

CITY CLERK'S OFFICE

**City of Santa Fe, NM** DATE 4/13/18 TIME 9:27a  
**Regular Committee** SERVED BY Carolynn Reibel  
**Monday, April 16, 2018** RECEIVED BY [Signature]  
**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 - April 2, 2018  
Item 5a.pdf

**CONSENT AGENDA**

- a) Request for Approval of Procurement in the Total Amount of \$56,083.19 Using State Price Agreement No. 10-000-00-00022AB for Hand Tools and Heating Equipment for the Water Division/Source of Supply Section; Grainger, Inc. (Nick Schiavo)  
Item 6a.pdf
- b) Request for Approval to Remove Closed Accounts from Accounts Receivable and Waive Finance Charges over \$50,000.00. (Caryn Fiorina)  
Item 6b.pdf
- c) Request for Approval of Professional Services Agreement in the Amount of \$519,159 Exclusive of NMGR for BB1 and BB2 VFD/RTU Replacement Project for the Public Utilities Department Water Division; HEI, Inc. (Alex Gamino)  
Item 6c.pdf
- d) Request for Approval of Amendment No. 1 to Professional Services Agreement in the Total Amount of \$384,400 Exclusive of NMGR for Hardware, Programming, Deployment and Commissioning of All Programmable Logic Controllers throughout the City of Santa Fe Water System; Wunderlich-Malec Systems. (Alex Gamino)  
Item 6d.pdf
- e) Request for Approval of Professional Services Agreement in the Total Amount of \$130,000 (Los Alamos County Providing \$50,000) for Advertising, Marketing, and Revenue Guarantees to Support the Santa Fe Regional Airport; Northern New Mexico Air Alliance (NNMAA). (Randy Randall)  
Item 6e.1.pdf
- f) Request for Approval of New Mexico Department of Transportation (NMDOT) Grant Agreement SAF-18-04 in the Amount of \$60,300; New Mexico Department of Transportation. (Nick Schiavo)  
1) Request for Approval of Budget Amendment Resolution  
Item 6f.pdf
- g) Request for Approval of Professional Services Agreement Using New Mexico State Price Agreement #10-000-00-00085 in the Amount of \$103,509 for Elevator Modernization at City Hall; KONE, Inc. (Curt Temple)

Item 6g.pdf

h) Request for Approval of Memorandum of Agreement in the Amount of \$185,000 Per Year for the School Cross Guard Program for Four (4) School Years; Santa Fe Public Schools. (John Romero)

1) Request for Approval of Budget Amendment Resolution

Item 6h.pdf

i) Request for Approval of New Lease Agreement for Outdoor Seating and Food and Drink Service on a Portion of the Burro Alley Right-of-Way Containing Approximately 421 Square Feet Adjoining the Westerly Boundary of 207 W. San Francisco St. By 207 W. San Francisco Street / Burro Alley, LLC. (Matthew O'Reilly)

Item 6i.pdf

j) Request for Approval of a Lease Agreement for Outdoor Seating and Food and Drink Service, Including Alcoholic Beverages, on a Portion of the Washington Ave. Right-Of-Way Containing 500 Square Feet Adjoining the Westerly Boundary of 111 Washington Ave by Eleanor Castro A / B / A the Burrito Company (Matthew O'Reilly)

Item 6j.pdf

k) Request for Approval of a Resolution for the City of Santa Fe to Adopt and Follow Measures Presented in the Stop the Bleed Campaign in Order to Help Save Lives. (Jan Snyder) (Councilor Rivera)

Item 6k.pdf

l) Request for Approval of Resolution Amending the Airport Advisory Board to Include a Member of the Governing Body. (Councilor Harris) (Nick Schiavo)

Committee Review:

Public Works Committee 4/23/18

City Council 4/25/18

Fiscal Impact: None

Item 6l.pdf

m) Request for Approval of a Resolution Proclaiming Severe or Extreme Drought Conditions May Exist in the City of Santa Fe; Imposing Fire Restrictions; Restricting the Sale or Use of Fireworks Within the City of Santa Fe and Prohibiting Other Fire Activities. (Councilor Rivera) (Porfirio Chavarria)

Committee Review:

Public Safety Committee 4/17/18

City Council 4/25/18

Fiscal Impact: None

Item 6m.pdf

n) Request for Approval of a Resolution in Support of the Mayors for Net Neutrality Initiative. (Mayor Webber) (Joshua Elicio)

Committee Review:

City Council 4/25/18

Fiscal Impact: None

Item 6n.pdf

o) Request for Approval of an Ordinance Granting Broadband Network of New Mexico, LLC. a Non-Exclusive Franchise to Operate a Telecommunication Network within the City of Santa Fe; the Right to Use City Public Rights-of-Way to Provide Telecommunications Services within the City; and Fixing the Terms and Conditions Thereof. (Councilor Harris) (Larry Worstell) (Matt Brown)

## Committee Review:

Public Works Committee	3/26/18
Economic Development Advisory Committee	4/11/18
City Council (notice to publish)	4/11/18
City Council (public hearing)	5/9/18

Fiscal Impact: TBD

Item 6o.pdf

p) Request for Approval of an Ordinance Granting Computer Network Service Professionals, Incorporated DBA NMSURF a Non-Exclusive Franchise to Operate a Telecommunication Network within the City of Santa Fe; the Right to Use City Public Rights-of-Way to Provide Telecommunications Services within the City; and Fixing the Terms and Conditions Thereof. (Councilor Harris) (Larry Worstell) (Matt Brown)

## Committee Review:

Public Works Committee	3/26/18
Economic Development Advisory Committee	4/11/18
City Council (notice to publish)	4/11/18
City Council (public hearing)	5/9/18

Fiscal Impact: TBD

Item 6p.pdf

q) Request for Approval of An Ordinance Granting Conterra a Non-Exclusive Franchise to Operate a Telecommunication Network within the City of Santa Fe; the Right to Use City Public Rights-of-Way to Provide Telecommunications Services within the City; and Fixing the Terms and Conditions Thereof. (Councilor Harris) (Larry Worstell) (Matt Brown)

## Committee Review:

Public Works Committee	3/26/18
Economic Development Advisory Committee	4/11/18
City Council (notice to publish)	4/11/18
City Council (public hearing)	5/9/18

Fiscal Impact: TBD

Item 6q.pdf

r) Request for Approval of an Ordinance Granting Cyber Mesa Computer Systems, Incorporated a Non-Exclusive Franchise to Operate a Telecommunication Network within the City of Santa Fe; the Right to Use City Public Rights-of-Way to Provide Telecommunications Services within the City; and Fixing the Terms and Conditions Thereof. (Councilor Harris) (Larry Worstell) (Matt Brown)

## Committee Review:

Public Works Committee	3/26/18
Economic Development Advisory Committee	4/11/18
City Council (notice to publish)	4/11/18
City Council (public hearing)	5/9/18

Fiscal Impact: TBD

Item 6r.pdf

s) Request for Approval of an Ordinance Granting Plateau Telecommunications, Incorporated a Non-Exclusive Franchise to Operate a Telecommunication Network within the City of Santa Fe; the Right to Use City Public Rights-of-Way to Provide Telecommunications Services within the City; and Fixing the Terms and Conditions Thereof. (Councilor Harris) (Larry Worstell) (Matt Brown)

Committee Review:

Public Works Committee	3/26/18
Economic Development Advisory Committee	4/11/18
City Council (notice to publish)	4/11/18
City Council (public hearing)	5/9/18

Fiscal Impact: TBD

Item 6s.pdf

**DISCUSSION**

**MATTERS FROM STAFF**

**MATTERS FROM THE COMMITTEE**

**EXECUTIVE SESSION**

**ADJOURN**

## Finance Committee Meeting – Index – April 16, 2018

<b>Cover Page</b>		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	<b><i>Councilor Lindell moved to approve the agenda as presented, second by Councilor Rivera, motion carried by unanimous voice vote.</i></b>	Page 1
Approval of Consent Agenda	Councilor Romero-Wirth, o, p, q, and r; Councilor Lindell, d, e and h; Councilor Harris, c, d and; Chair, i and g  <b><i>Councilor Rivera moved to approve the consent agenda as amended, second by Councilor Lindell, motion carried by unanimous voice vote.</i></b>	Page 1
Approval of Minutes April 2, 2018	<b><i>Councilor Rivera moved to approve the minutes of April 2, 2018 as presented, second by Councilor Lindell, motion carried by unanimous voice vote.</i></b>	Page 2
Consent Agenda: b) Request for Approval to Remove Closed Accounts from Accounts Receivable and Waive Finance Charges over \$50,000.00  c) Request for Approval of Professional Services Agreement in the Amount of	<b><i>Councilor Lindell moved to approve removing closed accounts from Accounts Receivable and waive finance charges over \$50,000.00, second by Councilor Rivera, motion carried by unanimous voice vote.</i></b>  <b><i>Councilor Harris moved to approve the Professional</i></b>	Page 3 - 12

## Finance Committee Meeting – Index – April 16, 2018

<p>\$519,159.00 exclusive of NMGR for BB1 and BB2 VFD/RTU replacement project for the Public Utilities Department Water Division; HEI, Inc.</p>	<p><b><i>Services Agreement in the Amount of \$519,159.00 exclusive of NMGR for BB1 and BB2 VFD/RTU replacement project for the Public Utilities Department Water Division; HEI, Inc., second by Councilor Lindell, motion carried by unanimous voice vote.</i></b></p>	
<p>d) Request for Approval of Amendment NO. 1 to Professional Services Agreement in the Total Amount of \$384,400.00 Exclusive of NMGR for Hardware, Programming, Deployment and Commissioning of All Programmable Logic Controllers throughout the City of Santa Fe Water System; Wunderlich-Malec Systems.</p>	<p><b><i>Councilor Harris moved to approve Amendment NO. 1 to Professional Services Agreement in the Total Amount of \$384,400.00 Exclusive of NMGR for Hardware, Programming, Deployment and Commissioning of All Programmable Logic Controllers throughout the City of Santa Fe Water System; Wunderlich-Malec Systems, second by Councilor Rivera, motion carried by unanimous voice vote.</i></b></p>	
<p>e) Request for Approval of Professional Services Agreement in the Total Amount of \$130,000 (Los Alamos County Providing \$50,000) for Advertising, Marketing, and Revenue Guarantees to Support the Santa Fe Regional Airport; Northern New Mexico Air Alliance (NNMAA).</p>	<p><b><i>Councilor Harris moved to approve Approval of Professional Services Agreement in the total amount of \$130,000 (Los Alamos County Providing \$50,000) for advertising, marketing, and revenue guarantees to support the Santa Fe Regional Airport; Northern New Mexico Air Alliance (NNMAA), second by Councilor Lindell, motion carried by</i></b></p>	

## Finance Committee Meeting – Index – April 16, 2018

<p>h) Request for Approval of Memorandum of Agreement in the Amount of \$185,000 per year for the School Cross Guard Program for Four (4) School Years; Santa Fe Public Schools.</p>	<p><i>unanimous voice vote.</i></p> <p><b><i>Councilor Lindell moved to approve Memorandum of Agreement in the Amount of \$185,000 per year for the School Cross Guard Program for Four (4) School Years; Santa Fe Public Schools, second by Councilor Rivera, motion carried by unanimous voice vote.</i></b></p>	
<p>i) Request for Approval of New Lease Agreement for Outdoor Seating and Food and Drink Service on a Portion of the Burro Alley right-of-way containing approximately 421 square feet adjoining the westerly boundary of 207 W. San Francisco St. By 207 W. San Francisco Street / Burro Alley, LLC.</p>	<p><b><i>Councilor Harris moved to approve new lease agreement for outdoor seating and food and drink service on a portion of the burro alley right-of-way containing approximately 421 square feet adjoining the westerly boundary of 207 W. San Francisco St. By 207 W. San Francisco Street / Burro Alley, LLC with the amended wording to Section 8, second by Councilor Rivera, motion carried by unanimous voice vote.</i></b></p>	
<p>j) Request for Approval of a Lease Agreement for Outdoor Seating and Food and Drink Service, Including Alcoholic Beverages, on a Portion of the Washington Ave. Right-Of-Way Containing 500 Square Feet Adjoining the Westerly Boundary of 111 Washington Ave by Eleanor Castro A / B / A the Burrito Company</p>	<p><b><i>Councilor Harris moved to approve the lease agreement for outdoor seating and food and drink service, including alcoholic beverages, on a portion of the Washington Ave. right-of-way containing 500 square feet adjoining the westerly boundary of 111 Washington Ave by Eleanor</i></b></p>	

# Finance Committee Meeting – Index – April 16, 2018

<p>o-s o) Request for Approval of an Ordinance Granting Broadband Network of New Mexico, LLC. a non-exclusive Franchise to operate a Telecommunication Network within the City of Santa Fe; the right to use city public rights-of-way to provide telecommunications services within the city; and Fixing the Terms and Conditions Thereof.</p> <p>p) <b>Request for Approval of an Ordinance granting Computer Network Service Professionals, Incorporated DBA NMSURF a non-exclusive Franchise to operate a Telecommunication Network within the City of Santa Fe; the right to use City public rights-of-way to provide telecommunications services within the City; and fixing the terms and conditions thereof.</b></p>	<p><i>Castro A / B / A the Burrito Company, second by Councilor Rivera, motion carried by unanimous voice vote.</i></p> <p><i>Councilor Harris moved to approve the Ordinance granting Broadband Network of New Mexico, LLC. a non-exclusive Franchise to operate a Telecommunication Network within the City of Santa Fe; the right to use city public rights-of-way to provide telecommunications services within the city; and fixing the Terms and Conditions thereof, second by Councilor Lindell, motion carried by unanimous voice vote.</i></p> <p><i>Councilor Harris moved to approve an Ordinance granting computer network service professionals, incorporated DBA NMSURF a non-exclusive Franchise to operate a Telecommunication Network within the City of Santa Fe; the right to use city public rights-of-way to provide telecommunications services within the City; and fixing the terms and conditions thereof, second</i></p>	
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<p>q)  <b>Request for Approval of An Ordinance Granting Conterra a Non-Exclusive Franchise to Operate a Telecommunication Network within the City of Santa Fe; the Right to Use City Public Rights-of-Way to Provide Telecommunications Services within the City; and Fixing the Terms and Conditions Thereof.</b></p>	<p><i>by Councilor Lindell, motion carried by unanimous voice vote.</i></p> <p><i>Councilor Harris moved to approve an ordinance granting Conterra a non-exclusive Franchise to operate a telecommunication network within the city of Santa Fe; the right to use city public rights-of-way to provide telecommunications services within the city; and fixing the terms and conditions thereof, second by Councilor Lindell, motion carried by unanimous voice vote.</i></p>	
<p>r)  <b>Request for Approval of an Ordinance Granting Cyber Mesa Computer Systems, Incorporated a Non-Exclusive Franchise to Operate a Telecommunication Network within the City of Santa Fe; the Right to Use City Public Rights-of-Way to Provide Telecommunications Services within the City; and Fixing the Terms and Conditions Thereof.</b></p>	<p><i>Councilor Harris moved to approve an Ordinance granting Cyber Mesa Computer Systems, Incorporated a non-exclusive Franchise to operate a telecommunication network within the City of Santa Fe; the right to use City public rights-of-way to provide telecommunications services within the City; and fixing the Terms and Conditions thereof, second by Councilor Lindell, motion carried by unanimous voice vote.</i></p>	

# Finance Committee Meeting – Index – April 16, 2018

<p>s)  <b>Request for Approval of an Ordinance Granting Plateau Telecommunications, Incorporated a Non-Exclusive Franchise to Operate a Telecommunication Network within the City of Santa Fe; the Right to Use City Public Rights-of-Way to Provide Telecommunications Services within the City; and Fixing the Terms and Conditions Thereof.</b></p>	<p><i>Councilor Harris moved to approve an Ordinance granting Plateau Telecommunications, Incorporated a non-exclusive Franchise to operate a Telecommunication Network within the City of Santa Fe; the right to use city public rights-of-way to provide Telecommunications Services within the City; and fixing the Terms and Conditions thereof, second by Councilor Lindell, motion carried by unanimous voice vote.</i></p>	
Matters from Staff	None	Page 12
Matters from the Committee	Informational	Page 12-15
Executive Session	None	Page 15
Adjourn	There being no further business to come before the Finance Committee the Chair called for adjournment at 7:15 pm	Page 16
Signature Page		Page 16

**City of Santa Fe, NM  
FINANCE COMMITTEE  
Regular Committee  
Monday, April 16, 2018  
5:00 PM – 7:15 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 16, 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  
Councilor Michael Harris

**MEMBERS ABSENT**

**OTHERS PRESENT**

Kent DeYoung, Acting Finance Director  
Becky Casper, Finance Department  
Joshua Elicio  
Alex Gamino  
Ms. Caryn Fiorina  
Randy Randall  
David Quintana  
Matthew O'Reilly  
Matt Brown  
Fran Lucero, Stenographer

**3. APPROVAL OF AGENDA**

No changes from staff.

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

**4. APPROVAL OF CONSENT AGENDA**

No changes from staff.

Pulled:

Councilor Romero-Wirth, o, p, q, and r; Councilor Lindell, d, e and h; Councilor Harris, c, d and; Chair, i and g

*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 - April 2, 2018  
No changes from staff.

*Councilor Rivera moved to approve the minutes of April 2, 2018 as presented, second by Councilor Lindell, motion carried by unanimous voice vote.*

## 6. CONSENT AGENDA

- b) Request for Approval to Remove Closed Accounts from Accounts Receivable and Waive Finance Charges over \$50,000.00. (Caryn Fiorina)

Councilor Lindell: What are our future plans for investigation, are we continuing to pursue listed items in front of us that we haven't had success in collecting and we are investigating 36 of 123, how did we select those 36? How do we currently handle this, it seems to me that we are not in a position that we let people get away with \$60,000?

Caryn Fiorina. This collection process focused on accounts that were over \$5,000 and they were accounts that only had refuse and sewer that have either been disconnected for non-payment or they have a well. The first thing that we did for these accounts, the 123 over \$5,000, was that we crafted a letter letting homeowners know that they owed the city money and to come in to see us so we could get their accounts up to date. We told customers to come in and make arrangements to pay, letter was delivered in person by our Billing Investigators and during that process the billing investigator used all methods available to assure customer was receiving services. Per the document you have before you today, we had only delivered 36 and the number breakdown is based off those 36, today we have delivered all 123 letters and an update will be provided once information is compiled. Once customer was delivered a letter, we worked with customer and we waived finance charges. For those who did not come in to see us, this is why we are asking for recommendation to work with our legal department to take civil action in Magistrate or District court to get a judgment. Right now all those accounts have liens filed against them, that is normally what happens in the process when it is refuse and sewer. The only enforcement process is to turn off their water. It is a little more difficult because they don't have water, then we file liens and the only way is to file a lien is; 1) the customer paid during the sale of a home or foreclosure on the property. Taking legal action is the most creative way before taking action that is more serious like foreclosure.

Councilor Lindell: Is our policy with this that we give people a certain amount of time and say, "if you come in during this amount of time and make payment arrangements with us we will waive, (and I'm sure this is through legal), those finance charges, but if you part way through stop paying us then they will just come back."

Caryn Fiorina: That is correct and that is the process we are taking. We are using the finance charges as a way to bring the people in and help them get their accounts current. We can't legally waive any of the charges for services.

Councilor Lindell: In the packet there are just 2 cases that are presented to us, how did those two get selected?

Caryn Fiorina: During the PUC packet, I added all of the 9 accounts that are part of this memo. The back is huge so the decision was made to provide a sample for review of the billing investigation report, the documentation that we are using, the pictures and communicating what we are doing for this process.

Councilor Lindell expressed her thanks for this process. Once this process is done and it seems that we do have a long-term plan in terms of liens. I know that we do have a collection agency that we have contracted

with and I'm not sure that this is appropriate use. Councilor would like to have a report to know how we have done with them and I would like to know if you have worked with them directly.

Caryn Fiorina: We sent the collection agency over \$1 million in accounts in March 2017 and to date they have collected approximately \$60,000. We have not had the success we anticipated.

Councilor Lindell shared her gratitude and complimented Ms. Fiorina for the excellent customer service she has provided to the constituents that she deals with. Thank you for the excellent service in dealing with our customers.

Councilor Harris: With the two examples, why these two? I see one that goes back to almost a year ago, are these resolved? Asked about the status of accounts that were presented in the packet, what is the next step for the two instances that were provided?

Caryn Fiorina: With this example, this is one where there was an invalid address. At one time there was 2 and ½ of the main address.

Councilor Harris: I do understand that and I see the adjustments, I am just asking, 1-year later, did we collect the balance for these accounts or are they on a payment plan?

Kathy, Collection Manager: On this particular account it was an apartment and a house. The customer used as an example has not contact us to make payment arrangements. I believe the customer is paying for his house – regular account, there was a ½ apartment at one time, which is no longer in existence as he made this dwelling one full house. The other part will be cleared because it is an account we should not have been billing for since it didn't exist. We are working together with Land Use to identify if it is one dwelling or more as changes take place when people buy the property and make improvements.

Councilor Harris: The question is based on this example; there is still a \$10,000 balance. If that is the case, what have we done?

Kathy noted that there is a lien on the property and this is one of the recommendations that we are asking Legal for help, if the customer has not come in to make the payment what is the next step that we can take.

Councilor Harris: Thank you and I appreciate the report, there is a lot behind the information. Your example for case #1 is very appropriate. It would be useful when your dealing with this type of information to provide us with an update, did they clear it, what are next steps, did they accept a payment plan, those are the things we need to know. Is this the same account we saw in the past where we saw a \$2 million aggregate?

Ms. Fiorina: These are different accounts than what we wrote off in April of last year. These issues have been on-going for many years, we continue to bill and no one is taking action. One of the things that we are dedicated to doing is cleaning up these accounts and getting our receivables current. This is a different \$2.3 million accounts that are open. Those were closed accounts that we wrote off because of statute of limitation. Now we are looking at the open accounts that are not paying. We are taking it a phase at a time.

Councilor Rivera: Can you address the 5 that you made reference to in the packet.

Ms. Fiorina: With those 5 the property was broken up in to a half or C, at one time it was a guest house or shed. We are working GIS to assure that it is one property. At one point we were billing a vacant lot.

Councilor Rivera: How many of these accounts were no longer in existence?

Ms. Fiorina: Of these 36 accounts, there were 5 that were no longer valid service addresses. I will have updated numbers once we have completed this project and can provide you what we collected and what remains. With those 5, most were where property is broken up and they somehow merged. I know there was one where it was a guest house and now it is a shed. There were different scenarios, working with GIS and

there are some where it is no longer a valid address in the city and in one case it was house that was demolished and we were billing a vacant lot.

Councilor Rivera asked after the PUC is there a reason you cannot stop trash collection?

Ms. Fiorina stated that the state statute prevents us from picking up this service from residential. Commercial we can stop. We continue to provide services for refuse and sewer and this is why these bills continue without payment.

Councilor Romero-Wirth: To be clear, there are 31 accounts where the customers have not responded. Can you talk about the press release that will talk about the legal action we are going to pursue and how we will inform the public. The PUC said it is important to put the city/community residents on notice that this type of thing is not going to be tolerated.

Ms. Fiorina: That is correct. We discussed issuing a press release to notify the community and the plan to draft a second letter setting a 10-day deadline, providing an amnesty period, if they don't respond we would proceed legally. Legal action is not a step we have taken in the past.

Councilor Romero-Wirth: This is about getting our financial house in order and being more aggressive in getting our receivables current.

***Councilor Lindell moved to approve removing closed accounts from Accounts Receivable and waive finance charges over \$50,000.00, second by Councilor Rivera, motion carried by unanimous voice vote.***

- c) Request for Approval of Professional Services Agreement in the Amount of \$519,159.00 exclusive of NMGR for BB1 and BB2 VFD/RTU replacement project for the Public Utilities Department Water Division; HEI, Inc. (Alex Gamino)

Councilor Harris: I looked at the drawings and explanation and it seems that the work is appropriate; I see you got 3-bids off the State Price Agreement list. Off the State Price Agreement list, did they use unit prices or they were selected based on having the category to bid this type of work, correct?

Mr. Gamino: That is correct.

Councilor Harris: In your opinion why is there such a spread, \$519,000 up to +\$700,000.

Mr. Gamino stated that they did go back to HEI to ask if they were comfortable with their bid. We walked the job with all three contractors together, everyone got the same drawings.

Councilor Harris: As you know we have Great Western on another one of your jobs and when I look at a spread like this, it makes me nervous. It makes me more nervous that the low bidder can't complete the job in the time that is required; do you know HEI.

Mr. Gamino said that he has never worked with HEI; I know they do a lot of work with the city and state price agreement. As far as I know they have a great reputation and there again, we did go to the contractor and ask them if they felt good about their bid, and he said absolutely even though it was low.

***Councilor Harris moved to approve the Professional Services Agreement in the Amount of \$519,159.00 exclusive of NMGR for BB1 and BB2 VFD/RTU replacement project for the Public Utilities Department Water Division; HEI, Inc., second by Councilor Lindell, motion carried by unanimous voice vote.***

- d) Request for Approval of Amendment NO. 1 to Professional Services Agreement in the Total Amount of \$384,400.00 Exclusive of NMGR for Hardware, Programming, Deployment and Commissioning of All Programmable Logic Controllers throughout the City of Santa Fe Water System; Wunderlich-Malec Systems. (Alex Gamino)

Councilor Harris: You have had them on the job for 4-years, \$50,000 annually; what is the nature of that contract? Did they draw down by task orders or was that a blanket contract; there was a wide range of services, how was the contract administered?

Mr. Gamino: It is an on-call service and we do get task orders for upgrades and development items. Basically over the last 3-years we have doing a lot of the development for this type of project. We wanted to work out the bugs before we do a mass deployment and there are a lot of emergency calls, reprogramming, things of that nature.

Councilor Harris: That is what I was getting ask, if this is Amendment #1 proceeded by 4-years of work. What I think I heard you say is that you use this contract to look at conditions on site with the various systems and bundle a package that now has a value of \$384,000 to address.

Mr. Gamino: It is for a variety of things, we asked the contractor to give us suggestions on improvements to our system, functionality things that would be more conducive to other municipalities, i.e., Albuquerque, Water Authority and this contractor works all over the country so they give us the highest recommendation. We are not ready to go forward on full deployment.

***Councilor Harris moved to approve Amendment NO. 1 to Professional Services Agreement in the Total Amount of \$384,400.00 Exclusive of NMGR for Hardware, Programming, Deployment and Commissioning of All Programmable Logic Controllers throughout the City of Santa Fe Water System; Wunderlich-Malec Systems, second by Councilor Rivera, motion carried by unanimous voice vote.***

- e) Request for Approval of Professional Services Agreement in the Total Amount of \$130,000 (Los Alamos County Providing \$50,000) for Advertising, Marketing, and Revenue Guarantees to Support the Santa Fe Regional Airport; Northern New Mexico Air Alliance (NNMAA). (Randy Randall, TSF)

Councilor Harris: Can you give me the structure and relationship that we have with the Northern New Mexico Air Alliance and how this PSA fits in to that?

Randy Randall: They were formed to provide marketing and revenue guaranteed services on behalf of the airport. It is a contract relationship between the City and primarily funds coming from Tourism Santa Fe going to the airport. We were able to get funding from Santa Fe County, they have done two \$50,000 payments and they flow through the City in the same manner. We are now doing the same thing with the \$50,000 from Los Alamos.

Councilor Harris: Remind me, \$500,000 was that the initial budget for the program?

Mr. Randall: If you are referring to the revenue guarantee on the flight from Phoenix that had a \$600,000 2-year commitment, \$400,000 the first year, \$200,000 the second year. The amounts that come from Tourism Santa Fe, was last year \$100,000 and there are also 2 grants that are in place with the city, the Air Alliance flows through the city and receives reimbursement for. One is for \$500,000, which is a Federal Grant that can be used for both marketing and revenue guarantees and the \$200,000 from the State that can only be used for marketing.

Councilor Harris: What does the future hold for this program and the relationship?

Randy Randall: Those are two different questions. The relationship will remain strong as long as the program can both maintain the flight coming in from Phoenix as well as trying to bring in some additional flights in to the airport, either from Chicago or Los Angeles.

Councilor Harris: It would be beneficial and I don't know if this comes up during budget hearings, to have these relationships explained to us. This is not as complicated although it has moving parts with one goal in mind, I would encourage you to some time in the future to review the program with us. I am not suggesting that it be part of the budget hearing.

Chair Abeyta: Can you describe what revenue guarantees are?

Mr. Randall: When you approach airlines these days trying to encourage them to expand their service into your airport, they look at it strictly from a financial standpoint. They say, "Sure we'll do that", but during the first year we will set up the break even point that we have for revenue to provide the service that you are requesting. To the extent you fall short of that on a quarterly basis, we will document that amount to you and you will write a check to us for that amount up to a certain level. With this particular instance, in year one it was \$400,000, and in year two it was \$200,000. Airlines entered in to that revenue guarantee even though it is the city's airport and that is why it is the one that is responsible for those revenue guarantees.

Chair Abeyta, Again, who is responsible to pay the guarantee if the airlines don't make their numbers?

Mr. Randall: If the airlines didn't? I guess it would become a receivable to the airline and the airlines would go out of business. I'm not quite sure; it was a pretty safe roll for the airline to take because it knew that the airline had this \$500,000 grant in place that would reimburse 50% of revenue guarantees and the grant was only acquired after we had the potential for the flight coming in from LA. The grant was contingent upon the flight and then the grant supports it.

Councilor Harris: Last sentence of background and summary statement in packet: The intent was to expend the \$8,000 half year, however Finance has advised us that by doing this it will not make the funds suitable for submission for grant reimbursement in benefit of NMA, I don't understand the statement.

Mr. Randall: When we did the budget it was intended to expend these funds for marketing purposes out of Tourism Santa Fe for the benefit of the airlines. We learned by doing that, the airlines couldn't submit funds for reimbursement through the grant. That is why some funds this year were expended on behalf of the airlines but those funds that we expended to market the flights; I have been told they were submitted against the grant but the reimbursement will stay with the city, it won't flow back to the airline. This was an attempt to suggest that we have budgeted, in my budget you will see they are in a grant line as opposed to my advertising line item. These funds are coming out of our advertising only. That is the only reason we found that we had to transfer them to the airlines so the airlines would receive the reimbursement.

Becky Casper: I don't have all the information on this and I don't want to quote myself incorrectly, I will find more information on this item and e-mail the committee members.

Councilor Harris: I want to support the airport and I think a lot of people do and that was the intent of this with the various partners and so far when we started off we had the guarantee although the flights weren't all that we had hoped, but I would like to have a report on the financial aspect of the airlines and marketing. We haven't had to write significant checks to the airport.

Mr. Randall: That is correct and the \$80,000 from the Tourism budget were funds that were going to be used on behalf of the airlines and they really are needed more for the marketing effort for this spring/summer to bring people in to Santa Fe from Phoenix as opposed to the winter effort.

***Councilor Harris moved to approve Approval of Professional Services Agreement in the total amount of \$130,000 (Los Alamos County Providing \$50,000) for advertising, marketing, and revenue guarantees to support the Santa Fe Regional Airport; Northern New Mexico Air Alliance (NNMAA), second by Councilor Lindell, motion carried by unanimous voice vote.***



Discussion:

Councilor Lindell: I see that this is \$130,000 and Los Alamos is putting in \$50,000. Who else is in this Alliance, what other municipalities?

Mr. Randall: That is correct. The Town of Taos paid \$50,000 and to my benefit they paid it directly to the Alliance. Santa Fe County has made (2) \$50,000 paid in to the alliance, and there have been a lot of individual contributors that have accounted for about an additional \$130,000 that members of the Alliance Board have collected.

Councilor Lindell: Santa Fe County has contributed \$100,000. What has the city of Santa Fe contributed?

Mr. Randall: In addition to the \$80,000 it would be \$200,000. We did expend \$120,000 in Marketing in support of tourism coming to Santa Fe. It was directed to the Phoenix to Santa Fe market and the message is always carried about flying to Santa Fe and it was expended on behalf of the Alliance.

Councilor Lindell: Do we have an agreement moving forward on how we fund the Alliance in terms of what is the percentage we expect to get. I don't think these are altruistic contributions, what is the determination, for example how much is Los Alamos County they have contributed \$50,000, Santa Fe County has contributed \$100,000; how do we determine what this looks like going forward. I do not want us paying all of this.

Mr. Randall: I don't think there is an agreement in the current FYI, I do have \$100,000 in the budget to continue supporting the city for the airport, hopefully with the intent that there will be a flight that will be able to support. I know that the Alliance has submitted another application for state dollars for the \$200,000 and the grant can be repeated. If we do get a new flight we are told that the Alliance can move ahead and request another \$1 million dollar grant from the federal government. As to a budget and on-going commitment from other communities, I only know that Santa Fe County has \$50,000 in their budget. I don't know about the town of Taos or Los Alamos County. Taos Ski Valley also has contributed \$50,000.

Councilor Lindell would like to see the airport expand but would like to be assured that everyone that is benefiting from it is paying their share.

Councilor Harris: This PSA is the version that says the city and the contractor with 60-day notice could terminate the agreement. We need to draw back to the Legal Department; I see different language with termination of the contract. These are the types of situations in my observation that you have a lot of moving parts, you have two airlines, a lot of partners, NM Air Alliance, the Chamber of Commerce and opportunity funds.

Mr. Randall: Air Alliance now has their own 501(c) 3 so there are no opportunity funds.

Councilor Harris: At what point do you get an audit? This type of contract with all of these moving parts, I would recommend that you speak with Ms. Casper and Mr. DeYoung in the Audit Committee and explain the situation and see if it is worthy of their attention.

- h) Request for Approval of Memorandum of Agreement in the Amount of \$185,000 per year for the School Cross Guard Program for Four (4) School Years; Santa Fe Public Schools. (David Quintana)

Councilor Lindell: I'm not sure why we didn't write this or do this and say that we would pay half not to exceed half of the actual numbers as not to exceed \$185,000.

Mr. Quintana: I was just reading Article 2 under Compensation, Page 4 the actual MOA, the city shall pay Santa Fe Public Schools for half the actual cost in administering the program not to exceed the \$185,000.

***Councilor Lindell moved to approve Memorandum of Agreement in the Amount of \$185,000 per year for the School Cross Guard Program for Four (4) School Years; Santa Fe Public Schools, second by Councilor Rivera, motion carried by unanimous voice vote.***

Councilor Rivera: Question, we have provided schools with this funding and they provide us services in return in the summer. Do if we know if it is equal in trade value?

Mr. Quintana: This MOU is for crossing guard and the contributions are shared equally 50/50 for those efforts.

Councilor Rivera: I was hoping there would be some leverage to keep the school grounds open during the summer. It would be nice if we could open up discussion with SFPS so people could use the track in the summertime. Staff directive for follow up.

Mr. Quintana will follow up with Mr. Romero on future agreements to see if this is a possibility.

Councilor Lindell: Would like this information be brought back to the committee members prior to it going to City Council.

Mr. Quintana said this agreement will cover the current fiscal year and the following three.

- i) Request for Approval of New Lease Agreement for Outdoor Seating and Food and Drink Service on a Portion of the Burro Alley right-of-way containing approximately 421 square feet adjoining the westerly boundary of 207 W. San Francisco St. By 207 W. San Francisco Street / Burro Alley, LLC. (Matthew O'Reilly)

Mr. O'Reilly addressed Item I & J: At Public Works committee Councilor Harris asked about liquor license insurance clause in the lease. I spoke to our Risk Management and they responded that some commercial general liability insurances will cover things that happen on property that include accidents related to liquor or not and some don't. It was their recommendation that we include ourselves as an insured on the general commercial liability policy and liquor liability policy. Provided a document to the Finance Committee Members with suggested wording for Section 8 of the lease. If that is acceptable and this moved forward to Council we will get the lease signed that will include those changes.

***Councilor Harris moved to approve new lease agreement for outdoor seating and food and drink service on a portion of the burro alley right-of-way containing approximately 421 square feet adjoining the westerly boundary of 207 W. San Francisco St. By 207 W. San Francisco Street / Burro Alley, LLC with the amended wording to Section 8, second by Councilor Rivera, motion carried by unanimous voice vote.***

Councilor Rivera is it going to cost the Lessee anything additional?

Mr. O'Reilly responded that it is their understanding that it is not a requirement for someone serving alcohol to carry liability insurance in New Mexico which is hard to believe but apparently is the case. In this case if one of the restaurants didn't have it, this provision in the lease would require them to get it if they wanted to use our space outside of their premises to serve liquor.

Councilor Rivera: Are we going to go back to other restaurants or just look at those moving forward?

Mr. O'Reilly said we should go back and look at the older leases and reviewing the language, if they don't have liquor liability insurance he will be asking them to provide a certificate of insurance and naming us as an insured. Other entities are larger entities and I am almost certain they are carrying this coverage.

Councilor Rivera: Can you have conversations with them so it isn't cost prohibitive.

Mr. O'Reilly will reach out to the potential tenant and have this conversation with them.

Chair: Do we need a resolution or ordinance changed moving forward to make this a requirement?

Mr. O'Reilly: No, this is not something that needs a resolution just direction from this committee and the governing body.

Chair: Do we need a policy memo so it is done moving forward in the future? How do we insure that it gets done?

Mr. O'Reilly: Generally speaking as we go through our leases, some of you may know we are much more proactive with our leases in the city, we keep updating our different leases. Every time we have a new tenant there is a certain degree of negotiations and we continue to review and perfect the leases.

Councilor Harris: Do we require liquor liability for special events?

Mr. O'Reilly: I believe that we do for special events.

- j) Request for Approval of a Lease Agreement for Outdoor Seating and Food and Drink Service, Including Alcoholic Beverages, on a Portion of the Washington Ave. Right-Of-Way Containing 500 Square Feet Adjoining the Westerly Boundary of 111 Washington Ave by Eleanor Castro A / B / A the Burrito Company (Matthew O'Reilly)

***Councilor Harris moved to approve the lease agreement for outdoor seating and food and drink service, including alcoholic beverages, on a portion of the Washington Ave. right-of-way containing 500 square feet adjoining the westerly boundary of 111 Washington Ave by Eleanor Castro A / B / A the Burrito Company, second by Councilor Rivera, motion carried by unanimous voice vote.***

- o) Request for Approval of an Ordinance Granting Broadband Network of New Mexico, LLC. a non-exclusive Franchise to operate a Telecommunication Network within the City of Santa Fe; the right to use city public rights-of-way to provide telecommunications services within the city; and Fixing the Terms and Conditions Thereof. (Councilor Harris) (Larry Worstell) (Matt Brown)

#### **Discussion for Items o-s.**

Councilor Romero-Wirth: Help me understand what we are doing here.

Mr. Brown provided an overview and noted that Marcos has offered to meet with the Councilors individually if there were any legal questions between here and City Council meeting. We have all heard that throughout our city we have good cell and not good cell, good broadband coverage and not good broadband coverage. There are a lot of issues with business and residences in performing and having high quality and not quality services. In part these franchise opportunities are ways for us to address that. This is our best opportunity in many years, I have been told to do that. So that is the strategic objective. The five together, four are really the same just four different providers. They are designed to provide right of way access for underground and cables above and then the Broadband network is unique and distinct and fixed wireless on poles are currently in it too to deploy in the city. Their primary business model is that they would have the wireless wires underground that connect so that broadband wires underground will connect in to the big pipes that connect in to the web and it provides for other cellular providers to point their towers to that facility. What that means for our system overall is we increase resilience. If one wired network goes down we have this one as a back up or redundancy and that is great for our system. Two, we can increase competition amongst the different providers in we could see reduced cost for our both our residents and visitors and our businesses.

Councilor Romero-Wirth: If we didn't do this, I think I read under Federal Law the city must allow non-discriminatory access to telecommunication carriers to install facilities. So you don't need to have a franchise agreement for them to do this.

Councilor Harris: Our current ordinance, structurally we were set up and it says that we need to have separate ordinances in order to implement the franchise agreement.

Councilor Romero-Wirth: The new state law goes into effect in September, my understanding is that pre-empts us from the franchise agreements.

Mr. Brown: It pre-empts us only for fixed wireless in the right-of-way. Small fixed wireless. (Mr. Brown described the size of the antennas mounted on to a pole). That is what has been pre-empted and that is why the broadband network franchises this state from the other four. It is drafted in anticipation of the state law coming in to effect in September.

Councilor Romero-Wirth: We tried to do this before they pre-empted us, did we not?

Mr. Brown: Actually no, what we are doing with broadband network is enabling them to work in anticipation. This is set up to mirror the terms that will come on line from the state, for example the fee that we charge them is \$250 per antenna which is the exact fee that will come on line once the state law takes over in September. That could give them a 5-6 month head start which would benefit our community so they can get up and running, it will be for everybody.

Councilor Romero-Wirth: I agree we need to do this. So the Broadband Network of New Mexico talks about Antenna's and none of the rest talk about antennas. Does that mean there won't be an antenna's for the others?

Mr. Brown: Those are for underground and overhead meaning the cables that are on the overhead.

Councilor Romero-Wirth: Do we have any control over the antennas in terms of how many, what they will look like and does the state law apply, does the historic ordinance apply to where the antennas will be put up.

Mr. Brown: That is part are questions that will go back to Marcos in Legal. The proposal does say that the franchises get issued they still have to go through Land Use; their work has to comply with land uses that haven't been over ridden by the state.

Councilor Harris: This is very complicated and I do encourage my fellow Councilors to speak with Marcos. It isn't a matter of being a lead on ordinances; he has been our representative with legal proceedings for many years. To answer your questions on the aesthetics of this, fairly recently we revised the telecommunications ordinance in order to deal with three scenarios. If someone is just replacing equipment it is basically an administrative function, if someone is upgrading and adding it is a different step, it goes through land use department. The third step is if there is a new installation, a new pole, in that case it is a more comprehensive and rigorous review. There are some measures in place; we have gone as far as we can that allow both federal and state law to manage and that is all we are allowed to do. Manage, that is the key word. Under that management is when you really get to address the aesthetic considerations.

Councilor Romero-Wirth: Am I correct on the Historical Ordinances, the state law requires the Historical Ordinance to apply?

Mr. Brown: That would be a Marcos question but as Councilor Harris is indicating, both the federal and state, we have some pretty severe limitations of what imposition we can put because we are not allowed to in any restrict developments of communication and broadband. I believe what Marcos has been doing is how far we can go, what boundaries we set, he is in the best position to say what those boundaries are.

Councilor Romero-Wirth: Isn't it also true that our ability to do much is going to drastically change under the state law.

Mr. Brown: Not from a historical stand point, from the rights-of-way stand point. What it is really doing is providing access and drastically reducing our ability to generate revenues that we were in the past. The idea

sensibly of reducing the cost should motivate the expansion by different providers in the community. That is the stated objective in the state law. We cannot generate revenues off of the small wireless in our rights-of-way like we use to. We are getting the 2% gross receipts; we are getting the franchise rates that we have from prior franchisees for all the underground overhead. This topic of what the state law is doing is just for the antennas in the rights-of-way.

Councilor Harris: As Mr. Brown has said, it really is only broadband network that the recent state legislation applies. It is detailed in the ordinance on page 3, line 2.

Councilor Romero-Wirth: What is back hall equipment and wireless?

Sean Moody: Defer to Marcos as he drafted this; as industry terms I can speak to. Back hull equipment broadly speaking is defined by its functionality which is to take from your cell phone or device to the base antenna and from there to the worldwide web. Broadly speaking that is the function of back hull equipment. That is the functional descriptions.

Councilor Romero-Wirth: Back to the #s of these antennas, do we have any control on how we manage that at all or is it mandated by state and federal law. I understand that the 5G is more antennas intensive and is that what we are getting ready for.

Sean Moody: The feature will be small loader intense and that is what the state law is about. The state law in my reading has a provision to regulate the location of some of these antennas, but it still gets constrained by state law.

Councilor Romero-Wirth: And what are going to be the constraints, what is the state law going to tell us that we can't get from Marcos.

Sean Moody: I am going to suggest that you talk to Marcos on this item.

Councilor Romero-Wirth: What I don't have is that you cite our Ordinance, correct? Request is for Ordinance to be sent to Councilor Romero-Wirth.

*Councilor Harris moved to approve the Ordinance granting Broadband Network of New Mexico, LLC. a non-exclusive Franchise to operate a Telecommunication Network within the City of Santa Fe; the right to use city public rights-of-way to provide telecommunications services within the city; and fixing the Terms and Conditions thereof, second by Councilor Lindell, motion carried by unanimous voice vote.*

- p) **Request for Approval of an Ordinance granting Computer Network Service Professionals, Incorporated DBA NMSURF a non-exclusive Franchise to operate a Telecommunication Network within the City of Santa Fe; the right to use City public rights-of-way to provide telecommunications services within the City; and fixing the terms and conditions thereof.**

*Councilor Harris moved to approve an Ordinance granting computer network service professionals, incorporated DBA NMSURF a non-exclusive Franchise to operate a Telecommunication Network within the City of Santa Fe; the right to use city public rights-of-way to provide telecommunications services within the City; and fixing the terms and conditions thereof, second by Councilor Lindell, motion carried by unanimous voice vote.*

- q) **Request for Approval of An Ordinance Granting Conterra a Non-Exclusive Franchise to Operate a Telecommunication Network within the City of Santa Fe; the Right to Use City Public Rights-of-Way to Provide Telecommunications Services within the City; and Fixing the Terms and Conditions Thereof.**

*Councilor Harris moved to approve an ordinance granting Conterra a non-exclusive Franchise to operate a telecommunication network within the city of Santa Fe; the right to use city public rights-of-way to provide telecommunications services within the city; and fixing the terms and conditions thereof, second by Councilor Lindell, motion carried by unanimous voice vote.*

- r) **Request for Approval of an Ordinance Granting Cyber Mesa Computer Systems, Incorporated a Non-Exclusive Franchise to Operate a Telecommunication Network within the City of Santa Fe; the Right to Use City Public Rights-of-Way to Provide Telecommunications Services within the City; and Fixing the Terms and Conditions Thereof.**

*Councilor Harris moved to approve an Ordinance granting Cyber Mesa Computer Systems, Incorporated a non-exclusive Franchise to operate a telecommunication network within the City of Santa Fe; the right to use City public rights-of-way to provide telecommunications services within the City; and fixing the Terms and Conditions thereof, second by Councilor Lindell, motion carried by unanimous voice vote.*

- s) **Request for Approval of an Ordinance Granting Plateau Telecommunications, Incorporated a Non-Exclusive Franchise to Operate a Telecommunication Network within the City of Santa Fe; the Right to Use City Public Rights-of-Way to Provide Telecommunications Services within the City; and Fixing the Terms and Conditions Thereof.**

*Councilor Harris moved to approve an Ordinance granting Plateau Telecommunications, Incorporated a non-exclusive Franchise to operate a Telecommunication Network within the City of Santa Fe; the right to use city public rights-of-way to provide Telecommunications Services within the City; and fixing the Terms and Conditions thereof, second by Councilor Lindell, motion carried by unanimous voice vote.*

## **7. DISCUSSION**

None

## **8. MATTERS FROM THE STAFF**

None

## **9. MATTERS FROM THE COMMITTEE**

Councilor Harris raise the question on temporary raises and stated that there are questions and more so upon our staff. When people ask me what can we do and what can we not do, we can't ignore the situation. It isn't necessarily the why, your memo, Mayor, talks about the why, the lack of communication. There are questions on the 60-day extension for City Manager Schneider, the old language and consent. What is the new relationship with the Mayor and the Council? I have used the test case as a term, this is not a gesture of defiance; this is really trying to sort out a lot of questions for dynamics for several years. If this is what we need to discuss, what is the proper venue, I don't know to what degree you have heard. I would hope you would bring this back for discussion with the councilors. It also is important for what went on in the past. What does it mean for the Land Use Department, we will need to look at raises there, nature of the contingency, where will the raises come from? I want to see the budget for the full program.

Councilor Rivera: The Mayor and I had a conversation and I agree with all of your comments, how does this affect PERA, there are still a lot of questions unanswered, to let this go under the radar without asking these questions, looking for a way to move forward to make the constituents feel that this is transparent and let them see that we as elected officials have gone through the process. I have had a discussion with the Mayor. I agree wholeheartedly with your comments.

Councilor Romero-Wirth: Is it possible to see the full project budget and your memo stated that there would be more funding that would be asked for from the Council. In your memo you stated that the project budget had been looked at in March. As a new Councilor I would like to see that budget.

Councilor Lindell: This is a project I deeply believe in, the previous body committed a lot of money to. I don't think we have done a great job. We need to inform the constituents how important this project is. This project will increase our efficiencies, how will it affect the service that we are able to give the public is important. I would be disappointed if we derailed this project. I'm still a big believer in the project and we need to explain how important this is.

Councilor Harris: This is not the critical question of the project, and because it is critical we need more information. What I have said time and time again, I can't think of anything good to say on how this was handled, not questioning the Mayor. We throw transparency around like it is saran wrap, this is foil; it is not transparent. Mayor, thank you for coming in. If we deal with this in the next week or two, it might make this easier.

Chair Abeyta: I definitely do not think we should stop the project. When I put myself in your shoes, it would be a different mess, we gave them raises and now we would take them away. I would like to see an update on the project, who is working on it, what is the budget. Maybe we do need to formalize that when there are big projects that need to be built in and discussed with the governing body before it is approved. Question on temporary increases. Disclosure: Maybe we need to put something in writing when this happens again.

Councilor Romero-Wirth: I do not want to derail this project. Critical to getting our financial house in order, but I do wonder, it seems that there is still a political problem here. There is still a potential that we should give out more raises. This issue isn't going away.

Chair Abeyta: How do we put it to rest, what would satisfy this committee?

Councilor Harris: I would ask the Mayor if he would re-open so we could discuss. AFSCME, compensation and classification study, understanding of that, and maybe bringing that in, so much in the budget hearing, maybe we look at how it falls under the Deputy City Manager. I am prepared to talk about it at the financial hearings.

Chair Abeyta: What is under our authority? Do you envision taking these increases away?

Councilor Harris: We don't even know the true cost. I read in the paper that it is coming from a contingency, how is that contingency defined. How is the budget set up? At the very least we have to look at the budget, what is the project, what is the contingency. In terms of the 37, I don't have a good solution, I didn't open this up I don't have a proposed solution. If it was up to me I would suspend all increases.

Councilor Rivera: I would agree, I would have wanted them to go through the proper channels, not through a contingency fund. There was never even discussion that pay increases would come from a contingency. I would like to have seen it come through the right process. The employees should understand that this should go through the process, possibly 2 weeks to get this done appropriately.

Chair Abeyta: I would like to get past it and keep the project going, if not we are going to keep having this discussion.

Councilor Romero-Wirth: We need to have more information, I have never seen the budget, why did we put that money in a contingency fund, what was that contingency fund allocated for? I have questions and I think we should have more background, more so as members of the Finance Committee to also show that we are doing our due diligence.

Chair Abeyta: If it was always earmarked to do salary increases I would like to know why? Does next years budget rely on this contingency? Do we keep this discussion here at the Finance committee?

Councilor Lindell: They say it was the consultant, that wasn't the direction that we went with this which I assume was a recommendation from Barry Dunn and they consider this to be best practice.

Councilor Romero-Wirth: I am not interested in getting involved in individual raises. I want to stay at an elevation that is appropriate for us. Consultants recommendations for best practices, best practices in what kind of city's or best practices, 20% that is an enormous raise. Are we comparing ourselves to a city of our size? It should have had more process and oversight from us, the elected officials to see if that was appropriate. We can afford to know the level of best practices. I don't even know if we have already spent all the contingency money, could they have been smaller and had enough money to do the Land Use increases. I don't know the components of these raises or budgets, we need more information.

Chair Abeyta: We are going in to the budget hearings, if there is any money being requested for the new budget, it would be inappropriate to hear a new request. Staff was asked to get that cleared before next week.

Councilor Rivera: I would rather see the money go to city employees vs. to a contractor. We approve raises, city negotiates with the Union, we either approve or disapprove. We do improve increases all the time, but something to the tune of \$400,000 we should have a say so on.

Chair Abeyta: Where is the fine line, the amount, how many employees, the size of the project? Part of this process is that the clarification has to come.

Councilor Harris: We need to get clarification on what our relationship is with the Mayor's office. EAP project has been going on for 2 years; this is the closest that this project could be derailed. Derailment, this set of decisions go further, and I will use the word derailed.

Mayor: I appreciate the commentary, I have had conversations with almost everyone in the room on an on-going basis and it is an important conversation. It talks about a fundamental project, how people function in the city, touches about raw nerves, the on-going operations of the Governing Body. It is interesting that other alternatives came up, I spoke with an interesting magazine where the reporter prefaced the project, over the budget, not in time, or never got implemented, where does the project stand in Santa Fe, did the city consider turning it over to a consultant for the project. I took the questions to the city manager, taking that 6-month cause where implementation could move forward the project is on time. Taking the money to the consultant, you could do that, but there will be more money to pay the consultant, than putting it in the hands of the employees. Talking about this, it is not just a financial transaction, it is value of a project and how the city does business. We all agree there are two issues here, what derails the project and what does not derail the project, they are entangled; you can't simply cut them apart. The process was poorly thought out, poorly executed, in some cases bad judgment. All of us, I sympathize that we walked in to this situation without a deep background, my responsibility as Mayor was to step in to it as fully as I could rather than handing it off to a study instead of turning it over to another entity to review it so I stepped in to it to see what I could find out as quickly as I could. It doesn't mean that I am happy with the decision that was delivered. It could have been handled in many ways, private briefing, exploratory questions asking what councilors would have liked to have seen, we are familiar with outraged reactions from the Government where the solutions to the Government, I am mindful that we have to be upset appropriately, concerned appropriately, express that appropriately, emotional response vs. a strategic response. As Mayor I need to look forward to assure that it doesn't happen again. If there is a contract that comes forward and you want to legislate how it should be handled. The larger question is where is the accountability and where does it get applied. There are instances where there isn't any accountability but even amnesia. I am not sure you can legislate that, you need to look at me, who shares your concern, different governmental structure and appropriate questions. Chair Abeyta met with the deputy city manager to ask questions and explore these questions to know what transpired so he could Chair this committee with the information. We haven't solved the problem but we know what we want to prevent in the future. The conversation is healthy, the dialogue amongst ourselves is important, we need to talk about the project and the process, where they are today and how do we prevent another controversy like this. It is a series of process flaws.

Councilor Rivera: I applaud you for going to the Deputy City Manager; I would like to get those answers for the public so they can get their answers.



Chair Abeyta: I got my answers, I don't have answers and I don't see the violations of any written codes.

Councilor Harris: When I say it cannot be ignored, because of everything I have been hearing, I won't criticize Chair Abeyta for meeting with the Deputy City Manager, but I'm not sure that is even providing the answers. I think we need a public way of responses. I do agree 100% of what needs to be done.

Mayor Webber: Your experience is a useful reminder; there is an incentive in the city. Is this the only time we use incentive pay, what are they, how are they managed. There are endless set of questions on how the city is managed and how we manage. I think it is our responsibility; we aren't trying to sweep anything under the rug. As Mayor and Council, how do we improve this, how do we meet with each other internally, there is a huge communication gap within city government. It is a constant reminder that we talk to each other, we see where the opportunities are to be as clear and how we use our resources and our systems, what are we doing to satisfy the city of Santa Fe. Question: what is in the best interest of the city of Santa Fe, in due conscience I know I can go forward, the way we manage the city is important.

Chair Abeyta: I do want to have these tough discussions during these meetings, and we will have them during the budget hearings.

Budget Hearings: We would like to have them by Friday if at all possible.

Kent DeYoung: We plan to have them in your hands by Friday at 5 pm, I can't confirm until we talk to staff.

Councilor Rivera stated that laptops were helpful. We had larger screens.

Chair Abeyta: Would like a book and Laptop – Open Gov, you have new councilors that haven't been trained.

Councilor Harris: A lot of things didn't work well last year and we are starting off late. I would like to know why the delay occurred.

What is Open Gov? It is a tool brought out last year. I have no idea what to expect.

Becky Casper: Budget Book in compiling that we are in the process of reconciling schedules. I can sympathize about Open Gov, all of those issues have been eradicated and we don't have to manually create the budget books.

Brad Fleutsch: We invited all of the Councilors to training for Open Gov through the Mayor's Office and only 1 councilor attended.

Councilors did not get an invitation to attend this training. There was no memo attached to what it was for. Being new I don't know who to reach out to.

Brad Fleutsch: I am sorry there was a miscommunication. At this point in time, Kent is involved in getting the book published. If you do want to come in for training, Brad is happy to do this. If you go through Open Gov now, there is about 99% availability to review.

Chair Abeyta: Open Gov., go through it all week, 99% of the information is in Open Gov.

Councilor Harris: I haven't looked through Open Gov since last year, what I do want to say to the Finance Committee is that it does give you a head start, you can drill down to the general funds, when you have the book in front of you, you can mark it.

## 10. EXECUTIVE SESSION

None

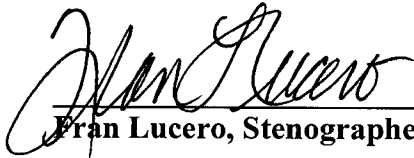
## 11. ADJOURN

There being no further business to come before the Finance Committee, the Chair called for adjournment at 7:15pm.

### SIGNATURE PAGE:



Councilor Roman Abeyta, Chair



Fran Lucero, Stenographer