is not appreciative of the work that you do. You have a very important job. There are lots of things lots of people need to work on, even outside this issue of this item. I think for me, what was disheartening was that we learned a little bit more about fraud, waste and abuse. And that's where I think it's not fair to the Committee. If you had given us a report that identified the 8 issues, and recommendations on how to change those policies, that is something that would have been acceptable to me. But when I get a report that kind of goes beyond what I think the intent of the Fraud, Waste and Abuse Hotline is, yes it is to identify those things and do the investigation and come up with a conclusion and fix the problems. But I don't know this Committee needs to have the play-by-play, right. I'm not interested in the details of caller 1 and caller 2, and all the other things that were in here. I appreciate the thoroughness and the work that was put into it, that's why we hired.... in fact, when I helped create your position, one of the things we asked for was some autonomy from your office, so I appreciate and understand it."
- Chair Dominguez continued, "The time is an issue. As they say, if you dig long enough, you'll find anything on anybody and that's something that concerns me. So I think when it comes to policy recommendations, I'm going to get to the next steps. When it comes to some of the policy recommendations we need to have, I think we need sensible expectations on timelines on when a Fraud, Waste and Abuse tip can be initiated, and a reasonable expectation for it to be completed."

- Chair Dominguez continued, "So I think there are some systemic issues that need to be addressed. Hopefully, they are going to get addressed through some better policy. And I think you're right Kelley. We want a process that is going to be fair and transparent. And this turnover and transition, again, that is part of our responsibility as a Finance Committee to make sure that we are taking seriously the recommendations management is making on personnel issues, and how many positions they need for whatever the case is, whatever the department is. I look forward to that, and I guess you will take this to the Governing Body."

Ms. Brennan said, "That's a question I have. The Ordinance reads to the Governing Body via the Finance Committee. So I don't know if... to me it would be, do you want us to.... a couple of the Councilors have indicated they want to address certain concerns by Resolution. Do you want us to take the report forward, or I this sufficient. I believe, under the Ordinance, this can be deemed sufficient, unless you feel the entire Governing Body should hear it."

- Chair Dominguez said he will leave it to the Committee. He there are systemic issues we need to look at, as the Committee, which could have a fiscal impact. In terms of the Report, he leaves it to the Committee or the administration. If you think it's been satisfied, maybe we don't need to take it to the Governing Body.

Ms. Brennan said, "I take to heart and I hope you believe this is a first impression experience, and if you feel we should boil down or provide a summary of the Report, identifying those systemic issues to present to the Council, we can do that."

- Chair Dominguez said that is what he would prefer. He said the Governing Body doesn't need all of that, but we do need to under the systemic issues and those policies that specifically contributed to this and where we can improve.

Ms. Brennan said, "I think that's a good idea and we can do that, and present a Summary Report when it's done. Would you want us to bring that to you first."

- Chair Dominguez said he thinks so.
- Chair Dominguez said, if the Committee doesn't mind, he will conference with the City Attorney and anyone else she thinks is appropriate, the City Manager, and perhaps Mr. Johnson to determine the next step on this, in terms of complying with the obligation to provide the report.
- Councilor Ives said, "I would just like to be in on those meetings."
- Chair Dominguez said, "I think, more than anything Councilor Ives, I'm not going to necessarily have a meeting on the specifics. It's going to be how to establish a process to make sure that it all kind of comes together.

- Councilor Ives said, "Know I have expressed my intent to meet with the City Attorney and others to start crafting the policies to address some of the issues identified. From my perspective, having the report is very helpful in clarifying that we do have things we do need to address. And happy to postpone it going to the Governing Body. Although when we bring forward those recommendations, whether it's necessary to consider the Report in its entirety as a motivation to take those issues seriously and address them, and until that time, trying to figure out the answer to that question."
- Chair Dominguez said they have started some of that already with Kronos and some of the other stuff. He said we want this government to run as efficiently and effectively as possible. He said, whether it is \$5, \$100 or \$1 million, these things need to be taken seriously, but again, policy and systems are so important when it comes to running an organization like that. He said, "If you guys don't mind, I'll conference with those folks to try to determine the next steps. Thank you Kelley, thank you very much."

32. MATTERS FROM STAFF

a) CITY OF SANTA FE FY 2017/2018 FIVE-YEAR CAPITAL IMPROVEMENT PLAN. (ADAM JOHNSON AND BECKY CASPER)

Councilor Ives said the Plan will be considered on Monday evening, with 3-4 hours going through it with City staff involved. He said they are making significant strides over the last several years with regard to how we develop our Capital Improvement Plan. It is still very much a work in progress in terms of the document, noting the print became smaller as the result of the bigger pages, but those are things that can be corrected easily. The objective will be, with the information in the document before the Committee today, is to have a full discussion with regard to funding for capital projects, especially into the next fiscal year and then look at the plan moving forward, and some of the guiding principles. He said one of the biggest paradigm shifts for staff is to parse out what can be done on a yearly basis, so it isn't all pumped into the first year and then figuring out what we have left. He said we are dealing with dollars that we know are not so significant that we can address our needs, which creates the needs for us to make the difficult decisions on how we will use the funds to satisfy some or all of the needs that exist. We can't do that we have a real sense of what funding is available on a year-to-year basis.

Councilor Ives continued saying "we" are pushing staff to try and help us in that process much more significantly. It represents a significant change and there has been resistant to it. However, we will continue trying to identify how we evaluate whether or not the programs we fund have actual impact on the people of Santa Fe. He asked Mr. Johnson to touch on the revenue side, the inclusion side, commenting we talk about 2017-2022, but that's only for things we think we have funded or will have funded, and the difference between "funded and may have funded or will have funded," is a big one where lots of policy considerations can come into play. Further, he asked Mr. Johnson to address his assessment of whether or not the document before us does sufficiently identify needs all across the City. He said we have the ADA Report and the Ameresco Report and assessment on streets, and we're working on a new Parks Master Plan and other documents, all of which will inform this in some part or portion. So knowing where

we are now in terms of having that information built into "here," whether as funded or unfunded opportunities for the application of CIP dollars, "that would be fabulous." [STENOGRAPHERS NOTE: The specific 11 x 15 document to which Councilor Ives referred, which was provided to the members of the Governing Body, was not submitted for the record, but copies can be obtained from the Finance Department.]

Mr. Johnson said the document before the Committee is the current iteration of the CIP that was approved last year. It is in a different format, but it contains the same projects, approved funding as well as unfunded projects.

Mr. Johnson continued, saying staff created a new format, sent it to the departments for updates, requests for new projects, additional information, and brought forth the first iteration of that at the Public Works Committee meeting. He said they received significant feedback about the strengths and weaknesses of that document, and have been working on it since. He said for full transparency, there is a further improved document, because this one was due a week before this meeting. The next iteration you will see will have significant clarifications, and better summary data about the types of funding and projects and then into the details, commenting last year's approved document achieved that to some extent.

Mr. Johnson continued, saying on the funded side there is all of the capacity known at the time that the first CIP was built, so we can incorporate additional capacity into the final version and allow for the opportunity to prioritize projects that are still unfunded. He said it is important to know is we try to build the CIP in a closed loop so that all sources equal all uses. It gets complicated when there are certain revenue streams that are legally allowed only for certain things, versus funding streams such as ending General Fund balance transferred to the CIP which can be used for any project that the Governing Body would see fit.

Mr. Johnson continued, saying they are going through a process of requesting prioritization of projects from the departments, and then providing them in a prioritized order and then applying the overlay of the funding on top of that. He said Becky Caspar probably can answer better the extent they have incorporated all of the plans to date. He said project staff are in attendance this evening, noting he thinks that conversation will take place at the next Public Works Committee. He said there are spaces in the document to identify whether the projects have been captured on the master plan, the length of the project, whether it is an on-going project and such details.

Mr. Johnson continued, saying in addition to Councilor Ives comments, they will continue the refinement of the process, to get feedback from Finance and Public Works Committees so it gets to its best state before it is ultimately approved for the next FY budget. He said it is the intent, in cooperation with Councilor Ives and the Public Works Committee, to bring forward more fleshed-out plans and policies of how to get projects on/off the CIP. They will be working on that once the next fiscal year starts so we're not doing so much of this kind of work during the budget season work crunch. He said Ms. Caspar will present information and then Ms. Caspar and himself can answer any questions the Committee may have regarding this information.

Councilor Ives noted, "Obviously everybody is invited to the Public Works Committee meeting next Monday. And I hope folks will attend. And Adam, I'm hoping that the next iteration of this document, preferably totally legible and with page numbers, and any other additional information that can be filled in, is filled in, so folks actually can review it much more readily and easily. And I think a hard copy of this size is the only way to go about this."

Councilor Ives continued, "So hopefully everybody, and Adam I'm not sure when we can have that next iteration out, I would love, if we can, no later than Wednesday. Because there is such a tremendous amount of information here, that if we want people to come prepared and ready at that meeting, or even to be able to pose questions that we would love answered during that meeting, it would be fabulous. Because I know we're asking a lot of everybody, and of course, next week we go into budget hearings, as well. So it will be a very busy budget week."

Becky Casper, Budget Analyst, Finance Department, said the division directors/project managers worked very hard throughout the day today to provide some final detailed information, and expects to compile that throughout the day tomorrow to have everything ready for the Public Works packet tomorrow afternoon. Therefore it should be sent to the mail room for another print duplication and on your desks on Wednesday or Thursday.

Councilor Ives said, "Again I would stress, an easily readable packet. And some of the charts contain so much information, even if I squint, I'm still unsure that I'm understanding what I'm reading."

Ms. Caspar said she and Mr. Pfeifer worked closely throughout the day to weed-down some of his documents, commenting although there was a great level of detail, it was difficult to read. She said this document is much more condensed, more precise and very legible. So it is a lot less to read through, with details.

Councilor expects we will be "flipping back and forth a great deal, so page numbers would make that easier, too."

Ms. Caspar said there are page numbers, however the entire intent for the upcoming iteration is so you didn't have to flip back and forth.

The Committee commented and asked questions as follows:

- ★ Councilor Harris thanked Mr. Johnson for his summary. He will attend on Monday, so whatever format he produces, he would suggest he reproduce sufficient numbers for the entire Governing Body.
- ★ Councilor Harris continued, saying when we talked about Results Based Accountability, common language, and such, he said he found himself wondering what total remaining costs deals with. It is important for some of the categories for him to know what that number represents. Him. He said the total budget document will be an important one. He said as introduced, he doesn't know what

it is telling him. He said perhaps once it is produced, perhaps he'll sit with Ms. Caspar and go through it with her. He said you need to step back a little bit, or listen to his questions and make sure the definition is there, so we know what you trying to get at.

- ★ Councilor Harris he asked if we will be "seeing something like this spreadsheet," from last year's document.

Ms. Casper said it was not her intent to put it back in that form.

- ★ Councilor Harris said it represents a good summary.

Mr. Johnson said the new format does have a high level summary analysis of all the sources and uses by project type or function as well as by revenue. So it does a better and more succinct job than the old form and achieves the same goal.

- ★ Councilor Harris said he assumes so, and if that will be part of the iteration, he thinks that will answer a lot of questions. He asked, regarding Ameresco, if Mr. Pfeifer tried to include Ameresco in the Facility Condition Index, commenting he really can't read those.

Ms. Casper said yes, he did. She said it is in the detail on those pages which were extremely burdensome to read..

- ★ Councilor Harris said that is common language, FCI is common language around the country, to have that defined for that section to say what it represents numerically, commenting a quick explanation would be useful, commenting he probably is more familiar than others with FCI's. He spoke with Mr. Catanach recently, and he has his own index of projects. He said he doesn't want to create extra work, so we know there has been a particular analysis of why one group of projects, or a project ranks higher than others. This can be expressed in an FCI. He said he doesn't want to confuse the issue, but these are the kinds of things he finds helpful.

- ★ Councilor Harris continued, saying he has a list of specific questions. For example, he has talked with Rob Carter during his entire term on the Pueblos del Sol park, which is the only playground in our City that still has wooden structures – it has splinters and screws and is a dangerous facility. He said it is high on Mr. Carter's ranking, but all he sees under Parks and Recreation for the most part is related to the MRC and Marty Sanchez, with a couple of other things. He knows there is a lot of information still to come. He spoke with John Romero about Public Works on some things. He said, he probably should wait for those specific questions until there is a more complete document. He asked if that is fair to say.

- ★ Councilor Ives said yes, it is totally fair. He said this is an opportunity for us to say if we want to see something differently, and gives staff direction to be sure we have what we need to engage in that discussion.

Ms. Casper said Mr. Romero sent a memo which was closely in context to the same things. She said probably the best source is perhaps a readers guide to the beginning of the document, but it may not be complete in time for Public Works, and can be presented to you as a supplemental document.

- ★ Councilor Harris said it would be good even if they just had the Readers Guide as a separate document. He said this is a massive effort, and one of his questions is, "Who is the keeper of the flame in terms of a 5-year CIP, and it seems like you're it, I don't know. Maybe it is a collaborative effort with the different departments."

Mr. Johnson said it is a huge team effort across many departments.

- ★ Councilor Harris said he is saying that one or two persons need to see the big picture, monitor the progress and be responsible for its production.
- ★ Councilor Ives said, on that point, he speaks frequently with Nick Schiavo as Acting Public Works Director, to ensure that, ultimately we, as a Governing Body, make informed decisions on the Capital Improvements Budget, which means gathering this information in some location, where we can have the discussion with staff and ourselves and make intelligent decisions. It really is an effort to ensure we have the capacity.
- ★ Councilor Harris said one of his long term goals, in terms of the defeasance of a relatively small bond and the new bond issues, is to get a handle on where we stand with G.O. bonds, as well as GRT bonds. He thinks once we have a clear understanding of the requirements, he thinks we need to undertake a major capital program funded by a significant bond program.
- ★ Councilor Ives said, "I agree totally."
- ★ Councilor Lindell thanked Ms. Caspar for her work, and for taking time to meet with her last week. She thinks we'll be looking at a better document in a day or two.
- ★ Councilor Villarreal said there are pages of unfunded projects, but no criterion listed, no weighting and there are obviously numbers to fill that. She said she is curious "if we need a full page of nothing, instead of listing only unfunded projects. Is there another way to show that."

Ms. Casper said she is absolutely correct. This is one of the major improvements they have made on the new form, which will be broken down by functional area, indicating the funded projects at the top and unfunded at the bottom, and rolled up into the total CIP request.

- ★ Councilor Ives said he would deeply appreciate an index to the report, so we have easy capacity to get to the right sections by page numbers.

- ★ Chair Dominguez thanked the Public Works Committee and staff for their work. He said this is the second year we have a Capital Plan. It has been a big transition for staff at various levels. He said it isn't a perfect document, but it's a good start and a little further than it was last year.
- ★ Chair Dominguez asked if the Public Works Committee consider how priorities are established, noting throughout the Plan there are different sets of criteria. He would like to know how that came about.
- ★ Councilor Ives said right now, the prioritization is a matter of reflecting staff's prioritization over the past several years. He said they have been shifting a few things, but never considered everything as a whole. His sense of how we should do prioritization is to talk about the Citywide projects, such as finishing some of the large projects or new projects such as broadband and bring those into the discussion. He thinks it is entirely appropriate to try to ensure that funding for capital improvement projects is being accomplished all across the City. He said everyone is a taxpayer and should be receiving the benefit of the funds they pay to the City, noting the needs will change in different parts of the City. He would love to see us ensuring that funding is going all across the City every years, but the first discussion has to be on the big Citywide projects to make sure we're taking care of those.
- ★ Chair Dominguez said he agrees. He said, "Across the City is one thing, and an equal manner is another thing, but to actually reflect equity in a Capital Improvement Plan is important to me. When you have a 400-year old community, obviously there are older parts of the community that need significant improvements. The younger or newer parts of the community have a different set of capital improvement needs as well. And what may be important to one constituency may be less important to another. I don't expect to get into that discussion now, but I think it's really just kind of an overarching overall theme that I would like to eventually a capital improvement plan to move to. So I'll leave it at that, and I don't have anything else."
- ★ Councilor Ives said that really becomes when this decision making process is both an engaging important and hopefully a joyful experience. He said if we're taking care of what we need to around this City, that is reason to celebrate. He hopes we get to that, and with all of our decisions, we always need to be looking through the social justice and equity issues, so "I couldn't agree more."
- ★ Chair Dominguez said he appreciates the Governing Body's response, and thinks we've come a long way in terms of social justice and equity.
- ★ Chair Dominguez then this will be heard again on Monday at Public Works.
- ★ Councilor Ives said Public Works will take it up Monday, and spend a number of hours on it, with staff in attendance to answer questions. The objective is that the end they will be reporting a CIP Plan to the Finance Committee.

- ★ Chair Dominguez asked Mr. Johnson when this will be part of the Budget Hearing Agenda.

Mr. Johnson said the Capital Budget is scheduled to be heard on April 3, 2017, as part of the regular Finance Committee meeting. If it needs further deliberation after that meeting, it is scheduled for the following day.

33. MATTERS FROM THE COMMITTEE

Chair Dominguez said the Budget Hearings are scheduled next week on Tuesday, Thursday and Friday. On Tuesday and Thursday the hearings will begin at 9:00 a.m. , and hopefully end by 3:00 p.m. or 3:30 p.m. On Friday, we will start at 9:00 a.m., and the idea is to end at noon. He said we still have other dates if we don't finish. He feels we will use part of our regularly scheduled Finance Committee meetings to clean up loose ends.

Chair Dominguez said, "Don't forget to log into OpenGov. I just got my email, so I'll do that first thing tomorrow and the rest of the Committee needs to do that. Adam, do you want to explain that a little bit.

Mr. Johnson said, "I sent out an email and I can re-forward it again. But this year we use an extension of the OpenGov platform we already had to build the budget all on line. We sent an email Thursday setting up users for everybody on the Governing Body. If you didn't receive it, or it was kicked to your Spam box, let me know, and I'll make sure it gets re-sent. I was prepared to share it tonight, but I'm not sure we have the band width tonight. What I'd like to propose that we do, is to make time with myself or one or one of my budget team members to sit with us and show you platform."

Mr. Johnson continued, "But if I could set the stage for you a little bit. What we have are laptops for everybody up here, so you won't be using your iPad. We'll have both the website, what are known as the budget proposals, the reports page as well as a separate page for log-in, where I actually will be driving. So if you don't want to drive your screen, you can log onto my screen, and I'll drive those screens with 3 different options."

Mr. Johnson continued, saying the goal is to give everybody a level of comfort. As well, if you notice, in the hearings we kick it off by talking about OpenGov, so we'll make sure everybody is up and operating before we kick off the hearing. He asked Committee members to let him know if they didn't receive the email, or want it resent, and then schedule time with either himself or one of the team members so we can walk you through it. He said it's easier than on-line banking.

Chair Dominguez asked if there are objections to having the process completely electronically. He asked that 2-3 hard copies be made of whatever information so we will have that.

Mr. Johnson said the entire presentation is literally electronic and can't be converted to hard copies at this time without it essentially being meaningless shots of line items for days and days and days. He said they have set up redundant process to be sure we have no issues with it electronically. He said, "Given my experience last year with budget hearings, it takes you from the 30,000 ft. view to the 3 ft. view, if you really want it. We hope you don't want the 3 ft. view, but it's all baked in there. And we are so comfortable with presentation at this point that we can drive us through those conversations. All of the proposals are filled with the supporting documentation."

Mr. Johnson continue, "At the staff level, we've been quite impressed with the process this year. It has had a lot more quality. The City Manager is much happier with the way that we have been able to scrutinize all the budgets and work more closely with the departments. We're hopeful that the final presentation and end product with this, goes as well as the rest. As with anything new, there will be glitches. At the very end of the process, there will be a budget book that will be created. Once we take all of the data out of the system and put it into our accounting system, that will allow us to create a book similar to the one that you've seen in the past. The beauty to this is it will actually will be dynamic and we can make changes live, rather than having to make notes and go back and make changes in the accounting...."

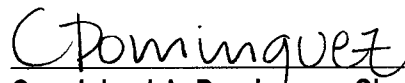
Chair Dominguez said that is huge. He said we're used to getting the book, reading through it and highlighting it. He said he is excited and curious to see how it works. He said it is a testament to this Finance Committee to get us to start shifting in that direction. He said staff has spent a lot of time on this, "and if staff is comfortable, I'm comfortable."

Councilor Harris said he will work on getting logged-in tomorrow to OpenGov and follow up with Mr. Johnson or whomever. He asked, "If I were to do that, do I get started on this guy, or do you issue the laptops with the larger screen soon."

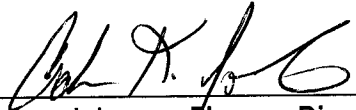
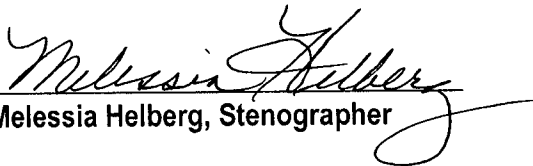
Mr. Johnson said he can issue them sooner if the Committee would like, and that's a great suggestion. He said the goal is that by close of business on Wednesday, all of the Reports page and the Proposals page will be completely up to date. He would recommend starting with the Reports page and from there go into the detail on the Proposals page if you want to go that route.

34. ADJOURN

There was no further business to come before the Committee, and the meeting was adjourned at approximately 8:15 p.m.


Carmichael A. Dominguez, Chair

Reviewed by:


Adam Johnson, Finance Director
Department of Finance
Melessia Helberg, Stenographer