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City of Santa Fe, NM
Regular Committee
Monday, April 02, 2018
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**
   a) Regular Finance Committee Meeting - March 19, 2018
   Item 5a.pdf

6. **CONSENT AGENDA**
   a) Request for Approval of the Design Services Scope of RFP '18/13/P' and Approval to Award Professional Services Agreements in Amounts between $5,001.01 and $50,000.00, Exclusive of Applicable Gross Receipts Tax, Which Shall Not Exceed $100,000.00, Inclusive of Gross Receipts Tax, per Vendor for On-Call Professional Design Services; 19 Various Vendors. (Jason Kluck)
   Item 6a.1.pdf

   b) Request for Approval of a Resolution Requesting the City Manager Issue an RFP for an Employee Loan Program to Benefit the Employees of the City of Santa Fe and Reduce Financial Hardship Brought on by a Reliance on Payday Lending Services. (Mayor Webber) (Lynette Trujillo)

   Committee Review:
   Public Works Committee 4/9/18
   City Council 4/11/18

   Fiscal Impact: None
   Item 6b.pdf

   c) Request for Approval of Budget Amendment Resolution in the Amount of $130,000 Inclusive of NMGRT for Microsoft Office 365 Subscription. (David Kulb) (Joshua Elicio)
   Item 6c.1.pdf

7. **DISCUSSION**

8. **MATTERS FROM THE STAFF**

9. **MATTERS FROM THE COMMITTEE**

10. **EXECUTIVE SESSION**

11. **ADJOURN**

Finance Committee Meeting – Index – April 2, 2018

Cover Page		Page 0
Call to Order	Chair Abetyta called the Finance Committee meeting to order at 5:00 pm in the City Council Chambers. A quorum was present at the time of roll call.	Page 1
Approval of Agenda	*Councilor Rivera moved to approve the agenda as presented, second by Councilor Lindell, motion carried by unanimous voice vote.*	Page 1
Approval of Consent Agenda	No changes from staff. Councilor Lindell Pulled: a, b and c *Councilor Rivera moved to approve the consent agenda as amended, second by Councilor Lindell, motion carried by unanimous voice vote.*	Page 1-2
Approval of Minutes March 19, 2018	Councilor Rivera moved to approve the minutes of March 19, 2018 as presented, second by Councilor Lindell, motion carried by unanimous voice vote.	Page 1
Consent Agenda: **a)** Request for approval of the Design Services Scope of RFP '18/13/P' and Approval to award Professional Services Agreements in amounts between $5,001.01 and	*Councilor Lindell moved to approve the Design Services Scope of RFP '18/13/P' to award Professional Services Agreements in amounts between $5,001.01 and $50,000.00, exclusive of applicable gross receipts tax, which shall not exceed*	Page 2 - 6

	$50,000.00, exclusive of applicable Gross Receipts Tax, which shall not exceed $100,000.00, inclusive of Gross Receipts Tax, per vendor for on-call Professional Design Services; 19 various vendors.	*$100,000.00, inclusive of gross receipts tax, per vendor for on-call professional design services; 19 Various Vendors, second by Councilor Rivera.* *Roll Call Vote: Motion carried by unanimous voice vote by roll call.* *Councilor Roman Abeyta, Chair - Yes* *Councilor Christopher Rivera - Yes* *Councilor Signe Lindell - Yes* *Councilor Carol Romero-Wirth – Yes*	
b)	Request for Approval of a Resolution Requesting the City Manager Issue an RFP for an Employee Loan Program to Benefit the Employees of the City of Santa Fe and Reduce Financial Hardship Brought on by a Reliance on Payday Lending Services.	*Councilor Lindell moved to approve a Resolution requesting the City Manager issue an RFP for an Employee Loan Program to benefit the employees of the City of Santa Fe and reduce financial hardship brought on by a reliance on Payday Lending Services, second by Councilor Rivera, motion carried by unanimous roll call vote.* *Councilor Roman Abeyta, Chair - Yes* *Councilor Christopher Rivera - Yes* *Councilor Signe Lindell - Yes* *Councilor Carol Romero-Wirth - Yes* *Councilor Lindell moved to approve Budget Amendment Resolution in the Amount of*	

c) Request for approval of budget Amendment Resolution in the amount of $130,000 inclusive of NMGRT for Microsoft Office 365 Subscription.	*$130,000 inclusive of NMGRT for Microsoft Office 365 Subscription, second by Councilor Carol Romero-Wirth, motion passed by unanimous roll call vote.* *Councilor Roman Abeyta, Chair - Yes* *Councilor Christopher Rivera - Yes* *Councilor Signe Lindell - Yes* *Councilor Carol Romero-Wirth - Yes*	
Matters from Staff	Informational	Page 6-7
Matters from the Committee	None	Page 7
Executive Session	None	Page 7
Adjourn	There being no further business to come before the Finance Committee the Chair called for adjournment at 5:41 pm	Page 7
Signature Page		Page 7

City of Santa Fe, NM
FINANCE COMMITTEE
Regular Committee
Monday, April 02, 2018
5:00 PM – 5:40 PM
Council Chambers

MINUTES

1. CALL TO ORDER

Councilor Roman Abeyta, Chair, called the regular meeting of the Finance Committee to order at 5:00 pm on Monday, April 2, 2018, in the City Council Chambers, City Hall, Santa Fe, NM.

2. ROLL CALL

MEMBERS PRESENT
Councilor Roman Abeyta, Chair
Councilor Christopher Rivera
Councilor Signe Lindell
Councilor Carol Romero-Wirth

MEMBERS ABSENT
Councilor Michael Harris, Excused

OTHERS PRESENT
Adam Johnson, Finance Department Director
Becky Casper, Finance Department
Mayor Alan Webber
Jason Kluck
Joshua Elicio
Ms. Lynette Trujillo, HR
Fran Lucero, Stenographer

3. APPROVAL OF AGENDA

No changes from staff.
Councilor Rivera moved to approve the agenda as presented, second by Councilor Lindell, motion carried by unanimous voice vote.

4. APPROVAL OF CONSENT AGENDA

No changes from staff.
Councilor Lindell Pulled: a, b and c

Councilor Rivera moved to approve the consent agenda as amended, second by Councilor Lindell, motion carried by unanimous voice vote.

5. APPROVAL OF MINUTES

a) Regular Finance Committee Meeting - March 19, 2018
No changes from staff.
Councilor Rivera moved to approve the minutes of March 19, 2018 as presented, second by Councilor Lindell, motion carried by unanimous voice vote.

6. CONSENT AGENDA

a) Request for Approval of the Design Services Scope of RFP '18/13/P' and Approval to award Professional Services Agreements in amounts between $5,001.01 and $50,000.00, exclusive of applicable Gross Receipts Tax, which shall not exceed $100,000.00, inclusive of Gross Receipts Tax, per vendor for on-call Professional Design Services; 19 various vendors. (Jason Kluck)

Councilor Lindell: Question directed to Mr. Johnson: Why are we at $5,000 and $50,000 not to exceed $100,000? Is that $100,000 total or two $50,000 projects; is that what we are looking at?

Mr. Johnson: Direction and conversation with Mr. Kluck was for him to design a procurement process that would allow them to access various contractors on an on-call basis. I asked them to come up with a reasonable top end limit and that was $100,000. That is where based on history $100,000 was the high end, this would make it easy for the vendors to come back and amend the contract if necessary.

Councilor Lindell: I thought we were currently at a procurement level where we just changed it so the City Manager has authority for $60,000 instead of $50,000. How did we get to $100,000?

Mr. Johnson: If Mr. Kluck were to have the various on-call contracts and to give them flexibility on the contracts up to $50,000 with these vendors, because it is over $60,000 they would need to come back for approval. It is a large request with 19 vendors.

Councilor Lindell: Are we talking about $100,000 for any individual vendor?

Mr. Johnson: Yes there could be potentially $100,000 for any vendor as a max amount.

Councilor Lindell stated that she was not happy with $100,000 and she feels that it is a lot. Would $100,000 have to go through the City Manager or would it be departmental?

Mr. Johnson answered that it would be departmental, this is very similar to the way the Water Department has handled on-call for many years.

Mr. Kluck: This type of contract is used on a regular basis by the Water Department, Facility and it has done so well with some of the construction contractors. The standard language in the contracts that Mr. Johnson referred to is a 4 year-term with $500,000. The Evaluation Committee did agree unanimously to go with all 19 vendors that submitted proposals. Since that is a large number, the $500,000 cap seemed excessive. The reason I would like to go with the $100,000 because there are 6 to 7 disciplines within that and we have no intention of spending up to $100,000 with 19 vendors. It gives us a range of opportunity on projects that could come to us throughout the city. Personally I would like to see it be $250,000, for example we might work with 10 of the vendors up to that amount and the other vendors depending on what comes up in the next 4 years. $100,000 seems reasonable that way they can have at least 2 task orders with each vendor so that you have several architects, landscape architects and several engineers. Also the $100,000 is a cap, it comes from individual departments and individual budgets, that would have to be vetted through the budget process before and it all goes through task order so it is failsafe.

Councilor Lindell: Can one vendor on one project get $100,000?

Mr. Kluck: No. (Exhibit 1C – Task Order Form) - For every project there is a task order that is approved by Public Works and that task order would be between $50,000 to $100,000.

Councilor Lindell: Thank you.

Chair Abeyta: To follow up, what you are asking for is a 4-years, they would get one task for the amount of $50,000 and you have stated it is a different job a different project, you would be able to use that same company up to $50,000 in 4 year period they would never make more than $100,000.

Mr. Kluck: That is correct.

Chair Abeyta: Each job could be up to $50,000 for a maximum of 2 jobs in 4-years?

Councilor Lindell: Thank you for the clarity.

Councilor Lindell moved to approve the Design Services Scope of RFP '18/13/P' to award Professional Services Agreements in amounts between $5,001.01 and $50,000.00, exclusive of applicable gross receipts tax, which shall not exceed $100,000.00, inclusive of gross receipts tax, per vendor for on-call professional design services; 19 Various Vendors, second by Councilor Rivera.

Roll Call Vote: Motion carried by unanimous voice vote by roll call.
Councilor Roman Abeyta, Chair - Yes
Councilor Christopher Rivera - Yes
Councilor Signe Lindell - Yes
Councilor Carol Romero-Wirth - Yes

Discussion:
Councilor Rivera: Water department does this, as theirs are mostly emergency projects, are the project you are referring to emergency projects?

Mr. Kluck: These projects are typically projects that would come up through CIP budget as an emergency or discovered need, for example environmental services might have where they could pull from outside of the CIP and/or it might be a project that requires particular professional expertise. As you know most times you can use local expertise but it may be a time when you need a stamp or professional expertise, but it is specifically meant for small projects.

Councilor Rivera: Do you think that would be less than a $50,000 job?

Mr. Kluck: By task order, yes.

Councilor Rivera: Mr. Johnson, if we did a project, using Souder Miller, I see we do a lot of work with them. They are already over the amount that the City Manager can approve and clearly they would be over the $50,000 in this contract, would everything they do after this have to come back to the Governing Body?

Mr. Johnson: The short answer is no, the limit by which any vendor can provide services to the city is specific to each scope of work; it cannot exceed the amount that was awarded for that project but they could be working on multiple projects. We did adopt the state procurement code.

Councilor Rivera: It is per job per FY not per vendor. At the end of year I would like to see where the money was spent and to make sure that one company didn't receive a majority of the funds and to be assure that locals have equal access to the jobs within the city.

Mr. Kluck stated they would have a tracking system for all of the vendors.

b) Request for Approval of a Resolution Requesting the City Manager Issue an RFP for an Employee Loan Program to Benefit the Employees of the City of Santa Fe and Reduce Financial Hardship Brought on by a Reliance on Payday Lending Services. (Mayor Webber) (Lynette Trujillo)

Councilor Lindell: I want to make sure that we are clear when this comes forward that we have clarity on what happens, for example if an employee is terminated, and looking at the availability of financial fitness classes that you are anticipating for this type of program.

Ms. Trujillo: We are looking at the Financial Awareness Training, which we are already doing with Home Wise. We invite employees to participate during noontime; our Wellness Coordinator is taking care of this project. As far as when they are terminated they would set up something with the third party to make those payments.

Councilor Lindell stated that the program with Home Wise is excellent.

Councilor Lindell moved to approve a Resolution requesting the City Manager issue an RFP for an Employee Loan Program to benefit the employees of the City of Santa Fe and reduce financial hardship brought on by a reliance on Payday Lending Services, second by Councilor Rivera, motion carried by unanimous roll call vote.

Councilor Roman Abeyta, Chair - Yes
Councilor Christopher Rivera - Yes
Councilor Signe Lindell - Yes
Councilor Carol Romero-Wirth - Yes

Discussion:
Councilor Rivera: Sue Perry organizes the classes with Homewise? How often are the classes?

Ms. Trujillo stated that Ms. Perry coordinates with Homewise to get them to the city for these trainings. The trainings have been done three times a year and they can be done more often.

Councilor Rivera asked for explanation on the lending services, how would this one work?

Ms. Trujillo: From my understanding, the third party vendor comes in and gives a brief presentation to employees and explains the program. If there is an emergency situation when an employee needs services, this program is only for emergency services. Loan payment amount would come out of their paycheck and interest rate is lower than payday loan services and Title Company's.

Councilor Rivera: How do we assure that the interest rate remains the same?

Ms. Trujillo stated it would have to be indicated in the scope of service. There are governments that are participating in this program, town of Bernalillo and Las Cruces.

Councilor Rivera: Would the city ever have to pay for a loan and is there a limit? Who sets the limit?

Ms. Trujillo: It seems that it will be the company. The limit will be approximately $3000 per year.

Mayor Webber: Questions are good; the program is in affect in several other jurisdictions in New Mexico; Dona Ana County and Bernalillo County. I believe the way it works, there is a bank that has been the provider of the loans; I believe it is in California. Interest rate is set in their program and the pay back mechanism is automatic. I believe the amount you can borrow at any one increment is a reflection of your income so it is pegged to your earning power. If you are higher paid employee you may qualify for a higher increment you can borrow. Question on financial counseling and helping people understand about money, this program is also collaborated with Credit Unions sources for people to participate. Homewise is also a local resource. The program is very well received by employees and it is a way to avoid the excess interest rates of predatory lenders.

Councilor Rivera: Application process is stringent?

Mayor Webber: I think it is done as a web based application. The city is not involved in making the loans; this is offered as a benefit of being a city employee and will afford them a choice when they have an emergency financial situation.

Councilor Rivera: In a situation where an employee did leave, if they had annual or sick leave, can they use that money for repayment?

Mayor said he could look in to these questions or any other questions the Councilor might have before it goes before the full Governing Body.

Ms. Trujillo: Since the debt is not part of the city's debt, she did not think the city could use employee leave funding for their loan responsibility.

Councilor Rivera asked if that could be part of the agreement.

Mr. Trujillo will research further if this could be part of the agreement.

Councilor Romero-Wirth: Is the financial counseling required when you take out one of these loans?

Mayor Webber stated that he believes it is part of the program and will find out if they are obligated through any counseling service.

Councilor Romero-Wirth: It seems like they should be obligated to get these training classes.

Mayor Webber agreed.

Councilor Romero-Wirth: Is this happening throughout the country?

Mayor Webber: I don't know the answer for other jurisdictions. I first learned about it from a colleague in Albuquerque that does prosperity work all over the state. She has been talking about it and promoting it for at least 4-5 years. Gradually the idea has taken hold so that other jurisdictions have thought that this is a good solution to a financial problem and frankly to a political problem. I don't know if other jurisdictions in the country are doing this although if this bank is headquartered in California it is able to do business in that part of the world.

Councilor Romero-Wirth: I would be curious to know how widespread this is and the results of the program.

c) Request for approval of budget Amendment Resolution in the amount of $130,000 inclusive of NMGRT for Microsoft Office 365 Subscription. (David Kulb) (Joshua Elicio)

Councilor Lindell: Is this money already budgeted?

Mr. Johnson: It is not already budgeted it is listed in the packet. This is a budget adjustment requested today.

Councilor Lindell: Where did we find $130,000?

Mr. Johnson: ½% of the GRT is dedicated to a Fund that helps us in our IT budget. That Fund is known as 3102 and helps us with these IT expenses.

Councilor Lindell: What is the Fund Balance?

Mr. Johnson: Approximate ending balance is $300,000,000.

Councilor Lindell: What is the time frame for implementation?

Joshua Elicio: Time frame for completion is approximately 5-6 months from now.

Councilor Lindell: What is CIP Admin? (Page 2 BAR)

Mr. Johnson: The business unit is 3207. Genesis of the fund is dedicated to capital. This is a software purchase that it is allowable under the Ordinance.

Councilor Lindell: As the ordinance is written is it about capital improvements or is it about capital improvement or IT? Can you tell me when the ordinance was passed?

Mr. Johnson: Both. I don't have the answer, I believe 20-25 years ago.

Councilor Lindell: I get concerned when I see CIP money getting mixed up with other things. We have had mix ups with capital improvement money in the past.

Councilor Lindell moved to approve Budget Amendment Resolution in the Amount of $130,000 inclusive of NMGRT for Microsoft Office 365 Subscription, second by Councilor Carol Romero-Wirth, motion passed by unanimous roll call vote.

Councilor Roman Abeyta, Chair - Yes
Councilor Christopher Rivera - Yes
Councilor Signe Lindell - Yes
Councilor Carol Romero-Wirth - Yes

7. DISCUSSION
None

8. MATTERS FROM THE STAFF
Mr. Johnson: Changing dates of the budget hearing based on the most recent events and managing the process moving forward. Proposed to move it to April 30th, 3-4 days max. It will provide a safe time frame.

The Chair wanted to confirm that moving the budget hearings would not affect the date that it goes to the full City Council and Mr. Johnson reiterated that it does not affect the date.

Councilor Romero-Wirth: May 9th and May 30th is final approval

Councilor Lindell: I would hope to keep our original schedule for numerous councilors we have cleared our 4-days and it would be difficult to change now. I would like to stick with the original schedule.

Chair Abeyta asked if it would be possible to get the issues resolved to have the budget hearings on the original dates.

Mr. Johnson said that as of today it would be difficult but he will keep the Chair and the committee informed if it can be rectified, he would rather change the date now rather than later.

Councilor Rivera: Regardless if it is the 16th or the 30th, would we have the Finance Committee meeting and go in to the budget process?

Mr. Johnson said the plan is to work in the day on the day of Finance Committee. Projection is to have 3 days and he did not believe a 4th day would be necessary. Mr. Johnson stated that there is an integrity question of the data that they have to resolve and he cannot go forward until it is resolved.

Councilor Romero-Wirth: The Next Generation Water Summit is April 29th, 30th and May1st which the city is sponsoring. Would it be possible for the new dates to be May 2, 3, and 4? Mr. Johnson said, thank you that would be an option to consider.

The Chair asked for the preference: We would like to have it on the 16th; if not the dates will be May 1, 2 and 3.

9. MATTERS FROM THE COMMITTEE
None

10. EXECUTIVE SESSION
None

11. ADJOURN

There being no further business to come before the Finance Committee, the Chair called for adjournment at 5:41pm.

SIGNATURE PAGE:

Councilor Roman Abeyta, Chair

Fran Lucero, Stenographer