



Agenda

Finance Committee Meeting
City Council Chambers
June 15, 2009

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

CITY CLERK'S OFFICE

DATE 6/12/09 TIME 3:07 p

SERVED BY Yolanda Green

RECEIVED BY [Signature]

MAY 18, 2008 – REGULAR FINANCE COMMITTEE MEETING
MAY 20, 2009 – SPECIAL FINANCE COMMITTEE FY 2009/2010
OPERATING BUDGET REVIEW

CONSENT AGENDA

6. BID OPENINGS:
 - A. BID NO. 09/33/B – ONE MACK TRUCK FOR SOLID WASTE MANAGEMENT DIVISION; TRUCKS WEST, INC. (BILL DEGRANDE)
 - B. BID NO. 09/39/B – 2009 MOBILE CONCRETE DISPENSER FOR STREETS AND DRAINAGE MAINTENANCE DIVISION; CEMEN TECH, INC. (DAVID CATANACH)
7. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 1 – FRANKLIN MILES PARK RESTROOM WATER LINE EXTENSION; SUB SURFACE CONTRACTING, INC. (MARY MACDONALD)
8. REQUEST FOR APPROVAL OF GRANT APPLICATION AND AWARD – EAST APRON RECONSTRUCTION AND CONSTRUCTION ENGINEERING AT SANTA FE MUNICIPAL AIRPORT; NEW MEXICO DEPARTMENT OF TRANSPORTATION AVIATION DIVISION (JIM MONTMAN)
9. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – ENGINEERING SERVICES AT SANTA FE MUNICIPAL AIRPORT; MOLZEN-CORBIN & ASSOCIATES, INC. (JIM MONTMAN)
10. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – SECURITY SERVICES AT MUNICIPAL PARKING FACILITIES; CHAVEZ SECURITY, INC. (WALTER ROYBAL)



Agenda

11. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENTS – HOMEBUYER ASSISTANCE (TED SWISHER)
 - A. HOMEWISE
 - B. SANTA FE COMMUNITY HOUSING TRUST
12. REQUEST FOR APPROVAL OF SOLAR POWER AND SERVICES AGREEMENT – RENEWABLE ENERGY PROJECTS AT CITY FACILITIES; SUN EDISON UTILITY SOLUTIONS, LLC (NICK SCHIAVO)
13. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – ANIMAL HOUSING FACILITY SERVICES; SANTA FE ANIMAL SHELTER (CHIEF ARIC WHEELER)
14. REQUEST FOR APPROVAL OF AMENDMENT NO. 6 TO LEGAL SERVICES AGREEMENT – HOSPITAL TANK REHABILITATION; SHEEHAN, SHEEHAN & STELZNER, P.A. (MAUREEN REED)
15. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT REQUESTS FOR WATER DIVISION (BRYAN SNYDER AND MAYA MARTINEZ)
16. REQUEST FOR APPROVAL OF SERVICE AGREEMENT – CITY’S LAND MOBILE RADIO SYSTEM; MOTOROLA (THOMAS WILLIAMS)
17. REQUEST FOR APPROVAL OF RENEWAL OF COMPREHENSIVE INSURANCE PROGRAM COVERAGE FOR CITY OF SANTA FE; WILLIS OF ARIZONA (HENRY ARANDA)
 - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – RISK AND SAFETY ADMINISTRATIVE FUND
18. REQUEST FOR APPROVAL OF BUDGETS FOR BUCKMAN DIRECT DIVERSION PROJECT FOR FISCAL YEAR ENDING JUNE 30, 2009 AND FISCAL YEAR ENDING JUNE 30, 2010 (TERESITA GARCIA)
19. REQUEST FOR APPROVAL OF WATER RIGHTS PURCHASE AGREEMENT – SALE OF WATER RIGHTS; HENRIQUEZ I. TENORIO AND VERONICA TENORIO (DALE LYONS)
20. REQUEST FOR APPROVAL OF WATER RIGHTS PURCHASE AGREEMENT – SALE OF WATER RIGHTS; RAY AND LORRAINE BACA FAMILY TRUST (DALE LYONS)



Agenda

21. REQUEST FOR APPROVAL OF REVISED CITY OF SANTA FE INVESTMENT POLICY (HELENE HAUSMAN)
22. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – CNC SUPPORT OF EI SYSTEMS; STRATECH CONSULTING, INC. (THOMAS WILLIAMS)
23. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO APPLY FOR A 6 MONTH EXTENSION TO AN EXISTING MUNICIPAL ARTERIAL PROGRAM FUNDING AGREEMENT BETWEEN THE NEW MEXICO DEPARTMENT OF TRANSPORTATION AND THE CITY OF SANTA FE FOR THE OLD PECOS TRAIL RECONSTRUCTION PROJECT – CORDOVA ROAD TO BERGER STREET (COUNCILORS ROMERO AND WURZBURGER) (JOHN ROMERO)
 - A. REQUEST FOR APPROVAL OF MUNICIPAL ARTERIAL PROGRAM FUNDING AGREEMENT SIX MONTH EXTENSION – OLD PECOS TRAIL RECONSTRUCTION PROJECT – CORDOVA ROAD TO BERGER STREET; NEW MEXICO DEPARTMENT OF TRANSPORTATION (JOHN ROMERO)

Committee Review:

Public Works Committee (Approved)
City Council (Scheduled)

June 8, 2009
June 24, 2009

Fiscal Impact – No

24. REQUEST FOR APPROVAL OF A RESOLUTION IN SUPPORT OF THE RODEO ROAD MEDIAN LANDSCAPING PROJECT FUNDED FROM THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 THROUGH A COOPERATIVE PROJECT AGREEMENT WITH THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (COUNCILOR TRUJILLO) (ERIC MARTINEZ)
 - A. REQUEST FOR APPROVAL OF COOPERATIVE AGREEMENT – RODEO ROAD MEDIAN LANDSCAPING PROJECT APPROPRIATIONS FROM AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ERIC MARTINEZ)
 - B. REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND

Committee Review:

Public Works Committee (Approved)
City Council (Scheduled)

June 8, 2009
June 24, 2009

Fiscal Impact – Yes



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25. REQUEST FOR APPROVAL OF A RESOLUTION AUTHORIZING THE ALLOCATION OF WATER GENERATED FROM PAST CITY CONSERVATION INITIATIVE TO THE CITY'S AFFORDABLE HOUSING CREDIT POOL (COUNCILOR CALVERT) (DALE LYONS)

Committee Review:

Public Utilities Committee (Approved)
City Council (Scheduled)

June 3, 2009
June 24, 2009

Fiscal Impact – No

26. REQUEST FOR APPROVAL OF AN ORDINANCE REPEALING SECTIONS 14-8.11(G)(3), 14-8.13, 14-8.16 AND 14-8.17 SFCC 1987 REGARDING ANNUAL WATER BUDGET, WATER RIGHTS TRANSFER REQUIREMENT AND WATER BANKING; CREATING A NEW SECTION 14-8.13 SFCC 1987 REGARDING DEVELOPMENT WATER BUDGET REQUIREMENTS, A NEW ARTICLE 25-9 SFCC 1987 REGARDING THE CITY WATER BUDGET, A NEW ARTICLE 25-10 SFCC 1987 REGARDING THE CITY WATER BANK, A NEW ARTICLE 25-11 SFCC 1987 REGARDING THE WATER RIGHTS TRANSFER PROGRAM, AND A NEW ARTICLE 25-12 SFCC 1987 REGARDING THE WATER CONSERVATION CREDIT PROGRAM; MAKING SUCH OTHER RELATED CHANGES AS ARE NECESSARY (COUNCILOR WURZBURGER) (DALE LYONS)

Committee Review:

Planning Commission (Approved)
Public Utilities Committee (Approved)
Public Works Committee (Approved)
City Council (Request to Publish) (Approved)
City Council (Public Hearing)

March 19, 2009
May 6, 2009
June 8, 2009
May 27, 2009
June 24, 2009

Fiscal Impact – Yes

END OF CONSENT AGENDA

DISCUSSION

27. REQUEST FOR APPROVAL OF AFSCME COLLECTIVE BARGAINING AGREEMENT – RENEGOTIATED ARTICLES AND CONTRACT AMENDMENTS (KRISTINE KUEBLI)



Agenda

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28. OTHER FINANCIAL INFORMATION:
 - A. UPDATE ON GROSS RECEIPTS TAX REPORT FOR JUNE 2009 AND LODGERS' TAX REPORT FOR MAY 2009 (DAVID MILLICAN)
 29. MATTERS FROM THE COMMITTEE
 30. ADJOURN

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

**SUMMARY OF ACTION
FINANCE COMMITTEE MEETING
Monday, June 15, 2009**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved [amended]	1-2
APPROVAL OF CONSENT AGENDA	Approved [amended]	2
CONSENT AGENDA LISTING		2-4
APPROVAL OF MINUTES: MAY 18, 20-08 – REGULAR FINANCE COMMITTEE MEETING	Approved	4-5
MAY 20, 2009 – SPECIAL FINANCE COMMITTEE FY 2009/2010, OPERATING BUDGET REVIEW	Approved	4-5
<u>CONSENT CALENDAR DISCUSSION</u>		
REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – SECURITY SERVICES AT MUNICIPAL PARKING FACILITIES; CHAVEZ SECURITY, INC.	Approved	5-6
REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – ANIMAL HOUSING FACILITY SERVICES; SANTA FE ANIMAL SHELTER	Approved w/condition	6-7
REQUEST FOR APPROVAL OF AMENDMENT NO. 6 TO LEGAL SERVICES AGREEMENT – HOSPITAL TANK REHABILITATION; SHEEHAN, SHEEHAN & STELZNER, P.A.	Approved w/direction to staff	7-8
REQUEST FOR APPROVAL OF SERVICE AGREEMENT – CITY'S LAND MOBILE RADIO SYSTEM; MOTOROLA	Approved w/direction to staff	8

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – CNC SUPPORT OF E1 SYSTEMS; STRATECH CONSULTING, INC.	Approved [amended]	8-9
REQUEST FOR APPROVAL OF AN ORDINANCE REPEALING SECTIONS 14-8.11(G)(3), 14-8.13, 14-8.16 AND 14-8.17 SFCC 1987, REGARDING ANNUAL WATER BUDGET, WATER RIGHTS TRANSFER REQUIREMENT AND WATER BANKING; CREATING A NEW SECTION 14-8.13 SFCC 1987, REGARDING DEVELOPMENT WATER BUDGET REQUIREMENTS, A NEW ARTICLE 25-9 SFCC 1987, REGARDING THE CITY WATER BUDGET, A NEW ARTICLE 25-10 SFCC 1987, REGARDING THE CITY WATER BANK, A NEW ARTICLE 25-11 SFCC 1987, REGARDING THE WATER RIGHTS TRANSFER PROGRAM, AND A NEW ARTICLE 25-12 SFCC 1987, REGARDING THE WATER CONSERVATION CREDIT PROGRAM; MAKING SUCH OTHER RELATED CHANGES AS ARE NECESSARY	Postponed to 06/29/2009	10-11
***** END OF CONSENT CALENDAR DISCUSSION *****		
<u>DISCUSSION</u>		
REQUEST FOR APPROVAL OF AFSCME COLLECTIVE BARGAINING AGREEMENT – RENEGOTIATED ARTICLES AND CONTRACT AMENDMENTS	Approved	11-12
<u>OTHER FINANCIAL INFORMATION</u>		
UPDATE ON GROSS RECEIPTS TAX REPORT FOR JUNE 2009 AND LODGERS' TAX REPORT FOR MAY 2009	Information	12
MATTERS FROM THE COMMITTEE	Information/discussion	12-13
ADJOURNMENT		13

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE
Monday, June 15, 2009**

1. CALL TO ORDER

A meeting of the City of Santa Fe Finance Committee was called to order by Chair Matthew E. Ortiz, at approximately 5:15 p.m., on Monday, June 15, 2009, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Councilor Matthew E. Ortiz, Chair
Councilor Christopher Calvert
Councilor Miguel Chavez
Councilor Carmichael A. Dominguez

MEMBERS EXCUSED:

Councilor Rebecca Wurzbarger

OTHERS ATTENDING:

David Millican, Finance Director
Yolanda Green, Finance Division
Melessia Helberg, Stenographer.

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

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

3. APPROVAL OF AGENDA

Mr. Millican said there is a Memorandum in the packet indicating the contract amount for agenda Item #13, correcting the amount to \$134,220 as budgeted, and on Item #26, the action of the Public Works is shown erroneously as approved, but it was postponed.

MOTION: Councilor Calvert moved, seconded by Councilor Chavez, to approve the agenda, as amended.

VOTE: The motion was approved on a voice vote with Councilors Calvert and Chavez voting in favor of the motion, none against and Councilor Dominguez absent.

4. APPROVAL OF CONSENT AGENDA

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

VOTE: The motion was approved on a voice vote with Councilors Calvert and Chavez voting in favor of the motion, none against and Councilor Dominguez absent. .

CONSENT AGENDA

6. **BID OPENINGS:**
 - A. **BID NO. 09/33/B – ONE MACH TRUCK FOR SOLID WASTE MANAGEMENT DIVISION; TRUCKS WEST, INC. (BILL DeGRANDE)**
 - B. **BID NO. 09/39/B – 2009 MOBILE CONCRETE DISPENSER FOR STREETS AND DRAINAGE MAINTENANCE DIVISION; CEMENTECH, INC. (DAVID CATANACH)**
7. **REQUEST FOR APPROVAL OF CHANGE ORDER NO. 1 – FRANKLIN MILES PARK RESTROOM WATER LINE EXTENSION; SUBSURFACE CONTRACTING, INC. (MARY MacDONALD)**
8. **REQUEST FOR APPROVAL OF GRANT APPLICATION AND AWARD – EAST APRON RECONSTRUCTION AND CONSTRUCTION ENGINEERING AT SANTA FE MUNICIPAL AIRPORT; NEW MEXICO DEPARTMENT OF TRANSPORTATION AVIATION DIVISION. (JIM MONTMAN)**
9. **REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – ENGINEERING SERVICES AT SANTA FE MUNICIPAL AIRPORT; MOLZEN-CORBIN & ASSOCIATES, INC. (JIM MONTMAN)**
10. ***[Removed for discussion by Councilor Chavez]***

11. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENTS – HOMEBUYER ASSISTANCE. (TED SWISHER)
 - A. HOMEWISE
 - B. SANTA FE COMMUNITY HOUSING TRUST
12. REQUEST FOR APPROVAL OF SOLAR POWER AND SERVICES AGREEMENT – RENEWABLE ENERGY PROJECTS AT CITY FACILITIES; SUN EDISON UTILITY SOLUTIONS, LLC. (NICK SCHIAVO)
13. *[Removed for discussion by Councilor Calvert]*
14. *[Removed for discussion by Councilor Calvert]*
15. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT REQUESTS FOR WATER DIVISION. (BRYAN SNYDER AND MAYA MARTINEZ)
16. *[Removed for discussion by Councilor Calvert]*
17. REQUEST FOR APPROVAL OF RENEWAL OF COMPREHENSIVE INSURANCE PROGRAM COVERAGE FOR CITY OF SANTA FE; WILLIS OF ARIZONA. (HENRY ARANDA)
 - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – RISK AND SAFETY ADMINISTRATIVE FUND.
18. REQUEST FOR APPROVAL OF BUDGETS FOR BUCKMAN DIRECT DIVERSION PROJECT FOR FISCAL YEAR ENDING JUNE 30, 2009, AND FISCAL YEAR ENDING JUNE 30, 2010. (TERESITA GARCIA)
19. REQUEST FOR APPROVAL OF WATER RIGHTS PURCHASE AGREEMENT – SALE OF WATER RIGHTS; HENRIQUEZ L. TENORIO AND VERONICA TENORIO. (DALE LYONS)
20. REQUEST FOR APPROVAL OF WATER RIGHTS PURCHASE AGREEMENT – SALE OF WATER RIGHTS; RAY AND LORRAINE BACA FAMILY TRUST. (DALE LYONS)
21. REQUEST FOR APPROVAL OF REVISED CITY OF SANTA FE INVESTMENT POLICY. (HELENE HAUSMAN)
22. *[Removed for discussion by Councilor Calvert]*

23. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO APPLY FOR A 6-MONTH EXTENSION TO AN EXISTING MUNICIPAL ARTERIAL PROGRAM FUNDING AGREEMENT BETWEEN THE NEW MEXICO DEPARTMENT OF TRANSPORTATION AND THE CITY OF SANTA FE FOR THE OLD PECOS TRAIL RECONSTRUCTION PROJECT – CORDOVA ROAD TO BERGER STREET (COUNCILORS ROMERO AND WURZBURGER). (JOHN ROMERO)
- A. REQUEST FOR APPROVAL OF MUNICIPAL ARTERIAL PROGRAM FUNDING AGREEMENT SIX-MONTH EXTENSION – OLD PECOS TRAIL RECONSTRUCTION PROJECT – CORDOVA ROAD TO BERGER STREET; NEW MEXICO DEPARTMENT OF TRANSPORTATION. (JOHN ROMERO)
- Committee Review: Public Works Committee (Approved) June 8, 2009; and City Council (Scheduled) June 24, 2009. Fiscal Impact – No.
24. REQUEST FOR APPROVAL OF A RESOLUTION IN SUPPORT OF THE RODEO ROAD MEDIAN LANDSCAPING PROJECT FUNDED FROM THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 THROUGH A COOPERATIVE PROJECT AGREEMENT WITH THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (COUNCILOR TRUJILLO). (ERIC MARTINEZ)
- A. REQUEST FOR APPROVAL OF COOPERATIVE AGREEMENT – RODEO ROAD MEDIAN LANDSCAPING PROJECT APPROPRIATIONS FROM AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009. (ERIC MARTINEZ)
- B. REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND.
- Committee Review: Public Works Committee (Approved) June 8, 2009; and City Council (Scheduled) June 24, 2009. Fiscal Impact – Yes.
25. REQUEST FOR APPROVAL OF A RESOLUTION AUTHORIZING THE ALLOCATION OF WATER GENERATED FROM PAST CITY CONSERVATION INITIATIVE TO THE CITY'S AFFORDABLE HOUSING CREDIT POOL (COUNCILOR CALVERT). (DALE LYONS)
- Committee Review: Public Utilities Committee (Approved) June 3, 2009; and City Council (Scheduled) June 24, 2009. Fiscal Impact – No.

26. *[Removed for discussion by Councilor Calvert]*

END OF CONSENT AGENDA

5. APPROVAL OF MINUTES:
- MAY 18, 20-08 – REGULAR FINANCE COMMITTEE MEETING
- MAY 20, 2009 – SPECIAL FINANCE COMMITTEE FY 2009/2010, OPERATING BUDGET REVIEW.

MOTION: Councilor Chavez moved, seconded by Councilor Calvert, to approve the minutes of the Regular Finance Committee Meeting of May 18, 2009, and the minutes of the Special Finance Committee FY 2009/2010 Operating Budget Review as presented.

VOTE: The motion was approved on a voice vote with Councilors Calvert and Chavez voting in favor of the motion, none against and Councilor Dominguez absent.

CONSENT CALENDAR DISCUSSION

10. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – SECURITY SERVICES AT MUNICIPAL PARKING FACILITIES; CHAVEZ SECURITY, INC.

Councilor Chavez said pulled this item to have discussion specific to the concerns about the parking facility at the Community Convention Center, noting there have been concerns about the cost of security at the facility for certain events. He asked Mr. Hon if he has relayed the concern to Chavez Security.

Mr. Hon asked Councilor Chavez what he means in terms of affordability.

Councilor Chavez said some of the events, especially the smaller weddings and the local community events, are priced out of the Convention Center because of requirements placed on them regarding security. He said there is only one vendor and there are no options.

Mr. Hon said the security contract does not include security for the events. He said the Security Contract for the Parking Division is strictly for security in the facility and it does not reflect the price of the event.

Responding to a question from Councilor Chavez, Mr. Hon said the contract was decreased from \$776,000 to \$597,000 for the 10 parking facilities, including the new Railyard garage. He said during the day there is no security on site at City facilities, because staff does the security from the time they come on [about 6:00 a.m.] until the facility closes.

Councilor Chavez asked if the money would be better invested in the City having its own security staff, using police officers, and doesn't know how many police officers could be hired for these funds – perhaps 4 or 5.

Mr. Hon said at one time he did a spreadsheet to look at in-house security costs versus an outside source, using security officers hired by the City whose sole and only job would be security. He said the start-up costs, the infrastructure, were much higher than imagined. He said we would have to purchase vehicles, radios, uniforms and such.

Councilor Chavez said the budget has been balanced on elimination of positions, balance budget doing that. He said it appears we are being forced into outside contracts to provide these services.

Mr. Hon said this is correct. He said in reducing costs to \$597,000, the City is cutting back some services to the public which will now be provided by Parking Division staff – more patrols through the areas and keeping better vigilance on parked cars at night.

Councilor Chavez said if we are going to be investing millions of dollars in parking structures, this is a service that we're going to have to provide.

MOTION: Councilor Chavez moved, seconded by Councilor Calvert, to approve this request.

DISCUSSION: Councilor Calvert would like to look at this again in the future when the budget picture is better, saying once the initial up-front costs are made, it is mainly operational costs.

Councilor Chavez said this is one of the contracts which should be on a list to be reviewed next year.

Mr. Hon said this is the last year of a three-year contract, and next year we will be going out to bid and reviewing this next year.

VOTE: The motion was approved on a voice vote with Councilors Calvert and Chavez voting in favor of the motion, none against and Councilor Dominguez absent. .

13. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – ANIMAL HOUSING FACILITY SERVICES; SANTA FE ANIMAL SHELTER. (CHIEF ARIC WHEELER)

Councilor Dominguez arrived at the meeting

A Memorandum dated June 11, 2009, with attachment, to the Finance Committee from Aric M. Wheeler, Police Chief, regarding this item, is incorporated herewith to these minutes as Exhibit "1."

Councilor Calvert said he has no doubt for the need for this service. He said we need information on last year's costs as we move forward, and asked if the \$134,220 is the same as last year, or more or less.

Pat Alano, Animal Control Director, said last year we paid \$122,000, noting that the previous director worked to reduce fees and the City saved \$30,000 over the past five years. He said there was a new director who wanted a 23% increase, but after negotiations, they settled on a 10% increase which has been budgeted. He said the number of animals keeps increasing, and the shelter is providing a lot of services.

MOTION: Councilor Calvert moved, seconded by Councilor Chavez, to approve this request, with direction to staff to provide a letter of justification for the 10% increase by the time this goes to the Council.

DISCUSSION: Councilor Chavez said this amount is already budgeted and only 10% above last year's budget.

Mr. Alano said this is correct, and the Shelter has been kind enough not to increase fees over the past 5 years, and he believes a 10% increase is warranted because costs have increased to the shelter over the past 5 years..

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

14. REQUEST FOR APPROVAL OF AMENDMENT NO. 6 TO LEGAL SERVICES AGREEMENT – HOSPITAL TANK REHABILITATION; SHEEHAN, SHEEHAN & STELZNER, P.A. (MAUREEN REED)

Councilor Calvert said questions were asked at PUC with regard to this contract. He said the basic question is: are we getting to an amount we are paying in fees which would be equal to what we can recover, and at what point do we pass "break even" in pursuing this lawsuit.

Mr. Katz said to date \$13,661 has been paid to the Sutin Firm and \$196,014 to the Sheehan Firm, but a large amount of that was for expert witnesses and was not for legal work. He said the original cost of putting in the liner was about \$650,000, but that didn't resolve the problem. He said the City is seeking damages for their not having solved the problem, and translated into today's dollars that is \$1.3 million. He said it would also entail some additional work on the tennis courts as you remove them to get into the tank to replace the liner, which would be an additional cost. He said right now we are approaching \$210,000 in costs on this recovery.

Mr. Katz said if we are successful, we wouldn't get attorneys fees, but would get costs, some of which would be expert witnesses. It is likely the amount the City would be seeking would be in excess of \$1 million.

Responding to Calvert Calvert, Mr. Katz this is a long way from going to trial. There are two pending actions:

- (1) The appeal of the effort to get the surety, Travelers, to "pony up," the \$6550,000 on the performance bond because it wasn't done. The District Court and Court of Appeals said we were not timely in pursuing this. However, the Supreme Court has accepted *certiorari* on that and it is now before that Court. He said the NMML and others have filed an amicus brief on our behalf, so there is hope that might be successful, and if so, it should bring about \$650,000.
- (2) There is also a lawsuit against Lone Mountain and all those who did this saying they need to do it right. He expects that there will be a mediation in late summer or early fall with all of the parties.

MOTION: Councilor Calvert moved, seconded by Councilor Chavez, to approve this request.

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

16. REQUEST FOR APPROVAL OF SERVICE AGREEMENT – CITY'S LAND MOBILE RADIO SYSTEM; MOTOROLA. (THOMAS WILLIAMS)

Bill Smith said he is attending today on behalf of Thomas Williams.

Councilor Calvert asked the amount of the contract last year.

Mr. Smith said he doesn't have that information, but he can tell Mr. Williams that information should be included, noting the contract start date is July 1, 2009.

MOTION: Councilor Calvert moved, seconded by Councilor Dominguez, to approve this request, with direction to staff to provide information on the contract cost for last year prior to this going to the City Council.

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

22. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – CNC SUPPORT OF E1 SYSTEMS; STRATECH CONSULTING, INC. (THOMAS WILLIAMS)

Councilor Calvert said he recalls that the money for the billing system was removed from the budget, but the first page of the Memorandum says, "Additionally, the evaluation and selection process for a new Utility Billing system, which will interface with E1, will begin by early 2010." He asked if this is saying you are going to move forward with evaluating and selecting a system, even if there are no funds to move forward on it.

Mr. Millican said the plan is to be sure we understand the cost for purpose of considering and financing the next CIP bond issue to pay for the system, or to finance it, probably more logically, as part of the debt for the Buckman Project. He said it is a utility systems cost, and is not budgeted in expenditures right now. He wanted to have a more comprehensive cost proposal for the Council.

Councilor Calvert said the last paragraph in the Memorandum says, "The cost of the PSA would be paid for out of ITT CIP Projects.... Projects related to network faxing, centralized call center, and network disaster recovery" are being canceled to pay for this. He asked if this is more important than things we're foregoing.

Mr. Smith said the E1 system is central to all of the City's financials, and would take precedence over these specific items what were deferred.

Councilor Calvert said then this PSA is strictly to size it.

Mr. Millican said the consultants who would work on this, would help with sizing and defining the utility system. However, the main objective is to see that our staff is more proficient with the software, so the need for support would be much less.

MOTION: Councilor Calvert moved, seconded by Councilor Chavez, to approve this request.

FRIENDLY AMENDMENT: Councilor Chavez said there is an addendum, Exhibit A, to the PSA so the motion should include both. **The amendment was friendly to the maker and there were no objections by the other Committee members.**

Chair Ortiz asked if we are budgeting for work that has already been done.

Mr. Rodarte said Stratek is a subcontractor of Leverage and has agreed as of July 1st to remove Stratek as a contractor. Currently Stratek is a subcontractor, but will be into their independent programs on July 1st. He said, regarding billing, anything paid to them will go through Leverage until June 30, 2009.

Responding to Councilor Calvert, Mr. Rodarte said Stratek is out of Denver and he doesn't know what percentage of the services paid to Leverage was done by Stratek. He will include that information moving forward, so we will have an idea as to how this organization bills. He said the City needs Stratek, noting Stratek did all of the internal components for the IT Section which basically is a continuation, noting that in March the City started to negotiate a contract, but have been going "back and forth" on several issues. He said the current contract will begin on July 1, 2009.

Chair Ortiz asked if this action will result in budget savings.

Mr. Millican said 160 hours were budgeted between May and July which contributed to the 780 hours of managed support, and staff will get back to the Committee with information on what has been delivered and what would be necessary to complete staff training to reduce the need for these services.

Responding to Councilor Calvert, Mr. Millican said Stratek is subcontracted to Leverage which passes through funds. This amount is in addition to that.

RESTATED MOTION: Councilor Calvert moved, seconded by Councilor Chavez, to approve staff's recommendation and to direct staff to provide the appropriate information by the Council meeting. **There were no objections by the other Committee members to the restated motion.**

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

26. **REQUEST FOR APPROVAL OF AN ORDINANCE REPEALING SECTIONS 14-8.11(G)(3), 14-8.13, 14-8.16 AND 14-8.17 SFCC 1987, REGARDING ANNUAL WATER BUDGET, WATER RIGHTS TRANSFER REQUIREMENT AND WATER BANKING; CREATING A NEW SECTION 14-8.13 SFCC 1987, REGARDING DEVELOPMENT WATER BUDGET REQUIREMENTS, A NEW ARTICLE 25-9 SFCC 1987, REGARDING THE CITY WATER BUDGET, A NEW ARTICLE 25-10 SFCC 1987, REGARDING THE CITY WATER BANK, A NEW ARTICLE 25-11 SFCC 1987, REGARDING THE WATER RIGHTS TRANSFER PROGRAM, AND A NEW ARTICLE 25-12 SFCC 1987, REGARDING THE WATER CONSERVATION CREDIT PROGRAM; MAKING SUCH OTHER RELATED CHANGES AS ARE NECESSARY (COUNCILOR WURZBURGER). (DALE LYONS). Committee Review: Planning Commission (Approved) March 19, 2009; Public Utilities Committee (Approved) May 6, 2009; Public Works Committee (Approved Postponed) June 8, 2009; City Council (Request to Publish) (Approved) May 27, 2009; and City Council (Public Hearing) June 24, 2009. Fiscal Impact – Yes.**

Councilor Chavez said his amendments weren't included, and he wants to postpone this item with direction to staff to provide additional information. He said the amendments he worked on with Ms. Price aren't on separate amendment sheets in the packet. Councilor Chavez to track amendments which weren't heard at Public Works.

Councilor Chavez noted on page 26, line 22, there is mention of water saving devices and asked if there is a list of the devices, noting there is a suggestion to change out high water appliances with low use water appliances.

Councilor Chavez said, on page 27, lines 6 and 9, there is reference to a City water bank. He said it is confusing to him, because in the rebate program, the City deposits in the water bank, but if you do the water conservation contract, that water is placed in the City water bank in the customer's name. He suggested consolidating these for clarification, saying it was difficult to track these.

Mr. Katz said the retrofit credits are credited in the City's name, and the conservation contract credits will be in the name of the customer, and there will be others, including developers, who will own water credits in the water bank.

Councilor Chavez said the bill provides that you can transfer that to the City, to another customer or someone else to offset the impact on the City's water system. He said line 21 says you can forego all of that, and if you've conserved you can sell the water. He asked if you could sell these rights in the open market wherever they choose.

Mr. Katz said they could sell the water credits to another person to use in the Santa Fe water system, not anywhere else.

Councilor Chavez said it appears we're creating another market for water that isn't already there if they already have the future option to transfer it into the same system. Councilor Chavez wants clarification on the list of devices and how the water bank works.

MOTION: Councilor Chavez moved, seconded by Councilor Calvert, to postpone this item to the next meeting of the Committee, with direction to staff to postpone the hearing scheduled for the June 24, 2009 Council meeting, to be rescheduled at a future time.

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

END OF CONSENT CALENDAR DISCUSSION

DISCUSSION

27. REQUEST FOR APPROVAL OF AFSCME COLLECTIVE BARGAINING AGREEMENT – RENEGOTIATED ARTICLES AND CONTRACT AMENDMENTS. (KRISTINE KUEBLI)

Kristine Kuebli introduced Chris Ortega, the chief negotiator on the management side.

Chris Ortega said the Committee packet includes the three tentative agreements.

Councilor Calvert asked the result of the AFSCME ratification vote.

Mr. Ortega said he spoke with Jose who told him that it was approved.

Councilor Chavez asked if this tentative agreement would be on this agenda if they had not ratified it prior to this meeting.

Ms. Kuebli said no, it would first have to be ratified by AFSCME before it is placed on the agenda.

Councilor Calvert said the results of the ratification weren't known when the packet was put together, noting it is in the packet and was placed here before the ratification vote was taken.

Mr. Ortega said this is correct.

Councilor Chavez asked if "temporary work reduction" is another way to say "furlough."

Ms. Kuebli said yes, noting the article on furlough is very different. She said to engage in a furlough it would be necessary to go through temporary, probationary and emergency employees before penetrating AFSCME employees. The mode selected during negotiations was to reduce the work week to 38.5 hours, and each department and division will have its own methodology to ensure minimum service impact.

Councilor Chavez said then it's voluntary and managed within each department.

Chair Ortiz clarified that it is voluntary for non-bargaining personnel and mandatory for union personnel.

Ms. Kuebli said for union personnel, the 4% increase was granted and a work reduction of 39 hours for the first six months and then at mid-year there will be a comparison of GRT revenue from last year. If it is the same, or higher, the work reduction will end; if it's not higher, the 39 hours will continue in the next six months.

[Stenographer's Note: Councilor Calvert said he thought the work reduction was to 38.5 hours, but there was no audible answer to his question.]

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

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

28. OTHER FINANCIAL INFORMATION:

A. UPDATE ON GROSS RECEIPTS TAX REPORT FOR JUNE 2009 AND LODGERS' TAX REPORT FOR MAY 2009. (DAVID MILLICAN)

Chair Ortiz noted there is no GRT revenue report, noting Lodger's Tax revenue is down.

29. MATTERS FROM THE COMMITTEE

A copy of an anonymous letter dated June 10, 2009, to Councilor Matt Ortiz, entered for the record by Chair Ortiz, is incorporated herewith to these minutes as Exhibit "2."

Councilor Calvert reiterated his request that requests for approval of contracts and/or PSAs to include last year's amounts.

Mr. Millican said staff will be giving directly to departments to significantly increase their justification documentation on contracts.

Councilor Chavez said, additionally, the reason he wanted a list of contracts was to question whether we are getting the best "bang for the buck," as well as to look the amount of money spent on contracts and the money we aren't spending to hire staff. He said we are looking at contracting more work out because we can't afford to hire in-house staff to do the work.

Mr. Millican said as part of the restructuring process, the staff will be looking at this issue. He said in some cases, we are hiring special knowledge which won't be available or used frequently enough to justify full time staff.

Councilor Chavez said there are one-time contracts, and there are perpetual contracts that never go away. He said there are some things which we will never be able to bring in house. He doesn't believe it is realistic to expect the vendors to provide more service for less money. He said those contractors have budgets and a bottom line cost of doing business.

Chair Ortiz said part of the work we'll be doing in Finance is to look at the restructuring work which needs to be done, and the Police Department is a separate case. He said in an era where we are cutting budgets, we are giving more money to some of our vendors/contractors, noting the 10% increase at the Animal Control Shelter. He is concerned about the increases on some of the other contracts. He said he will be meeting with the City Manager and the Finance Director to develop a work schedule for the Finance Committee so we can begin tackling some of these problems.

Chair Ortiz distributed a copy of an anonymous letter he and other Councilors received that the Office Manager Positions are abusing the system, along with allegations of leave time abuses, office managers surfing the internet and only working two hours a day and passing all the work down to administrators. [Exhibit "2"].

Chair Ortiz said the Committee can invite people to testify and hold public hearings on positions and who does and doesn't work. He said we can do that over the next six months, and we should have a real sense of who is and who is not doing work. He said this will be a problem moving into the future, especially given that we are telling the bargaining unit employees they are required to take a furlough, but it is voluntary for the managers. He believes we are putting the budget cuts on the backs of the workers which really isn't fair.

Chair Ortiz said, once he meets with the City Manager, he will send out an email to gauge the level of Committee support as to whether this will be done as a part of the regular agenda, or to do this in a special meeting setting.


25. ADJOURNMENT

There was no further business to come before the Committee, and the meeting was adjourned at 6:15 p.m.

Matthew E. Ortiz, Chair

Reviewed by:

David N. Millican, Director
Department of Finance


Melessia Helberg, Stenographer