



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
NOVEMBER 1, 2010 – 5:00 PM

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

OCTOBER 18, 2010

CITY CLERK'S OFFICE

DATE 10/28/10 TIME 10:05 am

SERVED BY Yelanda Green

RECEIVED BY City dominquez

CONSENT AGENDA

6. BID OPENINGS:
 - A. BID NO. 11/20/B – SURGE TANK REPAINTING – BUCKMAN BOOSTER PUMP STATION NOS. 2, 3 & 4 FOR WATER DIVISION; NORVELL CONSTRUCTION, LLC (ROBERT JORGENSEN)
 1. REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND
7. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 1 – RAGLE PARK RENOVATION FOR PARKS DIVISION; HEADS UP LANDSCAPE CONTRACTORS (BEN GURULE)
8. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – GENOVEVA CHAVEZ COMMUNITY CENTER; M & E ENGINEERING, INC. (MARTIN VALDEZ)
9. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – SERVICES AT SANTA FE UNIVERSITY OF ART AND DESIGN; COLLEGE OF SANTA FE MANAGEMENT, LLC (LEE DEPIETRO)
10. REQUEST FOR APPROVAL OF SECOND AMENDMENT TO LEASE AGREEMENT – CAFETERIA EXPANSION AND MAINTENANCE SHOP RELOCATION; SANTA FE UNIVERSITY ART AND DESIGN, LLC (LEE DEPIETRO) (Postponed at Finance Committee meeting of October 4, 2010)



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
NOVEMBER 1, 2010 – 5:00 PM

11. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENTS – FISCAL YEAR 2010 AFFORDABLE HOUSING SERVICES (RFP #10/32/P) (MELISA DAILEY) (Postponed at Finance Committee meeting of October 18, 2010)
 - A. SANTA FE COMMUNITY HOUSING TRUST
 - B. HOMEWISE
12. REQUEST FOR APPROVAL OF PROCUREMENT AND AGREEMENTS – VOICE UTILITY INTERACTIVE RESPONSE SYSTEM (IVR) HARDWARE, SOFTWARE AND SERVICES FOR UTILITY BILLING DIVISION; SELECTRON TECHNOLOGIES, INC. (CARYN FIORINA)
13. REQUEST FOR APPROVAL OF A JOINT RESOLUTION IN SUPPORT OF A NEW ENVIRONMENTAL IMPACT STATEMENT FOR LANL'S CHEMISTRY AND METALLURGY RESEARCH REPLACEMENT NUCLEAR FACILITY (CMRR PROJECT) (COUNCILOR BUSHEE) (JEANNE PRICE)

Committee Review:

City Council (scheduled)

11/10/10

Fiscal Impact - No

14. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE PARKS AND OPEN SPACE ADVISORY COMMISSION, THE BICYCLE TRAILS ADVISORY COMMITTEE AND OTHER CITY COMMITTEES TO MAKE RECOMMENDATIONS REGARDING PRIORITIES FOR PARKS OPEN SPACE, TRAILS, AND RECREATIONAL FACILITIES THAT HAVE NOT PREVIOUSLY BEEN FUNDED OR WERE UNDER FUNDED (COUNCILOR DOMINGUEZ) (FABIAN CHAVEZ)

Committee Review:

Parks and Open Space Advisory Commission (approved) 10/19/10

Public Works (approved) 10/25/10

City Council (scheduled) 11/10/10

Fiscal Impact – No

END OF CONSENT AGENDA



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
NOVEMBER 1, 2010 – 5:00 PM

DISCUSSION

15. REQUEST FOR APPROVAL OF CHANGES TO CITY OF SANTA FE PURCHASING MANUAL – LOCAL PREFERENCE (ROBERT RODARTE)
16. REQUEST FOR DIRECTION AND APPROVAL OF 2011 LEGISLATIVE PRIORITIES (ROBERT ROMERO)
17. OTHER FINANCIAL INFORMATION:
 - A. CONTINUING DISCUSSION, REPORTS AND RECOMMENDATION OPTIONS ON STATUS OF FISCAL YEAR 2010/2011 BUDGET (KATHRYN RAVELING AND ROBERT ROMERO)
18. MATTERS FROM THE COMMITTEE
19. 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, November 1, 2010**

| <u>ITEM</u> | <u>ACTION</u> | <u>PAGE</u> |
|---|------------------------------------|--------------------|
| CALL TO ORDER AND ROLL CALL | Quorum | 1 |
| APPROVAL OF AGENDA | Approved | 1 |
| APPROVAL OF CONSENT AGENDA | Approved [amended] | 2 |
| CONSENT AGENDA LISTING | | 2-3 |
| APPROVAL OF MINUTES: OCTOBER 18, 2010 | Approved | 3 |
| <u>CONSENT CALENDAR DISCUSSION</u> | | |
| REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – GENOVEVA CHAVEZ COMMUNITY CENTER; M & E ENGINEERING, INC. | Approved | 3-4 |
| REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – SERVICES AT SANTA FE UNIVERSITY OF ART AND DESIGN; COLLEGE OF SANTA FE MANAGEMENT, LLC | Approved w/direction to staff | 4-7 |
| REQUEST FOR APPROVAL OF SECOND AMENDMENT TO LEASE AGREEMENT – CAFETERIA EXPANSION AND MAINTENANCE SHOP RELOCATION; SANTA FE UNIVERSITY ART AND DESIGN, LLC | Approved w/direction to staff | 7-10 |
| REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE PARKS AND OPEN SPACE ADVISORY COMMISSION, THE BICYCLE TRAILS ADVISORY COMMITTEE AND OTHER CITY COMMITTEES TO MAKE RECOMMENDATIONS REGARDING PRIORITIES FOR PARKS OPEN SPACE, TRAILS AND RECREATIONAL FACILITIES THAT HAVE NOT PREVIOUSLY BEEN FUNDED OR WERE UNDER FUNDED | Approved w/dir. to staff [amended] | 10-13 |

END OF CONSENT CALENDAR DISCUSSION

| <u>ITEM</u> | <u>ACTION</u> | <u>PAGE</u> |
|---|----------------------------------|--------------------|
| <u>DISCUSSION</u> | | |
| REQUEST FOR APPROVAL OF CHANGES TO CITY OF SANTA FE PURCHASING MANUAL – LOCAL PREFERENCE | Approved w/direction to staff | 13-16 |
| REQUEST FOR DIRECTION AND APPROVAL OF 2011 LEGISLATIVE PRIORITIES | Approved w/condition | 16 |
| <u>OTHER FINANCIAL INFORMATION:</u> | | |
| CONTINUING DISCUSSION, REPORTS AND RECOMMENDATION OPTIONS ON STATUS OF FISCAL YEAR 2010/2011 BUDGET | Information/discussion/direction | 16-21 |
| MATTERS FROM THE COMMITTEE | None | 21 |
| ADJOURN | | 21 |

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE**
Monday, November 1, 2010

1. CALL TO ORDER

A meeting of the City of Santa Fe Finance Committee was called to order by Acting Chair Patti J. Bushee, at approximately 5:00 p.m., on Monday, November 1, 2010, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Councilor Matthew E. Ortiz, Chair
Councilor Patti J. Bushee
Councilor Carmichael A. Dominguez
Councilor Rosemary Romero
Councilor Rebecca Wurzburger

OTHERS ATTENDING:

Kathryn Raveling , 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

MOTION: Councilor Dominguez moved, seconded by Councilor Romero, to approve the agenda, as presented.

VOTE: The motion was approved on a voice vote, with Councilors Dominguez and Romero voting in favor of the motion, no one voting against, and Chair Ortiz and Councilor Wurzburger absent for the vote.

4. APPROVAL OF CONSENT AGENDA

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

VOTE: The motion was approved on a voice vote, with Councilors Dominguez and Romero voting in favor of the motion, no one voting against, and Chair Ortiz and Councilor Wurzbarger absent for the vote.

CONSENT AGENDA

6. BID OPENINGS:

- A. BIG NO. 11/20/B – SURGE TANK REPAINTING – BUCKMAN BOOSTER PUMP STATION NOS. 2, 3 AND 4 FOR WATER DIVISION; NORVELL CONSTRUCTION, LLC. (ROBERT JORGENSEN)
 - 1. REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND.
- 7. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 1 – RAGLE PARK RENOVATION FOR PARKS DIVISION; HEADS UP LANDSCAPE CONTRACTORS. (BEN GURULE)
- 8. *[Removed for discussion by Councilor Bushee]*
- 9. *[Removed for discussion by Councilor Bushee]*
- 10. *[Removed for discussion by Councilor Bushee]*
- 11. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENTS – FISCAL YEAR 2010 AFFORDABLE HOUSING SERVICES (RFP #10/32/P) (MELISA DAILEY). (Postponed at Finance Committee meeting of October 18, 2010).
 - A. SANTA FE COMMUNITY HOUSING TRUST
 - B. HOMEWISE
- 12. REQUEST FOR APPROVAL OF PROCUREMENT AND AGREEMENTS – VOICE UTILITY INTERACTIVE RESPONSE SYSTEM (IVR) HARDWARE, SOFTWARE AND SERVICES FOR UTILITY BILLING DIVISION; SELECTRON TECHNOLOGIES, INC. (CARYN FIORINA)
- 13. REQUEST FOR APPROVAL OF A JOINT RESOLUTION IN SUPPORT OF A NEW ENVIRONMENTAL IMPACT STATEMENT FOR LANL'S CHEMISTRY AND METALLURGY RESEARCH REPLACEMENT NUCLEAR FACILITY (CMRR PROJECT) (COUNCILOR BUSHEE). (JEANNE PRICE). Committee Review: City Council (scheduled) 11/10/10. Fiscal Impact – No.

14. *[Removed for discussion by Councilor Romero]*

END OF CONSENT AGENDA

5. APPROVAL OF MINUTES: OCTOBER 18, 2010

MOTION: Councilor Dominguez moved, seconded by Councilor Romero, to approve the minutes of the Regular Finance Committee Meeting of October 18, 2010, as presented.

VOTE: The motion was approved on a voice vote, with Councilors Dominguez and Romero voting in favor of the motion, no one voting against, and Chair Ortiz and Councilor Wurzbarger absent for the vote.

CONSENT CALENDAR DISCUSSION

8. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – GENOVEVA CHAVEZ COMMUNITY CENTER; M & E ENGINEERING, INC. (MARTIN VALDEZ)

Chair Ortiz arrived at the meeting

Councilor Bushee asked what is the estimate for the overall work, noting they recently awarded GCCC \$500,000 from the CIP reallocation, and asked if this is just the beginning of these requests, or will it stop.

Mr. Valdez said this particular amendment will take care of the dehumidification system, which we are told is the cause of a lot of the condensation issues. It also will provide design to correct some of the acid room deficiencies because there are dangerous conditions existent there currently. He said it will retrofit the entire boiler system for the lavatory room area, as well as design to take care of some of the issues we have with the HVAC system in the aerobics room. He said this is a design build project.

Councilor Bushee asked if this will take care of the Dectron Units, and Mr. Valdez said yes.

Councilor Bushee said, "Do you not expect to come back for more on these particular ones."

Mr. Valdez said, "At this time there have been numerous studies over the years to try to take care of this problem. This time we did hire a mechanical engineer, John Baumgartel, who is here to address any technical issues. We have come up with a plan that we believe is going to take care of this problem once and for all."

Councilor Bushee said her question is "this amount of money you think will take care of the problem."

Mr. Valdez said yes.

Councilor Bushee said, "You don't expect to come back for any more on those particular items."

Mr. Valdez said, "No. Not on these particular items."

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

VOTE: The motion was approved on a voice vote, with Councilors Dominguez and Romero voting in favor of the motion, no one voting against, and Councilor Wurzbarger absent for the vote.

9. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – SERVICES AT SANTA FE UNIVERSITY OF ART AND DESIGN; COLLEGE OF SANTA FE MANAGEMENT, LLC. (LEE DePIETRO)

Responding to Councilor Bushee, Ms. DePietro said they are paying the Board members of the College of Santa Fe Management, LLC. She said there are three components of the PSA which was executed in January 2010, and this is one of the three components of the agreement.

Councilor Bushee asked if this is what we hired Richard Czoski to do.

Ms. DePietro said this is an amendment to the PSA which is to manage and oversee the lease administration, the construction management and the property management at the Santa Fe University of Art and Design (SFUAD).

Councilor Bushee said she thought this is what we hired Richard Czoski to do.

Ms. DePietro said, "They are one and the same." She reiterated that there are three components of the PSA. The first component is a flat fee.

Councilor Bushee said then we pay Mr. Czoski \$6,000 per month, and not his board, nor anybody else.

Ms. DePietro said, "No. CSF. It is an LLC. So there are three components of the contracts..."

Councilor Bushee said those were created because we asked you to do so.

Ms. DePietro said, "Yes. The first is the flat fee. The second is based on the person providing the services, and the third is for their board meetings and committee meetings... of CSF."

Councilor Bushee asked, "Why are we paying them to oversee this. The Board members."

Chair Ortiz said the restatement of Councilor Bushee's question is why aren't the fees being incorporated and encompassed within the \$6,000 per month maintenance fee which we have already agreed to pay to them. Why shouldn't all of that be within the \$6,000 per month.

Councilor Bushee said, "I'm still unsure of this hourly. This is a lot of money."

Ms. DePietro said, "The contract was approved for thirteen months with a cap of \$200,000, and in their proposal were the three components which were just outlined."

Councilor Bushee said, "Well, I don't agree with paying the Board, and basically, I guess I'll just vote against this. I mean, we have staff. Now we've hired a new LLC to manage this. They're getting a flat fee of \$6,000, and who's getting \$100 an hour. The \$100 an hour for the general manager. Who's that."

Ms. DePietro said that's Richard Czoski.

Councilor Bushee asks who gets \$75 per hour.

Ms. DePietro said the Construction Manager, Sean Moody, and they have a property manager who does all the accounting."

Councilor Bushee asked, "Are these the same people we pay to do the Railyard stuff."

Ms. DePietro said, "I don't know. I mean its Richard and Sean, and there may be others at the Railyard as well. It's a totally separate contract from the Railyard."

Councilor Bushee said, "I object completely to paying the CSF, or whatever we're calling them... not CSF but the new name... or the Board members... It makes no sense."

Ms. DePietro said they aren't Board members of the College. They're Board members and committee members of CSF Management, that is providing the lease administration and the property management. They're overseeing the work, as they do at the Railyard. The Railyard has a Board, it's the same structure...."

Councilor Bushee said, "That's a whole new layer. When you hire a project manager, it doesn't have to have a Board."

Chair Ortiz said perhaps we are becoming argumentative, and asked to hear from other members of the Committee.

Councilor Bushee said, "I wasn't trying to be argumentative. I was just trying to say there is an extra added layer that I don't see serving the City."

Councilor Romero asked if this proposal went out to bid, and asked if it was a response to an RFP, and Ms. DePietro said yes.

Councilor Romero asked how many companies bid on the project.

Ms. DePietro said approximately about 6 companies.

Councilor Romero understood that the hourly rate was not what the LLC put forward, but was a breakdown of the contract amount total.

Ms. DePietro said, "They knew that the cap was \$200,000 and so they backed into it with the three components they proposed."

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

DISCUSSION: Chair Ortiz said he tends to agree with Councilor Bushee. He said, "As I see this, there was a particular amount that was contracted for with this new LLC, there was an offer and acceptance that \$6,000 a month would be the fee. It seems to me like all of these, now amendments to the contract should be in that dollar amount. Within that fee. And we can quibble, I guess, the next time the contract comes up, on whether or not that fee is justified or not, but we approved it and that's water under the bridge. I'm of the opinion that this amount that's being asked for in an amendment, that has a certain dollar amount, that if it was part of the package of the original RFP to go out to bid, that it could perhaps have changed the way bids were submitted. I'm not in favor of this as this moves forward to Council. And so, it would be my hope, again, I don't know where this motion's going to go, but it would be my hope that before it gets to City Council, that City staff work with the contractor to come up with, potentially a compromise, so that we don't have this coming off the agenda as well."

Councilor Bushee asked, "Can we make a completely different motion then, given that this is going to move forward and it's going to be on discussion, unless something different... I mean we're approving this as is."

Councilor Ortiz said, "That is the motion. It's a motion to approve with a second, and so, depending on that motion, it goes forward or not."

Councilor Bushee's remarks here are inaudible.

Councilor Dominguez said, "By the time this gets to the Council, if there are Councilors who are not satisfied with the work that staff may or may not have done to get us to a better position, then they ought to have the opportunity to pull it and ask those questions at that time. But, I want to give staff the opportunity to be able to do that. And it may be, if, from my own perspective, I don't see some of that, I may not support it at that time either."

Chair Ortiz said, "Then I think staff sees some of the direction that is being given by the Committee, and the contractor certainly sees the handwriting on the wall, don't you Richard. You've been here long enough to see what we're saying."

VOTE: The motion was approved on a voice vote, with Councilors Dominguez and Romero voting in favor of the motion, Councilor Bushee voting against, Councilor Wurzbarger absent for the vote, and Chair Ortiz expressing opposition to the motion.

10. REQUEST FOR APPROVAL OF SECOND AMENDMENT TO LEASE AGREEMENT – CAFETERIA EXPANSION AND MAINTENANCE SHOP RELOCATION; SANTA FE UNIVERSITY ART AND DESIGN, LLC. (LEE DePIETRO). (Postponed at Finance Committee meeting of October 4, 2010)

Councilor Bushee said she wants to see where the questions from the Public Works Committee were addressed, in terms of the attendance figures and a better explanation on the importance and the urgency of the expansion, if the attendance figures don't go up and a list of deleted DM items with dollar amount and timeline.

Ms. DePietro said the attendance figures were provided under separate cover in a memo to all of the members of the Public Works Committee, and all of the concerns that were addressed in Public Works have been added to this Second Amendment which has been revised since it went to Public Works.

Councilor Bushee asked Ms. DePietro to list these for her because she doesn't have that Memo.

Ms. DePietro said, "On Item number one, the Committee wanted to be very clear that the last sentence in that paragraph 'Any costs of the cafeteria expansion, exceeding \$1.4 million shall be borne solely by the tenant'."

Councilor Bushee asked if that is in here now, and Ms. DePietro said yes.

Ms. DePietro said, "On the next page, numbers two and three were completely revised to address questions and concerns from the members of the Public Works. So, the parties now are required to maintain a schedule of the deleted items, and that the tenant is now required to complete that work that is on that deferred maintenance list within three years from the date of the deleted item from the deferred maintenance schedule. And, that had been omitted from the first lease amendment."

Councilor Bushee said, "At their cost."

Ms. DePietro said, yes, it is at their cost.

Councilor Bushee asked, "Does that complicate things if they end up purchasing the campus... or it would still be theirs to deal with. Right."

Ms. DePietro said, "Uhhuh. And there's a separate section in the First Amendment, it's 1.4 that was completely deleted. And this goes to your question that any item that's deleted is performed by the tenant at its own expense, and in accordance with the completion date that actually gets established."

Councilor Bushee said, "Then what we're now looking at is the attendance figures."

Ms. DePietro said there is an attendance of 399 students in Fall 2010.

Councilor Bushee said, "And the promise was double that."

Ms. DePietro said, "I believe with the first Amendment there was a range between 700 and 800 students, yes, was the projection."

Councilor Bushee asked, "By when."

Ms. DePietro said, "It was to have been by the fall of 2010."

Councilor Wurzbarger arrived at the meeting

Councilor Bushee asked, "Were there incentives to... obviously you want us to approve this, but I didn't vote for it the first time, so I'm taking it off now to see... were they encouraged... I see advertising and I see activity, and I understand the economic times, but it also makes me question why now as well for the expansion if we're really not seeing the numbers they project."

Ms. DePietro said, "Well they had requested the ability to build the cafeteria for the incoming students, because the old cafeteria had been situated in the barracks, and there wasn't a fully functioning one, that was sort of the nature of the request."

Councilor Bushee asked, "When we did this whole arrangement, none of that was ever raised and we were given projections of 800 students by this Fall, which we are at now, so I guess my question is, are we pursuing that any further with them. I mean... I'm still going to vote against this like I did the first time, but I would hope that the rest of the Council and Committee would be interested in seeing the progress of the attendance."

Ms. DePietro said, "I believe the 399 students in the Fall 2010 is in line with the original *pro forma* to us, Councilor Bushee, and that they were hopeful in anticipating a larger student body in this fall semester."

Councilor Bushee said, "But you're still recommending this and suggesting that with the attendance level that this is going to be justified, and... I guess, originally, I guess... I also would like to go back to the original deal. Why wasn't this considered at that time. The cafeteria expansion as part of the arrangement."

Ms. DePietro said, "It was never part of the \$15 million deferred maintenance schedule. I can't say why it wasn't on the schedule."

Councilor Bushee said, "That's one of the first things out of the chute that they knew they wanted... I'll leave it at that. I'm going to vote against this."

Councilor Dominguez asked Ms. DePietro what the original projections were and what their ultimate goal is.

Ms. DePietro said, "Well this 399 in the Fall is right in line with their first full-year projection that they had. They had provided us with a five-year projection when we were initially negotiating the lease, and so on and so forth, so they're adhering to that projection. This came forward and was approved in March, this \$1.4 [million], because they had been using a makeshift building on the college campus to provide food for the students."

Councilor Dominguez asked, "If it is possible that with an improved facility they may be able to attract more students," and Ms. DePietro said, "It's possible."

Councilor Dominguez asked, "Is that kind of what their rationale is."

Ms. DePietro said, "They needed to be able to accommodate more students, and they couldn't with the facilities they had contained in their leasehold interest."

Councilor Dominguez said, "One of the questions and one of the concerns by, I think maybe it was Public Works, was that there was going to be a number of on-line options available to students, or... I'm not sure what term is, but where they can basically take classes on the computer from home. There was a concern that maybe the College was going to shift in that direction instead of an on campus facility.... long distance learning, I think it's called. Has that been discussed."

Ms. DePietro said, "We posed that question to them out of the Public Works Committee back in the summer, Councilor Dominguez, and didn't have a definitive answer in terms of the number of students that were on line, versus the number of students on the campus."

Councilor Dominguez said, "I know that on-line learning is something that's a little more affordable to students, and I think that's a good thing. However, I would want to know that there's going to be enough students to fill the cafeteria and that's the ultimate goal."

Councilor Wurzbarger said in the very beginning when we started negotiating, this was one of her concerns. She said, "I feel quite confident in saying on-line is an addition. Their *pro formas* are based on real live students, with bodies, needing to have food that have to be served in the cafeteria and beyond their projections."

Councilor Romero said, "Anybody who's eaten in that cafeteria knows it's not the best cafeteria. They don't even have the capability of processing food in the cafeteria, right. This expansion would allow preparation right in the cafeteria. I'm just trying to see what it would look like."

Ms. DePietro said, "Yes, Councilor Romero. Last year they actually hired a caterer to provide food for the students that were living on campus and going to school there. And, this is to allow food preparation for both preparation and service at the same time."

Councilor Romero said, "Is there any place, now that they're going to be able to prepare food, to encourage them to use local produce, like the Farmer's Market or other kinds of purchasing or policies. I'm fishing here, just trying to figure out ways to enhance the use of some of the local farmers. I think it's a recommendation from the Food Policy Council, so I'm just looking for direction on that."

Ms. DePietro said we can certainly ask them.

Councilor Bushee said, "Councilor Romero used the word "expansion," and that's my main objection, is that this should have put in as infrastructure need up front and bargained and negotiated. And this is being taken out of deferred maintenance. I'm grateful that you've taken some other items and thrown them back in the mix, but again, you know, if this was foreseen as something that was going to be needed right away it should have been dealt with right from the start. So, this is not something that should fall under deferred maintenance."

MOTION: Councilor Romero moved, seconded by Councilor Wurzbarger, to approve this request, with direction to staff follow-up on some of the food policy issues, and to deal with the still outstanding recommendations by the Public Works Committee, including attendance figures and the other items.

VOTE: The motion was approved on a voice vote, with Councilors Dominguez, Wurzbarger and Romero voting in favor of the motion and Councilor Bushee voting against.

14. **REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE PARKS AND OPEN SPACE ADVISORY COMMISSION, THE BICYCLE TRAILS ADVISORY COMMITTEE AND OTHER CITY COMMITTEES TO MAKE RECOMMENDATIONS REGARDING PRIORITIES FOR PARKS OPEN SPACE, TRAILS AND RECREATIONAL FACILITIES THAT HAVE NOT PREVIOUSLY BEEN FUNDED OR WERE UNDER FUNDED (COUNCILOR DOMINGUEZ). (FABIAN CHAVEZ). Committee Review: Parks and Open Space Advisory Commission (approved) 10/19/10; Public Works (approved) 10/25/10; and City Council (scheduled) 11/10/10. Fiscal Impact – No.**

Councilor Romero said she hoping we can include the RPA in the list on page 2, line 21 of the Resolution because they do have GRT dollars, and are including this in the priorities. She said they're looking at some of the Regional Parks.

Councilor Dominguez asked if all she wants is to ask the RPA to give us their priorities as well, and Councilor Romero said yes.

Councilor Dominguez said he isn't interested in taking this through the committees, but he doesn't mind them giving us their priorities.

Councilor Romero said on page 2, regarding prairie dog relocation, she would like to include the Wildlife Management Plan development on line 7.

Councilor Dominguez asked if we have a Wildlife Management Plan.

Councilor Romero said no, because we don't have the money.

Councilor Dominguez said if there was a Wildlife Plan to which we could refer, he would have no problem in doing that if that ever happens.

Councilor Romero said we "stir up the pot" with prairie dogs, but we have nothing to fall back on, which is a plan. She's looking for ways to fund a plan. She asked Fabian Chavez to speak to this.

Councilor Dominguez said he has no problem with it, saying he sees the "Whereas" as findings of fact, and if Councilor Romero is saying part of the findings is that we need a Wildlife Plan, he is okay with that as well.

Councilor Romero asked Fabian Chavez to speak to this issue, saying "I think the findings are that we need a Wildlife Plan."

Fabian Chavez said a request has been made to the Governing Body to develop a Wildlife Management Plan specifically for the Gunnison prairie dogs. He said the issue is more than just capture, holding and relocation. He said there are two outstanding issues with land from which we have removed prairie dogs. One is that there are still prairie dogs on contiguous property and we need to develop a way to fence or barrier those properties and monitor them which will have a financial impact. He said, secondly, we have been asked by the prairie dog advocates in Santa Fe to look to find a piece of land where the prairie dogs can stay. He said these are two of the things which would arise in the request for a prairie dog management plan.

Mr. Chavez said he doesn't have anyone on-site who has the scientific skills to draft a Prairie Dog relocation plan, and should be written by a wildlife biologist with rodent population experience.

Councilor Dominguez doesn't want a Wildlife Management plan to hold up this initiative, and doesn't know if Councilor Romero wants it considered as a priority, or she wants the Resolution to recognize the direction the Governing Body has given in this regard.

Councilor Romero suggested language which acknowledges we need a plan that works, and she is trying to figure out how to pay for it, noting the language could be for a Gunnison Prairie Dog Management Plan.

Mr. Chavez said this is correct, noting Boulder, Colorado has been managing prairie dogs in its city for 10 years, and their plan says what to do, what not to do, and how to manage them. He said we don't have a plan in the prairie dog ordinance, noting there is a requirement to relocate prairie dogs when they are in the way of development.

Councilor Dominguez said, "I would agree to whatever language has been approved by the Governing Body with regard to prairie dogs being included."

Chair Ortiz said the Council adopted a Resolution.

Councilor Romero said that is different from a plan.

Councilor Bushee noted we already spend money on prairie dog location, and asked how much we have spent "already."

Mr. Chavez said the current cost, including this year's contract and staff time is close to \$296,000.

Councilor Bushee asked if we could save money with a Plan and incorporated some volunteers into the management plan.

Mr. Chavez said, "That is certainly an interesting concept that we can look into."

Commissioner Dominguez said, "In terms of the Whereas, the language is what it is. The direction to staff is pretty clear in that it is directing them to start looking at some of these priorities and finding out what's underfunded and been underfunded in the past, and we start to consider those. But, I have no objection to recognizing.."

Chair Ortiz asked Councilor Romero if she has proposed language.

Councilor Romero said she does, but it doesn't appear that is going to work. She said she would like to give direction to Mr. Chavez to include this if it is a priority on his list. Councilor Romero said she is trying to fund the plan which we need.

Mr. Chavez said, "That's probably what will happen. As you move through the priorities in the survey, one of the things will be to prevent the expansion of colonies in there, so we'll probably fold that into the identified priorities and issues."

Responding to Councilor Dominguez, Councilor Romero said the intent was not to hold it up, but to figure out how we could move forward with the priorities with something that turned out to be more expensive than we ever dreamed of. The idea wasn't to hold it up."

MOTION: Councilor Romero moved, seconded by Councilor Dominguez, to approve this request with the inclusion of the language with regard to the RPA being able to submit its priorities, and with the direction to staff to include the wildlife management plan in their priorities.

DISCUSSION: Councilor Bushee said she thought this was to look to the voters with regard to new funds, and asked what this does in terms of existing funds.

Councilor Dominguez said he wants an updated Parks, Open Space, Trails Master Plan. He said his dilemma is there may not be enough trails/trail connections in various parts of the community which need to be considered which would then be identified for any future bonds.

Councilor Dominguez said he is not asking to rearrange the existing funds, he just wants to identify the current shortfalls and gaps, and come up with a new Parks Plan.

Councilor Bushee said on page 2, beginning on line 25 the Resolution says, "2. City staff shall prepare preliminary cost estimates for completing the projects and for maintaining and operating these projects as well as existing facilities that are currently funded." Councilor Bushee said we have yet to come up with a plan to pay for maintenance, whether new or old parks. She said it is okay to know what those costs will be, but we haven't found creative ways to fund those expansion. She would like staff to look at creating funding ideas to maintain the parks.

Councilor Bushee asked how we are going to manage the wildlife issue we have, noting Parks Bonds funds are being used to "pretty-up" the boulevard, and to put in infrastructure and plant trees, but it is a prairie dog burrowing ground. She said we currently are using money from the Parks Bond to manage the wildlife, and asked where we want to go in the future, pointing it is a cost and maintenance issue. Responding to the Chair she said this is one of Councilor Calvert's interests. She said she feels we aren't dealing with this issue.

VOTE: The motion was approved on a voice vote, with Councilors Dominguez and Romero voting in favor of the motion, Councilor Bushee voting against and Councilor Wurzbarger absent for the vote.

END OF CONSENT CALENDAR DISCUSSION

DISCUSSION

15. REQUEST FOR APPROVAL OF CHANGES TO CITY OF SANTA FE PURCHASING MANUAL – LOCAL PREFERENCE. (ROBERT RODARTE)

Chair Ortiz asked if the City can be doing more than this to keep the money circulating in the local community.

Mr. Rodarte said there other things. He is still researching things like minority percentages. He has not found another city that has a 10% local preference anywhere. He said Santa Fe probably is the highest in the nation, commenting he can't find anything close locally.

Proposed amendment to the draft. Mr. Rodarte would like to amend Section 3 on Local preference, to replace "physical location," with "principal office." said Section 3 on local preference. Section 3 says physical location should be "principal office." He explains that a lot of the big companies were able to find ways to say they have 20 people working here, or this is where their equipment is. He said this states that their principal office is here, and will eliminate this from happening.

Councilor Wurzbarger asked if we have we acted on this at BQL, and Mr. Rodarte said no. She said then we need to determine how to do that, noting she will speak with him after the meeting.

Councilor Wurzbarger said it is important to do outreach to the community to let people know how to get City contracts, and believes we should do that periodically. She was very encouraged with the attendance at the meeting.

Councilor Romero said she recalled discussing an on-line live version at Public Works, and asked if this is going to happen.

Mr. Rodarte said yes. He is meeting with the software provider about Civic Plus, and they're working with us to set up this type of process, and it's coming. He said the software has been purchased, and it's a matter of getting trained. He said we will notify the public, most likely, through the water bills that this is available. He said we will encourage to set up their business through the purchasing model at the website. He said when we do bids, RFQ's and even small purchase, a message will be sent to them via email that something of interest currently is "out there", if they've checked that particular category. He said they will be notified of things of interest which are coming in the future. He said we want to give them heads-up on things in the future, things that are active, as well as the results on RFPs and bids. He said they are working on these things right now.

Councilor Romero said she bids on contracts for her livelihood, and she usually goes in with another contractor because it is difficult to meet all the requirements as a small business person. She would like Mr. Rodarte to make our process as simple as possible so people can meet the qualifications.

Councilor Dominguez would like Mr. Rodarte to make a presentation at the next Public Works Committee.

Mr. Rodarte said he can do a power point on what they are planning to do and the status of that, but the system is not up and running at this time.

Councilor Dominguez said then he will wait to put him on the agenda until it is up and running.

Councilor Dominguez said the City has no influence over the public schools in getting them to use local contractors, noting the Schools just did a bond issue. He asked if there is a creative way for the City

to encourage them to use local contractors for their capital projects, and if this could be included in our MOUs and agreements with the school.

Mr. Rodarte said we have to consider the schools are mandated to follow the State procurement process, and can't follow Home Rule procurement. He said the Schools do piggyback on some of our contracts occasionally. He said he can look into this, and keep working with them.

Councilor Dominguez said we just went through the process of approving an MOU with the Schools, and we are working on space at Alvord. He would like for us to use our influence to get them to spend what is the community's money here in the community. He understands the issues.

Chair Ortiz said he tried doing that as a condition of acceptance of a contract by all contractors. However, it works with some such as Homewise, but there are problems where the entity must follow another statutory authority.

Mr. Rodarte pointed out that it is necessary to follow certain rules when using federal grant funds.

Mr. Rodarte said he met recently with Superintendent Gutierrez, her procurement staff and some of the Board members along with City Manager Romero. He said they definitely are willing to work with us on a lot of issues.

Councilor Bushee said she received a question regarding Redfex from one of her constituents, asking why we are sending our money to Arizona.

Mr. Rodarte said sending the money to Arizona was an option in negotiating the contract. He said the City's past history in collections is very poor, and to do this would mean adding positions and such. He said it was decided, based on our history, to let Redfex manage the entire process. He said we didn't lose any money in doing this.

Councilor Bushee asked if we are getting the GRTs on the fines.

Mr. Rodarte said he doesn't know the answer, but he will research it and report back.

Councilor Wurzbarger asked if we can build-in a requirement in our contracts that the person has to do open advertisement for subcontractors and such.

Mr. Rodarte said this is possible, noting TLC Plumbing advertises locally for subcontractors. He suggested we could pay a stipend to bidders to pay for the advertising in the newspaper, and reimburse them from the project fund.

MOTION: Councilor Wurzbarger moved, seconded by Councilor Romero, to approve this request, including the language change mentioned by Mr. Rodarte.

DISCUSSION: Councilor Romero said in moving forward, as you look at the changes which can be made

for local preference, please keep in mind that we don't have any say with other governments, whether it is State, Tribal, County, federal or public schools, and we are just looking at ways to collaborate. She is always cautious about trying to make other governments do things that they don't have to do legally. We need to acknowledge other jurisdictions.

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

16. REQUEST FOR DIRECTION AND APPROVAL OF 2011 LEGISLATIVE PRIORITIES. (ROBERT ROMERO).

Chair Ortiz questioned why we are going through this exercise, noting we are in a historic "black hole," in terms of funds which will be available, and asked the point. He asked if our strategy is just to go to the MFA as the only place with money.

Mark Duran said we will go to the Water Trust Board for our water priorities. He said there will be severance tax bond money available, but it is yet to be decided by the leadership as to how to pursue projects with those funds. He said they have two choices: they can spend the money or let it revert back to the principal. If they spend the money it would be spent for statewide priorities. He said we could make an argument that the Police facility is possibly a statewide priority, but that will be hard to do. He said Chair Ortiz is correct and it will be a very difficult Legislative session from a capital outlay perspective. He said there also are statutory and tax matters, especially the hold harmless clause we were able to defeat last session.

Chair Ortiz noted that Councilor Trujillo hasn't seen the list because he was excused from the Public Works Committee meeting when it was discussed. He said he will reserve for Councilor Trujillo the ability to comment on the list, noting he doesn't know what ADA intersection is being discussed, and he is okay with the median/sidewalk improvement.

MOTION: Councilor Dominguez moved, seconded by Councilor Romero, to approve this request, with direction to Staff that Councilor Trujillo has the right to review and comment on the list before final approval.

VOTE: The motion was approved on a voice vote, with Councilors Dominguez and Romero voting in favor of the motion, no one voting against, and Councilors Bushee and Wurzbarger absent for the vote.

17. OTHER FINANCIAL INFORMATION:

A. CONTINUING DISCUSSION, REPORTS AND RECOMMENDATION OPTIONS ON STATUS OF FISCAL YEAR 2010/2011 BUDGET. (KATHRYN RAVELING AND ROBERT ROMERO)

A copy of "City of Santa Fe, Fiscal Year 2010/2011, Number of Authorized Positions," provided by the City Manager, is incorporated herewith to these minutes as Exhibit "1."

Robert Romero reviewed the information on pages 2 and 3 of the Committee packet. Please see pages 2 and 3 or specifics of this presentation. He noted column 1 lists what we used when we were working on this year's budget, column 2 lists what was approved by the Council, and column 3 lists the additional 2010/2011 gaps. He noted there is a potential gap of \$2.8 million in the current fiscal, and staff will be looking at ways to resolve that by the end of the fiscal year.

The Committee commented, made suggestions and asked questions as follows:

- Chair Ortiz said then you're projecting the \$1 million shortfall on vacancy savings because you thought that we were going to hold firmer on keeping those positions open, and in fact we filled them, and that is the gap.
- Mr. Romero said, "No. It's more that people aren't leaving. You know, we've filled very few positions and we've come through with maybe a half dozen in the General Fund, and so we're not hardly filling anything, but it's just in past years, we'd have a lot more people leaving, and they're just not leaving this year."
- Councilor Dominguez said, when you're saying people aren't leaving, was the projection at the beginning that a certain number of people would leave.
- Mr. Romero said yes. He said the normal trend is people leave positions, and by the time we fill it, in the end there is a 4% savings.
- Councilor Bushee asked, with regard to the transfer of the Senior Centers in the county, what is happening on that.
- Mr. Romero said he spoke with the County Manager and we're hoping to finalize that by the end of the fiscal year.
- Councilor Bushee asked what we over-estimated there.
- Mr. Romero said we thought we would save \$370,000 a year, but we will save only \$170,000, noting it was just a mistake in the calculation.
- Councilor Bushee asked about the school exchange - what were we going to get from the school.
- Mr. Romero said the MOU provided that we could exchange services. He said the schools said they couldn't find anybody to sweep their parking lots, so we analyzed what it would cost the City to do that. He said the City did approve the MOU. He said right now the schools are thinking that they have to put it out to bid, and we may be able to put in a bid, noting we are unsure. He said the City was going to get \$50,000 from the Schools to sweep the parking lots twice a year. He said the whole thing is only \$100,000.
- Councilor Bushee asked if the move to Alvord School is going to happen.

Mr. Romero said staff is still looking at that, and we will be bringing the lease forward. He said we have told the Schools we don't want to pay anything to we are in the building, so it is hoped we won't have to pay anything until the next fiscal year. He said we are asking the Schools to reduce our rent, and use some of those funds for the tenant improvements. Staff is actively working on this and he will be bringing that forward soon.

- Councilor Bushee asked about the Health Fund Reserve, noting that saved us last time, but she presumes it can't be done this time. She asked if there are any unanticipated costs.

Mr. Romero said once we made it very clear to staff that going to the emergency room is costing the City a lot of money, noting that use went down almost 30% last year, and we think it might be even less this year.

Mr. Romero said he's not talking about any of these ideas right now, but they are there, and staff is still doing the study to see what is best. He said, although we have a healthy fund balance right now, that can get gobbled up very quickly. He said the study results should be ready by mid-year.

- Mr. Romero said Albuquerque, Bernalillo County and Valencia County have a program, noting he is looking at all options. is option.
- Councilor Bushee said then you're not going to offer any solutions right now for the \$2.8 million.

Mr. Romero he's working on these, but he wanted to bring these forward a little early.

- Councilor Bushee would like reassurances that he's not planning to use reserves or recommend raising taxes.

Chair Ortiz said this Committee could give direction in this regard.

Mr. Romero said he can't give any assurances, commenting that he hasn't figured out how to address this shortfall, noting we have 8 months to address it. He said they will come back every meeting and talk about how to try solve it.

- Councilor Bushee wants to know when we are going to start, and wants his answers.

Mr. Romero said we are starting now and he will come back with those as soon as possible.

Mr. Romero reviewed Packet Page 3, noting there is an expected budget gap of \$7.7 million and he will be looking at different things, noting he is doing an analysis.

The Committee commented, made suggestions and asked questions as follows:

- Councilor Bushee said then there's no more money from the Water Company.

Mr. Romero said that could happen, but right now he's looking at the gaps, and he needs to look at all of these other things to try to close that gap, noting that analysis is being done right now. He said all of these things are still options.

- Councilor Wurzbarger said one option which is off the table, is that we can no longer go into reserves, because the reserves we have are required by law.

Mr. Romero said there are very few reserves, the one potential is the water payback.

Councilor Wurzbarger said she just wants everybody to know that using reserves is not an option.

- Councilor Dominguez asked what is “Move Inmate to CIP”.

Mr. Romero said this is to pay for the vehicle and the guard that goes out with the inmates, noting for \$45,000, we get inmates to clean the medians and such.

Chair Ortiz said we will be dealing with these two pages for some time.

- Chair Ortiz said Packet page 4 has the answers to questions summarized by staff, that came out of the last Finance Committee meeting, and asked if the Committee has additional questions, or need clarification.
- Councilor Bushee asked what we are going to do on the homeless shelter. If there is no CIP bond, what funds will be used to repay the City.

Mr. Romero said that was approved based on issuing a future bond, noting the City has 1½ years to issue a bond.

Chair Ortiz said if we don't get the bond, then the budget gap could be \$8.7 million.

- Councilor Romero asked about the vehicle take home policy. She and Councilor Bushee have been in those discussions, and would like to know the actual cost. She asked if it would be possible to get a one-page list of the real costs.

Mr. Romero said that would be annual cost, noting it doesn't take into consideration the replacement of the vehicles. He said this is from last year, and he's going to come up with some ideas this year.

- Councilor Romero said the Task Force was formed to evaluate the take-home policy, and since it relates to the budget, she would like a one-page summary of the actual costs, so we can have a better discussion.

Chair Ortiz recalls there was a Memorandum in last year's budget materials about the vehicle take-home policy, and suggested that could be the starting point, and then updated in light of the task force.

- Councilor Wurzbarger said she would hope, after all this time, that we've moved beyond the idea that the true cost is the car, and should also include the cost to the City of people living in Albuquerque or Rio Rancho, because they are not buying here because they are not living in this community. She said we're not just talking about gasoline. She said she wants to be sure we are not dealing just with a car cost.
- Councilor Dominguez said, with regard to Item #5, he wants the figures to go with the problem funds when we discuss this again.
- Councilor Dominguez asked if it would be possible to break-out the information on the total authorized positions by Department.

Mr. Romero said yes, and they will bring more detail to the next meeting.

- Councilor Dominguez said the BDD Water Treatment positions are included, but many are not filled yet, and he presumes these positions are for expansion. He would like that detail as well.

Ms. Raveling said many of those positions are being advertised.

Mr. Romero said he will break those out appropriately. However, these positions are in the enterprise fund, and the gap is just for the General Fund.

- Councilor Bushee asked what is meant by "Move GF staff to Enterprise Funds."

Mr. Romero said these are positions which are eliminated in the General Fund, and the staff were moved to Enterprise Fund positions we felt they could fill.

- Councilor Bushee asked if we could look at recreation separately.

Mr. Romero said he is already looking at that, noting we will be looking at everything.

Councilor Bushee said this is a heavily subsidized area, and we may need to look at reducing hours and such.

Mr. Romero said we will be looking at a lot of things. He said he always felt, for example, that a hard freeze is inappropriate, such as in transit. He said if we don't fill the bus driver positions, then we have to pay other people overtime. He said we are now hiring them as temps, so we can let them go if we have to reduce services.

Councilor Dominguez asked the procedure for moving forward and would like the timeline.

Chair Ortiz said the discussion has started, and this will be a regular item on the Committee agenda and as a part of the discussion on taxes.

Chair Ortiz said he would request that we extend an invitation to the collective bargaining units to attend these discussions so they can't say, after the fact, that this was "sprung on them."

Councilor Dominguez would like that discussion sooner, rather than later

Mr. Romero said he went over this material today with AFSCME, and AFSCME asked if we could set up a committee to try to resolve this issue together.

Chair Ortiz said we need to get all of the bargaining units together at one time to do this.

Mr. Romero said he will extend an invitation to all of the bargaining units.

18. MATTERS FROM THE COMMITTEE

There were no matters from the Committee.

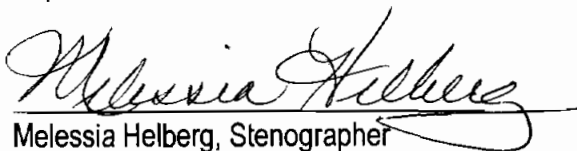
19. ADJOURN

There was no further business to come before the Committee, and the meeting was adjourned at approximately 6:30 p.m.

Matthew E. Ortiz, Chair

Reviewed by:

Kathryn L. Raveling, Director
Department of Finance


Melessia Helberg, Stenographer