



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
FEBRUARY 28, 2011 – 5:00 PM

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

FEBRUARY 14, 2011

CITY CLERK'S OFFICE

DATE 2/28/11 TIME 9:30am  
SERVED BY Yolanda Breen  
RECEIVED BY [Signature]

## CONSENT AGENDA

6. BID OPENINGS:
  - A. BID NO. 11/02/B – ST. FRANCIS DRIVE/ARROYO DE LOS CHAMISOS MULTI-USE TRAIL AND UNDERPASS AND CONSTRUCTION AGREEMENT; DAVID MONTOYA CONSTRUCTION, INC. (LEROY PACHECO) (Postponed at Finance Committee meeting of February 14, 2011)
    1. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 1 – CUSTOM CONCRETE FORM LINERS (ANTI-GRAFFITI ENHANCEMENT); DAVID MONTOYA CONSTRUCTION, INC. (LEROY PACHECO)
  - B. BID NO. 11/22/B – EMERGENCY REPAIR FOR OPERATIONS AND MAINTENANCE AND CONSTRUCTION AGREEMENT FOR WATER DIVISION; ALPHA SOUTHWEST, INC. (MICHAEL GONZALES)
  - C. BID NO. 11/28/B – ONE (1) FRONT-LOADING COLLECTION UNIT FOR SOLID WASTE DIVISION; RUSH TRUCK CENTER/PENDPAC (LAWRENCE GARCIA)
  - D. BID NO. 11/30/B – LIGHTING RETROFITS FOR INTERSECTIONS WITHIN THE CITY; LED ROADWAY LIGHTING, LTD (NICK SCHIAVO)
7. REQUEST FOR APPROVAL OF AGREEMENT BETWEEN OWNER AND LANDSCAPE ARCHITECT – SOUTHWEST ACTIVITY NODE PARK – MASTER PLAN DESIGN (RFP #11/08/P); DESIGN OFFICE, LLC (MARY MACDONALD)



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- A. REQUEST FOR APPROVAL OF BUDGET TRANSFER – WIP DESIGN FUND
8. REQUEST FOR APPROVAL OF MEMORANDUM OF UNDERSTANDING – CONSTRUCTION OF EL CAMINO REAL TRAIL ALONG THE SANTA FE RIVER FROM NM 599 TO AGUA FRIA STREET; SANTA FE COUNTY (BRIAN DRYPOLCHER)
  9. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – SECURITY SERVICES FOR SANTA FE MUNICIPAL AIRPORT; ASI OF NEW MEXICO, LLC (JIM MONTMAN)
  10. REQUEST FOR APPROVAL OF FOURTH RENEWAL OF LEASE AGREEMENT – ADDITIONAL PARKING FOR HEALTH CLUB; SANTA FE HEALTH CLUB, LLC BY JOHN MONTOYA, MANAGING MEMBER (EDWARD VIGIL) (Postponed at Finance Committee meeting of January 31, 2011)
  11. REQUEST FOR CONCEPT APPROVAL OF SALE OF REAL ESTATE – PROPERTY LOCATED AT 1164 CAMINO SAN ACACIO; ROBERT MARTINEZ AND BETTY MARTINEZ (EDWARD VIGIL)
  12. REQUEST FOR APPROVAL OF A MEMORANDUM OF AGREEMENT – SANTA FE TRAILS FY 2010/2011 RIDEFINDERS PROGRAM FOR TRANSIT DIVISION; NEW MEXICO STATE DEPARTMENT OF TRANSPORTATION (JON BULTHUIS)
  13. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – ADVERTISING FOR WINTER FIESTA EVENT FOR SANTA FE CONVENTION AND VISITORS BUREAU; TKO ADVERTISING, INC. (KEITH TOLER)
  14. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – SHELTER STRAY ANIMALS RETRIEVED BY THE CITY OF SANTA FE ANIMAL SERVICES DIVISION; SANTA FE ANIMAL SHELTER (POLICE CHIEF ARIC WHEELER)
  15. REQUEST FOR APPROVAL OF A RESOLUTION WELCOMING THE SUBARU TRAIL CREW TO SANTA FE AND DIRECTING STAFF TO ENTER INTO AN AGREEMENT WITH THE SANTA FE FAT TIRE SOCIETY AND THE TRAILS ALLIANCE OF SANTA FE TO COMPLETE TRAIL PROJECT 10, A QUARTER MILE CONNECTING TRAIL IN LA TIERRA. (COUNCILOR BUSHEE) (BOB SIQUEIROS)



# Agenda

FINANCE COMMITTEE MEETING  
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FEBRUARY 28, 2011 – 5:00 PM

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**Committee Review:**

Public Works (approved)	02/21/11
Council (scheduled)	03/09/11

Fiscal Impact – No

16. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO PROCEED WITH A COMMUNITY PLANNING PROCESS FOR THE ST. MICHAEL'S DRIVE AREA THAT WILL RESULT IN FORM-BASED OVERLAY STANDARDS AND OTHER IMPLEMENTATION STEPS THAT FOCUS ON DEVELOPING CREATIVE AND CULTURAL INDUSTRIES ALONG THE CORRIDOR, AND ESTABLISHING A VIBRANT AND INNOVATIVE COMMUNITY, STREETSCAPE ENHANCEMENTS AND COMPLIMENTARY ADJOINING LAND AND ECONOMIC DEVELOPMENT. (COUNCILORS ROMERO AND WURZBURGER) (REED LIMING)

**Committee Review:**

Public Works (postponed)	12/06/10
Public Works (approved)	02/21/11
Council (scheduled)	03/09/11

Fiscal Impact – Yes

17. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO STUDY THE RM1 DISTRICT LOCATED NORTH OF EAST ALAMEDA STREET BETWEEN ARMIJO STREET AND LORENZO LANE AND THE RM1 DISTRICT LOCATED EAST OF BISHOPS LODGE ROAD AND NORTH OF PASEO DE PERALTA; TO EVALUATE THE RM1 DISTRICT ZONING; AND TO MAKE RECOMMENDATIONS TO THE GOVERNING BODY AS TO THE NECESSITY OR APPROPRIATENESS OF A CITY INITIATED DOWNZONING. (COUNCILORS CALVERT AND BUSHEE) (MATT O'REILLY)

**Committee Review:**

Public Works (approved)	02/21/11
Council (scheduled)	03/09/11

Fiscal Impact – No

18. REQUEST FOR APPROVAL OF A RESOLUTION AMENDING THE CITY OF SANTA FE PERSONNEL RULES AND REGULATIONS CAPPING ADMINISTRATIVE, SICK AND PERSONAL LEAVE BALANCES (COUNCILOR ORTIZ) (VICKI GAGE) (Postponed at Finance Committee meeting of February 14, 2011) (**Postpone to March 21, 2011**)



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
FEBRUARY 28, 2011 – 5:00 PM

Committee Review:

City Council (scheduled)

03/30/11

Fiscal Impact - Yes

19. REQUEST FOR APPROVAL OF AN ORDINANCE DECLARING A FINANCIAL EMERGENCY AND REQUIRING LIMITS ON GENERAL FUND PERSONNEL COSTS AND/OR CALLING FOR A SPECIAL ELECTION TO DETERMINE SPECIFIC REVENUE ENHANCEMENTS (COUNCILOR ORTIZ) (KATHRYN RAVELING) (Postponed at Finance Committee meeting of February 14, 2011) **(Postpone to March 21, 2011)**

**Committee Review:**

City Council (request to publish)

03/30/11

City Council (public hearing)

04/27/11

Fiscal Impact - Yes

***END OF CONSENT AGENDA***

**DISCUSSION**

20. REQUEST FOR APPROVAL OF CONSIDERATION TO FILL VACANT POSITION (ROBERT ROMERO)
21. OTHER FINANCIAL INFORMATION:
- A. UPDATE ON ANNUAL AUDIT OF FY 2009/2010 OPERATIONS OF SANTA FE RAILYARD COMMUNITY CORPORATION PERFORMED BY BARRACLOUGH AND ASSOCIATES, P.C. (KATHRYN RAVELING)
  - B. UPDATE ON GROSS RECEIPTS TAX REPORT RECEIVED IN FEBRUARY 2010 (FOR DECEMBER 2010 ACTIVITY) AND LODGERS' TAX REPORT RECEIVED IN DECEMBER 2010 (FOR NOVEMBER 2010 ACTIVITY) (KATHRYN RAVELING)
  - C. UPDATE ON CITY OF SANTA FE INVESTMENT PORTFOLIO AS OF DECEMBER 31, 2010 (HELENE HAUSMAN)



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
FEBRUARY 28, 2011 – 5:00 PM

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

22. MATTERS FROM THE COMMITTEE

23. 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, February 28, 2011

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER & 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: FEBRUARY 14, 2011 REGULAR FINANCE COMMITTEE MEETING	Approved	4
<u>CONSENT CALENDAR DISCUSSION</u>		
REQUEST FOR APPROVAL OF A RESOLUTION WELCOMING THE SUBARU TRAIL CREW TO SANTA FE AND DIRECTING STAFF TO ENTER INTO AN AGREEMENT WITH THE SANTA FE FAT TIRE SOCIETY AND THE TRAILS ALLIANCE OF SANTA FE TO COMPLETE TRAIL PROJECT 10, A QUARTER MILE CONNECTING TRAIL IN LA TIERRA (COUNCILOR BUSHEE) *****	Substitute Resolution approved	4-5
END OF CONSENT CALENDAR DISCUSSION *****		
<u>DISCUSSION</u>		
REQUEST FOR APPROVAL OF CONSIDERATION TO FILL VACANT POSITION	Approved	5
<u>OTHER FINANCIAL INFORMATION</u>		
UPDATE ON ANNUAL AUDIT OF FY 2009/2010 OPERATIONS OF SANTA FE RAILYARD COMMUNITY CORPORATION PERFORMED BY BARRACLOUGH AND ASSOCIATES, P.C.	Information/discussion	5-6
UPDATE ON GROSS RECEIPTS TAX REPORT RECEIVED IN FEBRUARY 2010 (FOR DECEMBER 2010 ACTIVITY) AND LODGERS' TAX REPORT RECEIVED IN DECEMBER 2010 (FOR NOVEMBER 2010 ACTIVITY)	Information	6

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
UPDATE ON CITY OF SANTA FE INVESTMENT PORTFOLIO AS OF DECEMBER 31, 2010	Information	6
<u>CONTINUING DISCUSSION, REPORTS AND RECOMMENDATION OPTIONS ON STATUS OF FISCAL YEAR 2010/2011 BUDGET</u>		
POLICE DEPARTMENT	Presentation/discussion/direction	6-21
FIRE DEPARTMENT	Presentation/discussion/direction	22-30
MATTERS FROM THE COMMITTEE	Information/discussion	30-32
ADJOURN		32

**MINUTES OF THE  
CITY OF SANTA FE  
FINANCE COMMITTEE**  
Monday, February 28, 2011

**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 5:00 p.m., on Monday, February 28, 2011, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

**2. ROLL CALL**

**MEMBERS PRESENT:**

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

**MEMBERS EXCUSED:**

Councilor Patti J. Bushee

**OTHER GOVERNING BODY MEMBERS PRESENT:**

Mayor David Coss  
Councilor Christopher Calvert  
Councilor Ronald S. Trujillo

**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**

Ms. Raveling said Agenda Items #18 and #19 are postponed to the next meeting of the Committee.



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

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

#### **4. APPROVAL OF CONSENT AGENDA**

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

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

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#### **CONSENT AGENDA**

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#### **6. BID OPENINGS:**

A. BID NO. 11/02/B – ST. FRANCIS DRIVE/ARROYO DE LOS CHAMISOS MULTI-USE TRAIL AND UNDERPASS AND CONSTRUCTION AGREEMENT; DAVID MONTOYA CONSTRUCTION, INC. (LEROY PACHECO). (Postponed at Finance Committee meeting of February 14, 2011)

1. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 21 – CUSTOM CONCRETE FORM LINERS (ANTI-GRAFFITI ENHANCEMENT); DAVID MONTOYA CONSTRUCTION, INC. (LEROY PACHECO)

B. BID NO. 11/22/B – EMERGENCY REPAIR FOR OPERATIONS AND MAINTENANCE AND CONSTRUCTION AGREEMENT FOR WATER DIVISION; ALPHA SOUTHWEST, INC. (MICHAEL GONZALES)

C. BIG NO. 11/28/B – ONE (1) FRONT-LOADING COLLECTION UNIT FOR SOLID WASTE DIVISION; RUSH TRUCK CENTER/PENDPAC. (LAWRENCE GARCIA)

D. BIG NO. 11/30/B – LIGHTING RETROFITS FOR INTERSECTIONS WITHIN THE CITY; LED ROADWAY LIGHTING, LTD. (NICK SCHIAVO)

7. REQUEST FOR APPROVAL OF AGREEMENT BETWEEN OWNER AND LANDSCAPE ARCHITECT – SOUTHWEST ACTIVITY NODE PARK – MASTER PLAN DESIGN (RFP #11/08/P); DESIGN OFFICE, LLC. (MARY MacDONALD)

A. REQUEST FOR APPROVAL OF BUDGET TRANSFER – WIP DESIGN FUND.

8. REQUEST FOR APPROVAL OF MEMORANDUM OF UNDERSTANDING – CONSTRUCTION OF EL CAMINO REAL TRAIL ALONG THE SANTA FE RIVER FROM NM 599 TO AGUA FRIA STREET; SANTA FE COUNTY. (BRIAN DRYPOLCHER)
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14. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – SHELTER STRAY ANIMALS RETRIEVED BY THE CITY OF SANTA FE ANIMAL SERVICES DIVISION; SANTA FE ANIMAL SHELTER. (POLICE CHIEF ARIC WHEELER)
15. *[Removed for discussion by Chair Ortiz]*
16. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO PROCEED WITH A COMMUNITY PLANNING PROCESS FOR THE ST. MICHAEL'S DRIVE AREA THAT WILL RESULT IN FORM-BASED OVERLAY STANDARDS AND OTHER IMPLEMENTATION STEPS THAT FOCUS ON DEVELOPING CREATIVE AND CULTURAL INDUSTRIES ALONG THE CORRIDOR, AND ESTABLISHING A VIBRANT AND INNOVATIVE COMMUNITY STREETScape ENHANCEMENTS AND COMPLIMENTARY ADJOINING LAND AND ECONOMIC DEVELOPMENT (COUNCILORS ROMERO AND WURZBURGER). (REED LIMING) Committee Review: Public Works (postponed) 12/06/10; Public Works (approved) 02/21/11; and Council (scheduled) 03/09/11. Fiscal Impact – Yes.
17. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO STUDY THE RM1 DISTRICT LOCATED NORTH OF EAST ALAMEDA STREET BETWEEN ARMIJO STREET AND LORENZO LAND AND THE RM1 DISTRICT LOCATED EAST OF BISHOPS LODGE ROAD

AND NORTH OF PASEO DE PERALTA; TO EVALUATE THE RM1 DISTRICT ZONING; AND TO MAKE RECOMMENDATIONS TO THE GOVERNING BODY AS TO THE NECESSITY OR APPROPRIATENESS OF A CITY INITIATED DOWNZONING (COUNCILORS CALVERT AND BUSHEE). (MATT O'REILLY) Committee Review: Public Works (approved) 02/21/11; and Council (scheduled) 03/09/11. Fiscal Impact – No.

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#### END OF CONSENT AGENDA

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#### 5. APPROVAL OF MINUTES: FEBRUARY 14, 2011 REGULAR FINANCE COMMITTEE MEETING.

**MOTION:** Councilor Dominguez moved, seconded by Councilor Romero, to approve the minutes of the Regular Finance Committee Meeting of February 14, 2011, as presented.

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

#### CONSENT CALENDAR DISCUSSION

15. REQUEST FOR APPROVAL OF A RESOLUTION WELCOMING THE SUBARU TRAIL CREW TO SANTA FE AND DIRECTING STAFF TO ENTER INTO AN AGREEMENT WITH THE SANTA FE FAT TIRE SOCIETY AND THE TRAILS ALLIANCE OF SANTA FE TO COMPLETE TRAIL PROJECT 10, A QUARTER MILE CONNECTING TRAIL IN LA TIERRA (COUNCILOR BUSHEE). (BOB SIQUEIROS) Committee Review: Public Works (approved) 02/21/11 and Council (scheduled) 03/09/11. Fiscal Impact –

A copy of a Substitute Resolution from the BTAC, is incorporated herewith to these minutes as Exhibit "1."

Bob Siqueiros said the Resolution was sent to BTAC and Public Works, and BTAC requested that this be done with volunteers, and that the clause requiring an Agreement with Subaru wouldn't be required.

**MOTION:** Councilor Dominguez moved, seconded by Councilor Romero, to approve the Substitute Resolution.

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

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**END OF CONSENT CALENDAR DISCUSSION**

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**DISCUSSION**

*Councilor Wurzbarger arrived at the meeting*

**20. REQUEST FOR APPROVAL OF CONSIDERATION TO FILL VACANT POSITION. (ROBERT ROMERO)**

Chair Ortiz asked the benefit to filling this position as opposed to not filling it.

Mr. Romero said it is important to read meters accurately, and to be sure the City bills its customers correctly. Responding to the Chair, Mr. said this is an existing position which became vacant recently.

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

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

**21. OTHER FINANCIAL INFORMATION:**

**A. UPDATE ON ANNUAL AUDIT OF FY 2009/2010 OPERATIONS OF SANTA FE RAILYARD COMMUNITY CORPORATION PERFORMED BY BARRACLOUGH AND ASSOCIATES, P.C. (KATHRYN RAVELING)**

Councilor Dominguez asked staff to discuss any glaring findings in the report.

Ms. Raveling said there are no findings in the update, noting it is composed of the various financial information and notes to the financial information.

Councilor Dominguez asked if all of the leases are in good order, and Ms. Raveling said yes.

Councilor Romero asked if the report will indicate any past due rents, and asked if the Committee needs to request a separate list of those.

Ms. Raveling said she will request a list of past due rents, which would include all past due rents to date.

**B. UPDATE ON GROSS RECEIPTS TAX REPORT RECEIVED IN FEBRUARY 2010 (FOR DECEMBER 2010 ACTIVITY) AND LODGERS' TAX REPORT RECEIVED IN DECEMBER 2010 (FOR NOVEMBER 2010 ACTIVITY). (KATHRYN RAVELING)**

Ms. Raveling said the information is in the Committee packets.

**C. UPDATE ON CITY OF SANTA FE INVESTMENT PORTFOLIO AS OF DECEMBER 31, 2010. (HELENE HAUSMAN)**

Ms. Hausman said the table on packet page 19, shows the interest received. She said there was an increase in investment income from the Investments which were called and came in early. She said this is entirely driven by the finance market, and "our interest comes when it comes," and the date of receipt "varies all over the place." She said the one bright spot is that interest at the end of December was 1.03%, which is a little better than she thought it would be, noting it is because they rolled CDs over locally with rates higher than she projected. She said we now are a little bit above budget.

Ms. Hausman noted there is a handout from U.S. Bank which took over First Community Bank in January 2011. She said she met with them and discussed possibilities for investment, but she is waiting until the change over is a little more settled. She noted it is a four-star bank.

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

A copy of "Proposed/Possible Budget Balancing Measures, Fiscal Year 2011-12," for the Police Department, is incorporated herewith to these minutes as Exhibit "2." Chief Wheeler noted this version replaces the one in the Committee packet.

**1. POLICE DEPARTMENT**

Chief Wheeler noted, as directed, staff has reviewed the information to look for cost savings and revenue generating activities. He said one number that appeared to be in error was the revenue from the Red Light Camera Program noting the correction is indicated on Exhibit "2," which is an update of the page that went out in the packet. He said this changes his recommendation based on the larger amount of revenue which will be generated from the Red Light Camera Program.

Chair Ortiz clarified that the revenue is \$2.5 million instead of \$70,000.

Chair Wheeler said this is correct. He said they spend a lot of time today evaluating that number and talking to RedFlex and others, and determined that each location could generate approximately \$1 million in revenue.

Chief Wheeler reviewed the proposed/possible budget balancing measures in Exhibit "2." Please see Exhibit "1" for specifics of this presentation.

Chief Wheeler said the possible extreme budget balancing measures at the bottom of the page are things he wouldn't like to go into, but felt it was only fair to provide this information for consideration by this Committee.

Chair Ortiz said members of the Police Officers Association are in attendance, and asked if they have commentary or information for this Committee in terms of the proposed cost cutting. He said this offer also extends to AFSCME as well as the Firefighters Association.

**Sgt. Allen Lopez, President, Police Officers Association.** Sgt. Lopez said he appreciates the meetings with Mayor, saying he gave his word to the Mayor that the POA would go to the table and look at everything, commenting they understand the current financial crisis. He said he gave his word to the Mayor that they would go into the contract and cut in many different areas. He said many of the things which have been proposed by the Chief are in the contract. He is concerned that the City Manager and the Police Chief would propose to cut things on which they are negotiating in good faith. He said they have been negotiating the 8 and 12 hour shifts for a long time.

Sgt. Lopez said, "The City Manager and the Chief are violating the contract to such a degree that I had to go file a District Court Order, an injunction stopping them. We were doing good faith negotiations and we stopped it on February fourteenth. And on February 14, we were given a direct order by the Chief to change the shifts without going through further contract negotiations."

Sgt. Lopez continued, "I just want to talk about the wellness of officers and what we go through, because I think a lot of people forget what we do in our careers and we put our lives on the line for citizens and our family members. And it's very important that the community and that everybody hears what I have to say here, because the Department has been sponsored... what you call a peer support group and has been supported by you Mayor, and I thank you for it... because for many years we've been without this, and now it's being implemented. And in this we have a Dr. Gil Martin who comes in and does our training, with very solid and good statistics he has brought forth... that he has shown that the more an officer places... or the more he works and the time that he works, that the stress goes up. We take the stress home to our family members, and what does it do. What do we do. What kind of calls do we do. How do we protect the community when we go to homicides. We go to suicides. We go to domestics. We arrest people for DWI that cause fatalities and family members and we have to go to the scene, and we see little children killed by a drunk driver. And fights of all kinds. It's not happy calls that we go to, and there's a reason we're on twenty-year retirement... because the stress level eats away at our souls and our bodies and our minds, and we take them home."

Sgt. Lopez continued "And through these statistics and this training, it is shown over and over, you need to have some kind of relief. And the less hours we work and putting into the community, the better off we're going to be in saving our lives and our homes. We take it home. And what happens to us when we don't have the proper training and proper relief – we commit suicides. In my career, I've had two close officers commit suicide. And that comes home to you. It was a Sergeant and a line officer. And what else does it cause. It causes alcohol and drug abuse. In my career I've had another officer very close to me, that he drank so bad that he got cirrhosis of the liver and died. Forty something years old, because of the stress level it was causing him. It causes divorce. Statistics show that... I would say that 80% of the law enforcement officers in their career will get divorced. Here I am. I got divorced. It happens."

Sgt. Lopez continued, "And the more that you... I should put it this way.... the more the schedules are looked at and changed, without proper negotiation, it affects us. It causes such a morale issue that when the City met... our chiefs cannot tell the City Manager, hey this is wrong. And that we would have to do a no confidence vote against the City Manager some time back, because of the issues that were being brought forth, that the morale issue of all our force, including our Captains and our Lieutenants, but they can't speak out because they are afraid of getting fired and retaliated against. This is a problem. We were in good faith at the table, and we were negotiating. We were asking about figures, and I'm going to let Adam speak about that. We really sat down and we were going to save potentially \$180,000 in our contract negotiations, but management didn't want to look at it, because they're being directed by the City Manager, oh we need to have this on deadline, and we need to force them, regardless of whether it's a contract violation or not."

Sgt. Lopez continued, "Again, I can spend time talking up here and going over a lot of figures, but I just want you to be aware of that there are ten, and let me repeat this, there are ten officers that are getting ready to jump ship. There's one Sgt. that's looking at Sandoval County. If they accept him, he's gone. There are seven graveyard units that are looking at Albuquerque and Rio Rancho. These are solid facts. And I keep telling the City Manager this is happening, and we're going to deaf ears. There are three on my day shift, without mentioning names, there's a few of them back here, that are looking to across seas and get \$150,000 tax-free to save their families, to quit the City – just walk out without retiring. But, they get \$150,000 tax free because of the issues that are going on now. I have another one of mine, under direct supervision of me that's pulled his papers. He's going to retire. He's got one year, but he's going to look at buying the rest, because he's tired. He's looking at all the things that's going to be cut."

Sgt. Lopez continued, "You know. It's a shame, and those are just a few that I mention. There are management that are looking at retiring. And I think we all know it takes, it costs \$150,000 to equip them with equipment, put them through the academy and get them on the streets. Are we willing to do this. Are we really willing to look at changing everything to say.... and you know what, this \$200,000, to this day, I've never seen the figures. Ever. I have never... show me, show me the facts. And, cutting these other 5 officers for \$315,000, and then over here... well again, these figures.... I'm frustrated. And I think you can see that the Police Department is frustrated. And what do we do. We are at the table. We were the first union to go last year and come back with a straight zero balance, because we got direction from you, the City Council. And we did it. We were the first, because we knew the problems. We're not naive to the problems out there and we are working. We're working in good faith, and then all of a sudden when it's yanked because of other political issues, I don't know. I don't understand that. But again, looking at ten to

fifteen officers, you want to know what it's going to cost the City of Santa Fe when they're gone. One million dollars. And here we're trying to cut and we want to stretch our hours and our work days – for what – to save a little bit of money. Well, what about our lives. What about the officers I just mentioned who committed suicide, two of them, and drank themselves to death. Are we looking at this. I don't think so. I could go on and on and on and on.... where does it go. I think a lot of times, and I pray that you guys are listening. You are the bosses up here. Not them. And I made that very clear. You guys are in control. Not the City Manager, not the Chiefs, but you guys. You know what happens when morale goes down – citizens' complaints come in. Use of force complaints come in. Why. Because officers are stressed out and they're worried about losing their jobs and the take home policy."

Sgt. Lopez continued, "You know, for almost 40 years, we've been on the four/ten schedule, and there's a reason behind it, and I think a lot of people forget this. Again, it's to save the officers and to help us to make sure that we do go home and our wellness is taken care of. And, again, I reiterate it. Thank you Mayor for setting up this peer support that we haven't had for many years, and it's like now.... listen to us. I'm begging you. Because you guys are the ones with the pens and say, well take this, take this away, add this, whatever. I just hope that you hear it, and again, I could go on, but I want Adam to speak just a little bit on the financial issues, and thank you for letting me speak."

**Adam Gallegos, Vice President, Police Officers Association**, said, for the record, he too was divorced. He said, "We're going to talk about three things today. The first one is immediate budgetary impact. That's a term that I continue to hear. Immediate budgetary impact. Another term that is a national term is lean management, followed up with one that I think our union brothers sitting to the left of me and the ones in red sitting in the back can agree, is good faith negotiations."

Mr. Gallegos continued, "A lot of you will remember that this is the first time in a long time that the three bargaining units have been as close as we are and have worked hand-in-hand to address some of the issues that are facing the City, and we bounce ideas off each other, and I'll give you an example of one of the great programs that your bargaining units are responsible for and that is the Employee Benefits Committee, our health care. That plan is probably one of the best ones... probably in the country I'd venture to say. It's healthy. And our AFSCME brothers will speak more about that later, but that's the kind of work, that's the kind of product that comes out when the three bargaining units come together and are allowed to take part in the decision-making. Okay the health plan is a product of that hard work."

Mr. Gallegos continued, "In talking about a lot of these budget cuts and budget issues, and Allen talked about the reduction of overtime to 8 hour shifts, okay, I'll agree that the reduction can be done in a lot of different ways. Maybe going to 8 hour shifts can address some of that. Maybe going to 12 hour shifts can address some of that. Talking about the 10 hour shift, and I've heard the term thrown out there this is the most inefficient shift of all the three that we're talking about. And, about a year and a half ago, management and labor spent about 7 months. We met weekly coming up with alternatives for a 10 hour shift – how to adjust the shifts, different times, have different overlaps and address those issues. We put in a lot of man hours into that study, and then the union submitted a couple of proposals, management submitted a couple of proposals, and that never came to fruition, in fact, the shift issue never came to fruition until a couple of months ago when we started talking about shift changes. So, that work was done



and it is sitting somewhere, and I think that a lot of ideas that were put forth at that time on the 10 hour shift addressed a lot of the issues that we're talking about today."

Mr. Gallegos continued, "Now, we're talking about freezing 5 police officer positions in the hope that readjusting these schedules will allow the current officers out on the street to cover those 5 missing officers. Well, that brings us to a whole other issue, I mean... that's a lot of people. Okay, spread them out throughout the 24 hour period and 7 days a week, you're looking at about one a shift. One body doesn't take up a lot of work. My question is this... we're looking at freezing 5 police officer positions by hoping that changing the shift will cover for this. Well, those are 5 line officer positions. Those are the positions that go to burglaries, respond to alarms, deal with the public directly, okay. So before you look at cutting positions, and I ask, and I'm glad to see in this budget proposal the freezing of the Captain's position and everything else, but I would ask that we look at the lead management aspect, and maybe try and go a little further with that. Because those 5 positions, not only are they union positions, but they're the line officer positions. They are the positions that matter out on the streets, because the patrol officers are the foundation of any police department."

Mr. Gallegos continued, "You know, a lot of these other issues, the shift differentials, the clothing allowance and to an extent the take home policy, are all contractual issues. And we would hope that before anything of that is thought about, that you guys think that it go to the table and we can negotiate something that is fair and equitable. As President Lopez said, we are willing to work with management. We have put forth proposals. We understand, and there is things we're looking at. I don't want to use the term 'giving back,' but there is things we're looking at coming to the table with to save the City some money. And we recognize the need, we really do."

Mr. Gallegos continued, "I'm glad to see these revenue generating measures come to fruition, like the funeral escorts, the charge for discovery... I think some of these figures are a little conservative, but I can understand why we are doing that, as far as the speed van and the DWI forfeiture program and all of that. Now, another term I've heard thrown about and in the media, is tough political decisions. Well, it's time for the tough political decisions. We're talking about extremes like 3, 4, 5, 6% pay cuts across the board. Well, the tough political decision is telling these special events, hey it's time to put up some public safety impact fees. You know, there's things we can look at in that aspect. I think Kiwanis are charging another \$1 to \$2 per ticket, public safety impact fee. The groups at Indian Market, another \$10 per booth, public safety impact fee. I mean, those are tough political decisions, and I think those tough political decisions may be a little bit easier than making the tough political decision of cutting 4% across the board and giving employees furloughs."

Mr. Gallegos continued, "So, with that I want to just assure the members of the Committee that we are willing to negotiate. The POA has met with AFSCME brothers and our Fire brothers, and we're willing to come to the table. We have all discussed things and we are ready to come forth and help the City as much as we can. Thank you."

Chair Ortiz asked Mr. Romero, if the projected deficit we are facing is about \$7 million dollars, and Mr. Romero said this is correct. Chair Ortiz asked, if we were to do an apportionment of the \$7 million in the General Fund to each of the different departments, how much money, in terms of a percentage, would

Police and Fire have to come up with to balance that shortfall, short of any revenue enhancements..

Mr. Romero said the Police Department is funded at \$19 million, and Fire at \$12 million, and that would be roughly 10%, or about \$1.9 million in police and \$1.2 million in fire. He said it could be cuts or revenue enhancements.

Chair Ortiz said, "I want to say, again, and not just to the POA, but also to the Firefighters and AFSCME, if you have been negotiating at the table and there are proposals that you have made and that they have not shown up on this list, this is the time to show up. It's not that we can get into the decisions that have to happen at the table, but that dollar amount is the dollar amount that the unions are going to have to negotiate with management to come up. While we can make decisions that apply to the non-union positions, while we can authorize a 5% cut say, or 5 furlough days, or any other measures we can to balance the budget, that dollar amount or its equivalency is going to end up on the table for you to negotiate, be that a reduction in pay, or an increase in your health benefits or an increase in your retirement contribution, or an increase in something else, or a cut in positions among your co-employees; or for those of you, either on this Governing Body or in the audience who believe that we need to raise taxes, that proposal has to come on the table as well. Because to continue to say that the public has to pay its fair share and not have those proposals on the table, is to do a disservice – a disservice to yourself and a disservice to the public."

*The Committee/Governing Body commented and asked questions as follows:*

- Chair Ortiz asked Chief Wheeler to explain how revenues from the Red Light Camera program could increase from \$70,000 to \$2.5 million.

Chief Wheeler said it was a mathematical error, discovered today in crunching the numbers from RedFlex. He said the gross revenue from one site is approximately \$7 million. He said once RedFlex receives 30%, the State receives its 50%, and deducting overhead costs, the rough estimate is \$2.5 million revenue from two sites.

- Chair Ortiz said the \$2.5 million is the City's share of revenues from just two intersections for an extension of the Red Light Camera Program, and Chief Wheeler said this is correct. He said, then each intersection would generate \$2.5 to \$3 million annually in additional fees.

Chief Wheeler said it is approximately \$7 million for each site, which would be a total of \$14 million.

- Chair Ortiz said then of the \$14 million collected for two intersections from citations for violations, the total benefit to the City is \$2.5 million. He asked what happens to the other \$11.5 million.

Chief Wheeler reiterated that there are overhead costs of \$400,000, the State gets ½ and RedFlex gets 1/3.

- Chair Ortiz said the Committee needs more details, given the extreme numbers, in a Memorandum setting out how the costs would be generated. He understands there is a "law of diminishing returns," in this program, and over time, we should expect that the violators would diminish to the point where the City isn't making any money on the program.

Chief Wheeler said this is correct, and this is considered in RedFlex's formula – it is calculated at a 40% reduction rate which is the highest, but the average is a 10-20% reduction over the annual basis of the program.

- Chair Ortiz said that means in year 3 there would be a break-even point where it no longer makes money and there are insufficient violations to support that intersection, and Chair Wheeler said this is a fairly accurate statement. Chair Ortiz asked what intersections are proposed.
- Chief Wheeler said there are a variety were evaluated among which are: Guadalupe/Alameda, Paseo de Peralta/Old Santa Fe Trail, Galisteo/Cordova, Pacheco/San Mateo, Richards/Rodeo, Cerrillos/Siler and others.
- Chair Ortiz said then all of the intersections would generate the \$7 million, and Chief Wheeler said the City would choose two and gather data from those.
- Chair Ortiz said then the \$14 million is just for 2 intersections from the 10 intersections which were studied, and Chief Wheeler said this is correct.
- Chair Ortiz asked again what intersections are being recommended.

Chief Wheeler said those would be Richards Avenue/Rodeo Road and Paseo de Peralta/Old Santa Fe Trail.

- Councilor Wurzbarger said before she votes on this, she wants to see the assumptions and the formula. She asked how many violations are anticipated

Chief Wheeler explained that this was evaluated by data collected over a 24 hour period, and includes speed infractions during that time period.

- Councilor Wurzbarger asked, "If we can expect 7,000 constituents to call us." She said there is a quality of life issue here, asking if the 7,000 is more or less the correct number of citations.

Chief Wheeler said this is correct.

- Councilor Romero said, given Albuquerque's experience in being able to collect fees, particularly those from out-of-state drivers, it would be helpful to look at the demographics of the proposed fees – who they are and where they live. She said it appears we get more "bang for the buck" from the speed van, as well as that it's a cheaper way to go, because we don't share those fees with RedFlex with the State.

Chief Wheeler said those revenues are factored into this figure, and he will provide the information which was provided from Redflex. He said there is approximately a 60% compliance in payment of fees. He said the speed van is a RedFlex product and Redflex receives 30% after the State receives its half of the fees.

- Councilor Romero looks forward to seeing a break-down of that information. She said she is a little surprised that Paseo de Peralta rose to this level, saying at Public Works it was Richards, Zafarano, Rodeo Road and others.
- Councilor Trujillo said the speed van has worked well in the community, but there is only one van and there are lots of requests. The speed van program has done what it is designed to do. He wants to look at the opportunity for a few more speed vans.
- Councilor Trujillo said the special events pay nothing to the City. He said we have Police and Fire personnel at these 24 hours a day protecting the booths, keeping the peace, noting the biggest is Fiestas.
- Councilor Trujillo said one of the things which has been brought to his attention is that police officers get so many hours off if they don't wreck their vehicle, and asked Chief Wheeler to speak to this.

Chief Wheeler said police officers receive one safe driving day every 6 months if they don't wreck their automobile.

- Councilor Trujillo said he questions this policy, because he believes if they don't have a wreck they get to keep their vehicle another 6 months. He said some things may go away, and he definitely wants to look at this.
- Councilor Dominguez said he would like to put the Red Light Camera Program on the Public Works agenda. He wants more information on the program to see if it is a safety benefit. He also would like data on citations issued by officers in person at those intersections. Chief Wheeler said he will get this information.
- Councilor Dominguez said we need to be careful that when we get into tough times that we don't start throwing people or programs "under the bus." He said he doesn't want us to start compromising with these things. He said Chief Wheeler was also quick, on the revenue side, to make recommendations.
- Councilor Dominguez asked what is budgeted for jail costs.

Chief Wheeler said it is in the range of approximately \$500,000 annually.

- Councilor Dominguez asked if we do anything to recoup those costs.

Chief Wheeler said no. He said getting money from those individuals is very difficult, noting that we do receive funds back from the Courts, but not a lot. However, this is something they can examine.

- Councilor Dominguez said then a lot of people don't pay their fees, and it's turned over for collection, but the person already has bad credit and won't pay it, and Chief Wheeler said he is unsure of the numbers which actually pay those fines/fees
- Councilor Dominguez asked Chief Wheeler if he has spoken with Judge Yalman in this regard, and Chief Wheeler said no.
- Councilor Dominguez asked about the costs of responding to false alarms.

Chief Wheeler said \$100,000 is the one-time cost for alarm registration, noting they are still working to get the compliance in place, so there aren't a lot of fees which are generated in terms of fines. He said the \$100,000 is guaranteed based on the data they have for the \$25 registration.

- Councilor Dominguez asked how much has been generated to date.

Chief Wheeler said currently it is about \$96,000, based on a year's data.

- Councilor Dominguez said then the \$100,000 is above and beyond the budget for this fiscal year, and Chief Wheeler said yes.
- Councilor Romero said the False Alarm Ordinance was to be reviewed after 18 to look at its efficacy and would like to see that done. She said there is a cost to this she would like to see as well as the revenue stream. She said if there is an increase in crime, perhaps there would be some correlation in seeing an increase in alarms. She would like minimal projections on that as well.
- Councilor Calvert asked if the figure of \$96,000 for registration of the alarm considers Cry Wolf's percentage.

Chief Wheeler said he believes it already is factored into the figure, but he will double-check and make sure. He believes the \$96,000 is the City's share.

- Councilor Dominguez asked if the Vehicle Forfeiture Program was part of last year's budget.

Chief Wheeler said no, because they didn't know how much to project, so this is a brand new revenue source.

- Councilor Dominguez said Chief Wheeler and the Police Department really need to get busy on these two programs to get them fully implemented, so we can fully realize these revenues.

Chief Wheeler said yes. He said they can work to get more vehicles in impound lot to auction. He said they are looking at an on-line auction source on the internet to generate more revenue, noting there is very little overhead in doing that.

- Councilor Dominguez asked Chief Wheeler, regarding the cost-savings measures, which items need to be negotiated with the unions, and in conjunction with that, what would he recommend to help this Committee. He said it's easy to recommend revenue generating measures, but it is not so easy with cuts. He said this Committee needs the Chief's expertise and input in terms of a recommendation so we aren't compromising officer safety while providing for public safety as well.
- Chair Ortiz said the proposed recommendations are in the handout. He said the question to Chief Wheeler would be if some or all of the proposed revenue enhancements aren't approved, what other measures he would recommend to get to the \$1.9 million reduction.

Chief Wheeler said there is some contention as to whether 8 hour shifts are or are not contractual, noting his contention is that they are not.

- Chair Ortiz said let's assume that all of these things are contractual, subject to bargaining, for purposes of this discussion. So, if the revenue enhancements are not approved, what would Chief Wheeler do to get the \$1.9 million to save.

Chair Wheeler said the recommendation is \$200,000 in overtime savings, \$315,000 in freezing 5 positions, reiterating that does not include any current positions.

- Chair Ortiz said those recommendations, including freezing the Captain's positions result in about \$600,000, in addition to the other recommendations proposed.

Chief Wheeler said this is correct. He said even if you don't go forward with the Red Light Camera Program, the other recommendations are funds which will be generated from programs currently in place, other than the discovery and funeral escorts which they have no problem implementing. He said there are other recommendations, including the speed vans, which already are in place in addition to the DWI forfeiture.

- Councilor Dominguez would like a breakdown of the costs for special events by event and between Fire and Police.
- Chief Wheeler said that information is available and can be provided.
- Councilor Dominguez said that needs to be part of the public discussion. He said we need to educate the special events people on the cost of these events and the impact to the labor force.

Chief Wheeler said we probably should look at a percentage, noting they are staffed with personnel at an overtime rate of 1½.

- Councilor Dominguez said part of the benefits are in place to provide Police Officers time to "deflate," and the reasons those are in place. .
- Councilor Romero she is comparing the proposed with the revenue enhancement from the Red Light Camera Program. She said there is a \$75,000 vehicle take-home policy which isn't addressed, and she hopes that they bring forward some recommendation for transition. She said everything has to take a "pinch," somewhere along the line. She is comfortable with some of the recommendations which were on the first sheet she saw. She would like to look at what other communities are doing with a vehicle take home policy. She said the net estimates worry her, and she would rather that they project the worst case scenario. She said this is an opportunity to look at what is possible from a variety of perspectives and trends. She hesitates to look at the net estimate as a "savior for us all." She would prefer, when we look at this again, a much more conservative figure on these revenue generating items which are estimates, reiterating she doesn't trust these figures.

Chief Wheeler said he is comfortable with these figures which are very conservative, and are significantly lower than some of the net numbers for estimated revenue.

- Councilor Calvert asked Chief Wheeler if he has shared the revised estimate with the POA, commenting that it didn't sound like he had from the previous discussions, commenting they were commenting on some things which had been removed from the list.

Chief Wheeler said he believes the POA received the revised numbers.

- Councilor Calvert said, with regard to special events, some of these organizations have taken the option to man barricades with their own volunteers. He asked if these estimates are for those things for which it is necessary to have a Police Officer. He said if they have an option to pay or provide volunteers, they might choose to their own volunteers.

Chief Wheeler said the actual numbers you see are the actual costs paid by the Department during the past year. He said the vast majority of those groups already have assigned their own personnel to the barricades. He said most of the time it is a public safety concern as opposed to directing traffic. He said these numbers already are streamlined with regard to the number of officers actually assigned to these events.

- Councilor Calvert would like Chief Wheeler to double-check this to be sure there is no other option for the event, other than to assign a police officer. He said if we are going to ask them to pay, if there are options, they might choose to use their own volunteers.
- Councilor Calvert said he does have qualms with regard to the \$2.5 million estimate for the Red Light Camera Program. He said, in addition to more information, he would like Chief Wheeler to provide a backup plan if it doesn't go according to the projections as to how to make up any revenue shortfall. He said this is a "leap of faith" here in the first year. Chief Wheeler said he can provide a backup plan.

- Mayor Coss congratulated the work which has been done by the Finance Committee over the past few months which has brought more clarity about the budget. He said, with regard to the Red Light Camera Program, he doesn't want to start balancing budgets based on this Program. He said he voted to break the tie on this program, and the purpose was for public safety. He is hesitant to show it as a revenue source to balance the budget, and he doesn't want to go that way. He said if you subtract the \$2.5 for the Red Light Camera Program from the list of recommendations, it still leaves savings of \$1.85 million which is very close.

Mayor Coss said he then looked at things which management can do – reducing overtime, freezing vacant positions and such – which is about \$650,000. He said if we do the easy ones which are in place about which he is sure of the revenue such as funeral costs, discovery fees, false alarms, speed vans, and DWI forfeiture, that comes to about \$500,000, which is a total of \$1.1 million. He said that leaves a shortfall of about \$800,000, and that's where we start negotiations with the union. He would be uncomfortable for the Council to say we'll do shift differential or eliminate take-home policy and believes these are in the realm of things which needed to be bargained.

Mayor Coss believes we could use volunteers in lieu of overtime for Girls's, Inc., but he wouldn't want to do that for Indian Market or Zozobra, or Fiestas, noting these are the majority of costs for special events. He said these are also very important City traditions and revenue generators for the City, so he would be more careful in that regard, but he isn't ruling out asking them to pay more.

Mayor Coss said if we implement the Red Light Camera Program for public safety reasons he could support that, and any additional funds it generates can be used to replenish our depleted reserves, and equipment needs which have been backlogged.

- Mayor Coss said, to Sgt. Lopez, regarding the City Manager and the Police Chief, it is not that they did this irregardless of whether we violated the Collective Bargaining Agreement. He said he believes that they did not violate the collective bargaining agreement, so there is a difference of opinion in this regard. He said there is no intent by the City Manager, the Police Chief or himself to do whatever they need to do and violate the collective bargaining agreements if they have to. He said they want to honor the Collective Bargaining Agreement as they move forward. He said things are just coming into focus, and this Committee has been working on this for a long time.

Sgt. Lopez said he agrees, but he wants him to know that this came forward after the last Finance Committee meeting and the City Council meeting last week. He agrees we shouldn't balance the budget off the Red Light Camera Program. However, he felt it was important to provide this information to the Committee.

- Chair Ortiz said he appreciates this. He reiterated to those in attendance from the collective bargaining units, that whatever ideas they have need to be proposed so those can go on the list, for consideration, at least as much as possible, in making decisions to balance the budget.



Chair Ortiz asked Sgt. Lopez if he is willing as the POA union representative to bargain in good faith on how to achieve the dollar amounts to balance the budget, and Sgt Lopez said yes.

- Responding to Sgt. Lopez, Chair Ortiz said he doesn't believe Sgt. Lopez wants this Committee to decide which are and which are not collective bargaining issues, because everything is an economic issue and subject to bargaining, which is a straightforward union position.

Sgt. Lopez said Councilor Dominguez asked which are and which aren't bargaining issues, and we are at odds, and the reason he filed an injunction.

- Chair Ortiz reiterated that he doesn't believe that he wants this Committee to decide which are and which are not collective bargaining issues, because everything is an economic issue and subject to bargaining, which is a straightforward union position. He said a Judge will decide whether or not there is a violation regarding the injunction he filed. He said as it relates to the contract, if it is an economic matter, the union position is as he has understood it during his tenure on the Council and in his representation of unions, is that anything with economic value is considered subject for bargaining.
- Chair Ortiz said this Committee is responsible for, and interested in, the bottom line figure in terms of the deficit. He said all we can do is to tell the City Manager and department directors "This is what we want you to implement for employees that aren't subject to collective bargaining. And, for those people who are from the union, here is the number that you have to go and negotiate with the collective bargaining unions, so they can decide how that number is going to be met. And the only way it can be met, is by sitting at the table, and you have no problem with sitting at the table and talking about numbers, if we get down to that bottom line number that the Mayor is talking about, be it \$800,000 or \$1.3 million, or whatever that is, that number is going to come out of personnel costs. 80% of our budget is personnel costs. That doesn't mean the unions are 80% of the budget. It means that the unions have a role in deciding how a lot of those personnel costs are going to be adjusted. And you understand that, right, Allen," and Sgt. Lopez said he does.
- Chair Ortiz said, "And you're willing to negotiate in good faith with management to come up with that number," and Sgt. Lopez said, "We were in good faith negotiating and it was yanked away from us. It wasn't us that stopped it.
- Chair Ortiz, "And you exercised your legal right to determine that violation, right," and Sgt. Lopez said, "Right."
- Chair Ortiz said, "And you're not here to tell us that you're dismissing that right to get us to do something different. Are you. You want to exercise your legal right," and Sgt. Lopez said, "Right."
- Chair Ortiz said, "Okay. And I've not heard... I've never heard that any member of the Governing Body wants to interfere or participate in that particular right that you're exercising."

Sgt. Lopez said, "I just heard it. I heard the Chief say it's not a contractual issue. It is. And that's

why I wanted to go over some of the figures here that we say is a contract [issue]. You can't just come in and vote it out and take away these rights."

- Chair Ortiz said, "Of the proposed cost saving measures that you see, is it your position that the \$200,000 reduction in overtime due to 8 hour shifts is the subject of collective bargaining," and Sgt. Lopez said, "Correct."
- Chair Ortiz said, "And do you believe that freezing 5 vacant police positions to a total amount of \$315,000 is the subject of bargaining," and Sgt. Lopez said "No."
- Chair Ortiz asked, "And do you believe that freezing a Police Captain Position to the tune of \$57,547, is a matter of bargaining," and Sgt. Lopez said, "No. He could also put some Deputy Chiefs on that too."
- Chair Ortiz asked, "And so, here's the deal Allen. If you want us to consider putting Deputy Chiefs or any position on, we want to have that proposal and we'll put it on. Because right now, we're looking everywhere and anywhere to come up with this amount. So give us that proposal, and put a dollar amount and we'll discuss it. Now, they have actually listed reduction of clothing allowance by 50%," and Sg. Lopez said, "[That is a] contractual issue."
- Chair Ortiz said, "They actually have that as a contractual issue."

Sgt. Lopez said, "Right, and so is the shift differential, the 5% the 1.5%."

- Chair Ortiz said, "It's not being recommended by the Police Department because it's not in the recommendations. They're showing it as a possible, but they're not recommending it."

Sgt. Lopez said, "Yes. I see that, but I'm just saying... Councilor Dominguez asked which are the ones that deal with the contract, and I would like to answer that."

- Chair Ortiz said, "What about this Allen. Reducing shift differentials. Shift differentials are now based on personnel policy. The Governing Body has a right, by Resolution to change this consistent with the personnel manual."

Sgt. Lopez said, "Not if it's in the contract. It states that we have the right to be in our contract and it's in our contract."

- Chair Ortiz said, "If your contract says that your shift differential shall be consistent with the Personnel Manual and we change the Personnel manual, do you believe that's a subject of collective bargaining."

Sgt. Lopez said, "No. Because it says clearly that if you come up and change policy, if it says it in our contract, it is still binding by our contract."

- Chair Ortiz said, "If there's something that is in your contract that is different that policy, that's the subject of negotiation," and Sgt. Lopez said, "Right."
- Chair Ortiz said, "But, if it is just a referral from your contract to the personnel policy and we change the personnel policy, is that a subject of collective bargaining."
- Sgt. Lopez said, "Yes. Anything that is clearly stated in our contract that the officers have a right to receive, you can't just come out here and remove it without bargaining in good faith. And I'm not saying that we're not going to bargain anyway, because we know that the City is in budget, and that's what... I sat down with the Mayor, for many meetings, and I gave my word that we're gonna negotiate these things."
- Chair Ortiz said, "Then eliminating the vehicle take-home policy, that is a violation of collective bargaining if we were to uniformly remove it. Right," and Sgt. Lopez said, "Right."
- Chair Ortiz said, "And the removal of incentive days, that discussion we're going to have at our March 22<sup>nd</sup> meeting along with the rest of our employee benefits, that also is a subjective of collective bargaining, isn't it," and Sgt. Lopez said, "Right."
- Chair Ortiz said, "Is there anything else, in terms of the revenue.... none of the revenue generating measures is the subject of collective bargaining. Right," and Sgt. Lopez said, "All that. That's free."
- Chair Ortiz said, "And obviously, any of the extreme budget balancing measures, all of those would be under collective bargaining. Correct," and Sgt. Lopez said, "Correct."
- Chair Ortiz said again, his request to Sg. Lopez and the other bargaining units is that if they have additional items to put on the list, this Committee needs those and we will consider discussing them. He said he would like a break-down of the personnel package that they've received for the past fiscal year, so that Committee can see, as a percentage, how much we've spent on civilian and non-bargaining unit employees in the Police Department, and how much we've spent on Union personnel in terms of personnel costs. He said that is for the total personnel package – salaries and benefits. He wants that for a future meeting to make a decision on this.
- Chair Ortiz asked Sgt. Lopez if he has anything further to state, other than he agrees there is a difference of opinion as to whether or not the shift differential is a subject of collective bargaining or not, and Sgt. Lopez said, "Correct, that is a bargaining issue."

Chair Ortiz asked if the Committee has further questions of the Chief or the POA and there were none.

Chair Ortiz asked Sg. Lopez and Chief Wheeler if they know the follow-up which has been requested by the Committee.

Chief Wheeler said he understands.

Chief Wheeler said they have one item to bring to this Committee to ask for direction. He said this wasn't posted in the packet because of time constraints. He said they want this Committee to give direction to the City Manager. He said the Department is in crisis in terms of its police vehicles, and he is asking for approval to direct the City Manager to sign an emergency request to purchase those vehicles.

Chair Ortiz said he understood that at the last Finance Committee meeting, that \$600,000 was stripped from the public impact public safety funds to cover the furloughs which were approved in the budget. He asked the source of funds for this purchase.

Chief Wheeler said this request is not related to that \$600,000, and these are funds which were budgeted for the purchase of motor vehicles.

Chair Ortiz asked the reason that wouldn't be a regular item brought to this Committee for approval, noting it isn't on the Agenda so no action can be taken this evening. He asked if this is going to hit the City Council for approval as an emergency procurement, skipping the Committee process.

Robert Romero said he was made aware last week that the maker of the vehicle said the order has to be made in the next week, or they won't be ready in time. He said this would require him to sign an emergency purchase, and it would come to the Council after that is done.

Chair Ortiz asked the cost of these vehicles.

Lt. Gillian Alessio said this has been in the works for several months, noting 15% of the fleet has over 100,000 miles and is failing. She said there has been an inordinate number of auto crashes which have totaled the vehicles over the past year. She said the original proposal to the Finance Committee and then the City Council was for 46 new vehicles, which was cut to a bare minimum of 32 because of the financial crisis. She said since that time they have been dealing with the vehicle take-home policy, and such. She said they just learned that the manufacturers of these automobiles have specific build-out dates, and the request has to be in by next week, or they have to wait until September. She said they really can't wait until September because the vehicles are failing so quickly and because they didn't purchase vehicles last year because of budget issues. She said because of the number of auto crashes, the fleet is at a critical needs juncture. She said the money is budgeted in the Public Safety fund.

Chair Ortiz appreciates that the Police Department brought this to the attention of the Committee. He said there have been times when the committee process has been skipped and heard by the Governing Body for various reasons.

Mr. Romero said this will be before the City Council at its next meeting.

## **2. FIRE DEPARTMENT**

A copy of an 8 page packet of information prepared by the Fire Department is incorporated herewith to these minutes as Exhibit "3."

A copy of the statement for the record by David Jenkins, President, Santa Fe Firefighters Association is incorporated herewith to these minutes as Exhibit "4."

Chief Salas reviewed the information in pages 1 through 8, commenting that page 6 lists the proposed measures to balance the 2010/2011 balance the budget, and the cuts which were made to balance last year's budget. She noted that each cut impacted the firefighters, either in their pocketbook or their work load. She reviewed page 7, the "Options and Implications of further Budget Cuts for the SFFD," Please see Exhibit "3" for specifics of this presentation.

Chief Salas said the \$11 million from the General Fund is used to provide the citizens and visitors to this community with the following services: Ambulance, Firefighting, heavy rescue, wildland, airport rescue, hazardous materials and fire prevention. Last year they responded to 12,339 emergency calls out of 5 fire stations with 5 ambulances, 5 fire engines and 1 heavy rescue. They educated every child Kindergarten through 3<sup>rd</sup> grade in every public and private school on the dangers of fire. In 2003, the Department received its 10 year audit from the Insurance Services Organization (ISO). The audit determines the level of State Fire Funds to the Department and the insurance rates for homeowners. She said they were told, based on the call volume in 2003, which was 9,828, and the response area, that they should have 8 working fire stations, but there are only 5.

Chief Salas said, "We have been asked to do more with less, but the reality is we have been doing more with less for a lot longer than this recession. The City Manager proposed a possible \$1.2 million cut in the current budget. We have made all the cuts we can that will not affect our commitment to the residents."

Deputy Chief Litzenberg spoke about the "Options and Implications of Further Budget Cuts," listed on page 7. Please see Exhibit "3" for specifics of this presentation. He said these are extreme budget balancing measures, noting the estimated increase in revenue of up to \$800,000, and the things listed on page 7 are the next steps if that revenue isn't realized. He reviewed the 4 options listed on page 7.

Chair Ortiz said the \$600,000 taken from this year's budget is the \$600,000 from the Public Safety Fund which was approved to go toward this year's shortfall.

Chief Salas said it was \$500,000, and it was used so we wouldn't have to take furloughs in this fiscal year.

Mr. Romero said that was at the beginning of the budget cycle when we prepared the budget last year, and this came from one of the reserves.

Chair Ortiz said then that came at the beginning of the fiscal year, and wasn't the last amount approved by the Finance Committee to bridge the gap.

Mr. Romero said this is correct, noting the amount includes the overtime savings, and the possible use of the \$600,000 from the Police Safety Fund.

Chair Ortiz said the property tax increase also benefits the Fire Department.

Mr. Romero said this is correct, it benefits both the Police and Fire Departments.

Chief Salas reviewed the information on page 8. She said there is additional revenue proposed of \$800,000. However, because the company is new, she is unable to give any solid projections until the end of April. She noted the service reductions listed in order to meet the balance of the requested \$1.2 million in cuts and/or new revenue. She said they will continue in the future to request to fill vacancies to eliminate the need for overtime. She said they are working with the Firefighters Association to change the fire prevention hours which would eliminate the need for on-call pay and overtime totaling \$54,000 in recurring savings. This will allow them to remove 3 vehicles from the fleet which were due for replacement this year, but were postponed to the next year. If they are able to move forward with this change there will be a one time savings of \$600,000 for vehicle replacement, not including the recurring maintenance costs.

Chief Salas said, "With annexation right around the corner, we can't afford to eliminate positions. Instead, we need to look to the future and continue to provide quality and rapid service."

Councilor Calvert said he understood Chief Salas to say the elimination of a Deputy Chief resulted in savings of \$145,000 and would be a recurring savings. He said that could be moved into the "recurring savings column and bump off that \$422,000." He asked if this is correct.

Chief Salas said it was removed a year ago, so she doesn't know it could be counted in recurring savings.

Chair Ortiz said because it isn't a frozen position, it was eliminated in this fiscal year, so it isn't included in this year's budget, and Chief Salas said this is correct.

Chair Ortiz said he invited the Firefighters to speak as well as the POA, and welcomed David Jenkins of the Santa Fe Firefighters Association, and asked if he has a list of proposals to present.

Mr. Jenkins said he has a written statement, which he believes is in keeping with the instructions of the Chair, and with the Chair's permission, he will read that statement, and Chair Ortiz asked him to proceed.

**David Jenkins, President, Santa Fe Firefighters Association**, read a statement into the record as follows [Exhibit "4"]:

*Mr. Chairman, members of the Finance Committee –*

*I'd like to begin by thanking you for the opportunity to address you all today.*

*I believe the Chief has ably presented the collective efforts on the part of the Fire Department to address this budget gap, and while I'd like to emphasize them, I don't believe you're interested in hearing them a second time. That being the case, I would therefore like to simply amplify some of the examples she provided and add a few of our own.*

*Since the recent economic downturn, we have been working diligently with management to increase the fiscal efficiency of this department. Most of this you will find under the umbrella of the \$266,000 cited in the Chief's presentation and it is the product of cooperative efforts undertaken by Union and Management in the negotiation or application of the Collective Bargaining Agreement. While this list is not long, I trust the dollar amount will attest to its efficacy.*

*Specifically, we greatly reduced our most expensive source of overtime, that of Company Officers, with the addition of a Lieutenant position.*

*We also recalibrated the very process by which overtime is hired, ensuring that when hiring overtime is necessary, these shifts are first offered to the least expensive eligible personnel first.*

*Finally, last summer, when we experienced an unexpected and severe shortage of personnel in our Engineer position, we temporarily relaxed the time in service requirement to allow near-eligible members to promote to that position, thereby returning overtime costs for that classification to normal levels.*

*Again, these efforts, all of which were proactively pursued prior to direction from the City, have saved upwards of \$250,000.*

*Regardless, we are continuing in our efforts to create a more cost efficient department.*

*We are currently working out the details for a change to our Fire Inspectors' schedule. Such a change will reduce stand-by/ on-call pay by an estimated total of \$64,000 a year. This schedule change will also reduce the number of vehicles necessary for Fire Inspectors, creating a one-time savings of approximately \$48,000.*

*We are also pursuing changes to the Rescue Tech program that we believe will greatly reduce overtime in that classification.*

*And finally, we have also offered a contract proposal that would effectively waive our Longevity Incentive until such time as the economy recovers. This incentive takes the form of a 1% pay raise for all members. Waiving it would save the City nearly \$60,000 a year. While I never would have thought it would be difficult for the City to agree on a proposal in which we gave back a raise, I'm confident this will be worked out. I am equally confident that we can have these ideas in place by the time our next Collective Bargaining Agreement is effective July 1<sup>st</sup>.*

*I would also like to emphasize that among a few of the examples of savings presented by the Chief, there are contributions made by the Union and/or its members that are less tangible or easily quantified.*

*I include the following as an example. When the economic difficulties forced the department to cut funding for our Firefighter Family Fun Day, Union and Management personnel came together to ensure the annual event would survive. Through the solicitation of donations and utilization of an all-volunteer staff, Firefighter Family Fun Day proceeded as planned, bringing together approximately 1,500 – 2,000 members of the community for a day of family oriented fun.*

*[Extemporaneous remarks:*

*- Cited ways Firefighters helped in examples from Chief's remarks, specifically painting and remodeling 2 Stations*

*- Also cited Lt. Jason Arwood, who, along with others, has dedicated hundreds of man hours at work on Santa Fe Firefighter's Museum; voluntarily stopped accepting overtime for some of that work- museum is only one of its kind in NM.]*

*In short, I believe this Union has been realistic and proactive in doing our part to meet the economic challenges facing the City.*

*Nevertheless, I am bound to remind you, that we have a duty – all of us here – we have a duty to look to the future. Failure to do so would be irresponsible.*

*The fact is, we are inches away a precipice, inches away from the edge of a cliff, and it is only through sober judgment and foresight that we will avoid pitching over the edge.*

*We are faced with two resolute and concrete facts, facts that we all must recognize, facts that constitute a grave threat to this Department and this City.*

*The first: While I acknowledge that there remains other untried cost-saving measures, I must also make clear to you that there are very few that will not have an adverse effect on our ability to maintain an adequate level of service to the citizens of this City, and thus, very few responsible options.*

*Put another way, while I trust and I hope that you are pleased with our efforts this year, there is very little that can be responsibly cut next year or the year after. I do not believe a repeat of this year's performance is likely.*

*I would also emphasize that with our resources at their current level, we can just about mitigate the number of emergencies we respond to now. That is not to say that all is well. All is not well. We are by no means ahead of the game. The game is manageable and we've been able to handle it.*



*If our responsibilities, as a Fire Department, were to remain static, if there were not any predictable increase to our call volume or our coverage area, there would be far less cause for concern.*

*But that is not the case. I say again, we must look to the future.*

*Which brings me to the second reality, the second fact that threatens our department and this City.*

*In 2012 – next year – there will be such a predictable increase in our call volume and our coverage area. In fact, it is contractually guaranteed. Next year, the City proceeds with Phase 2 of annexation.*

*In order to handle the this increase to our responsibilities, the Fire Department estimates it will require the addition of 20 personnel, 1 Fire Station, 1 Fire Engine, 1 Ambulance, and 1 Water Tanker at an estimated cost of \$6.9 million. This is the cost of doing business out there. It is non-negotiable. Without these additions, there is simply no way we can mitigate the projected call volume in these annexed areas.*

*Cut and dry. That is it.*

*So, let's look at the situation. When I see us here, openly discussing and possibly considering prospect of reductions in personnel – layoffs – while at the same time, it's been made clear to anyone who will listen that the burden of annexation can only be shouldered by the addition of personnel – the addition of personnel, apparatus, equipment, and a station – when we talk about drastic measures to reduce our operating budget all the while knowing that we need to add to our operating budget – quite frankly, it's alarming, alarming in the extreme.*

*How can we consider layoffs one year and at the same time be prepared to add more the next? It begs the question: Are we thinking clearly? Are we employing foresight?*

*In considering all this, I don't hesitate to say I believe we are in a state of crisis.*

*This – here – is the edge of the precipice, the cliff.*

*This is not the first time you've heard me warn of this. Many times I've stood before you and said the same thing to no avail.*

*Here we are. We need \$6.9 million. Where is it going to come from?*

*I know it's easy, in times like this, preparing the budget, to focus on this year, and this year's budget, and filling the gap.*

*But it's our job, all of us, to remember and help each other remember that these concerns go beyond this year. It's my job to remind you that our problems don't end on July 1<sup>st</sup>.*

*This City can no longer afford to pin its safety on tourism.*

*If you need evidence, look around, look no further than our current predicament: the economy is in decline, and with it, tourism. Yet the demand for Public Safety is going up while the revenue supporting it goes down.*

*Action on this issue can no longer be stalled.*

*The time has come.*

*This City needs stable, secure funding for Public Safety and it needs it now!*

*It can't wait for the economy to recover.*

*It can't wait three years.*

*It can't even wait til next year, when those areas are already annexed and we wake up one morning and find ourselves responsible for them. In our line of work, we need the tools in place to do the job before the job begins, not after.*

*We realize, this doesn't leave you with many attractive options.*

*We're asking you to make a tough decision.*

*For what it's worth, I can assure you that the unions have made tough choices. Management has made tough choices.*

*We're asking you to do the same.*

*For those of us in Public Safety, Firefighters and Police officers, are required to make life and death decisions. We become accustomed to them. And though it may sound counter-intuitive, very often, life and death circumstances actually simplify these choices.*

*I believe the choice we put here before you is such a decision.*

*Peoples' lives are on the line. Their homes, their property is on the line. I would cite the Chief's example of the Plaza Café as an example illustrating my point. And while I could go on to endless similar examples, we don't have that much time.*

*By now, we are all familiar with the descriptions of the economic tsunami that has hit this nation and this City.*

*Yet it is our job here to be sure not to compound the damage by failing to meet our obligation to the citizens we serve.*

*I am telling you another storm is coming. And though its effects may not be as obvious on a*

*spreadsheet, though its impact may not be so easily quantified in dollars and cents, there will be an impact.*

*And while that impact will be felt by firefighters and cops, the true victims, those that will truly bare the burden are not those in uniform- it will be the citizens we've sworn to protect.*

*We have all seen the terrible consequences of a lack of preparedness. In countless examples, we've seen them. In New Orleans. In the Gulf oil spill. In all cases, everything's fine until it's not.*

*We must look to the future now. This is the time to build our City, to guard it against the next coming storm. And we need every brick available, even if that brick is not politically expedient, or comes at the cost of some votes.*

*The time has come. Now is the time for us all to come together, to rise together and meet these challenges, for all of us to make the tough decisions.*

*So, I ask you now: will you rise with us? Will you rise to this occasion?*

*We have asked you for this. Many times before now, in times of plenty, we have asked you for funding that is immune from an inconsistent and unpredictable tourist economy.*

*Now, when there are simply no alternatives left, we ask you, again. Again I pledge to you – as we have before – to be there with you if you help us. To assist in any way we can. To knock on doors, to pound the pavement. To do anything and everything you ask of us, to do whatever you believe is necessary to deliver what we need to keep this City safe and fulfill our oath to the public we all serve.*

*I am begging, pleading with, and imploring you. The City has been waiting for you, but it can't wait any longer.*

*The time has come.*

Chair Ortiz thanked Mr. Jenkins. He said, "In the 16 months of grappling with this particular problem, while it's unspoken, what you are asking is an increase in the property tax, a stable source of revenue. Is that right."

Mr. Jenkins said, "Yes sir."

Chair Ortiz said, "That speech, your comments, were the best, the most articulate, the most convincing case that has been made amongst anyone who has appeared in front of this Committee, amongst us on the Governing Body, amongst anyone who has appeared at the City Council, for an increase in the property tax specifically for public safety. And for that, I want to thank you for those comments, because I know you and I know that they were sincere. That was a very convincing and compelling argument."

Councilor Dominguez thanked Mr. Jenkins for his presentation, as well as Chief Salas and Deputy Chief Litzenberg for their presentations which were very comprehensive. He said he liked the flow. He asked, with regard to grants, if the grant funding will run out.

Chief Salas said they have been very lucky with this grant funding and actually have seen an increase this year, thanks to the efforts of Deputy Chiefs Litzenberg and Aragon.

Councilor Dominguez said then that grant revenue is really a source of revenue to some degree for the Fire Department, and Chief Salas said this is correct.

Councilor Dominguez said then Chief Salas will continue to hold her staff accountable to see that there are applications for grant funding and that it is diligently sought after, and Chief Salas said this is correct.

Councilor Dominguez said Chief Salas spoke about the minimum staffing and an ISO rating, and asked Chief Salas what is the minimum staffing, noting one of the proposals is a service reduction to terminate 12 firefighters, which she doesn't think is realistic. He wants to understand the minimum staffing better.

Chief Salas said there is a minimum staffing of 32 people, and if they go below that number, they hire overtime to fill that number. She said they have been able to fill the vacancies so they have sufficient people to ensure minimum staffing.

Councilor Dominguez asked the source for the requirement of minimum staffing.

Chief Salas said that is a national standard, and right now, the Department isn't meeting the national standard and are below that standard requirement is 4 per fire engine, and currently the Department has only 3 per engine.

Councilor Dominguez said the idea of terminating 12 firefighters contradicts the whole idea of minimum staffing.

Councilor Romero noted that there are guarantees on grants, and those are soft funds, and are never guaranteed, and based on the finances of the State and federal government, she doesn't believe we should count on those funds. She said everybody is encouraged to go after the soft money, and we have been very lucky with the grant applications. She said her experience is that you don't count these soft funds until "you get the check in the mail." She said we're looking for hard funds, the consistent funding.

Chair Ortiz thanked Chief Salas for the amount of work that went into her presentation, noting it was easy to follow. He said, regarding the \$800,000 increase in funds for ambulance services, Chief Salas has said, because of the new software, we won't see the actual estimate before April, and asked the reason. He asked if it is possible to do a sample such as the one the Police Department did with RedFlex.

Chief Salas said she doesn't feel comfortable doing a sample. She said, as listed on page 2,

\$759,000 has been billed from mid-November 2010 to the present. She said that is a lot of money and the projection actually is much higher than \$800,000. However, she doesn't know what kind of revenue will be generated, noting the billing company has said it can generate 75% or greater. She said until she sees the actual numbers "it's just a number."

Mayor Coss thanked the Police Chief, Fire Chief and the unions for their presentations, and it is in sharp focus of where we are with our budget situation and with the public safety personnel. He said he doesn't believe anybody questions the commitment of the Police and Fire Departments to provide for public safety. He said they have done a good job tonight, and we now are talking about shared commitment and shared sacrifice. He thanked union and management for the presentations, and believes the picture is in very clear focus right now.

Chair Ortiz asked if there are requests from the Committee for additional follow-up. He again thanked the Chief for her presentation, and Mr. Jenkins for his eloquent statement.

Chair Ortiz assumes that part of the budget presentation will be whether or not the collection projection by A & R is legitimate.

Chief Salas said the budget is due March 11, 2011, but it will be a month before they actually get those revenues. She said hopefully they can make a better projection at that time.

## **22. MATTERS FROM THE COMMITTEE**

Chair Ortiz said the next meeting will consist of a full presentation from the Human Resources Department on the cost of benefits for both union and non-union employees.

Chair Ortiz asked if there is a representative from AFSCME who would like to speak on the public safety cuts.

**Adrian Dalton, Vice-President, AFSCME**, said, "On behalf of AFSCME employees I would like to thank David Jenkins and Allen Lopez. I want you to know that AFSCME has your back. We appreciate the work that you do. I think everybody in this room should be proud of themselves, because they are all public servants and there is no shame in being a public employee. I don't have any numbers to crunch, but as far as public safety, I think everyone in the Department at AFSCME makes a very large contribution to public safety – clean water, solid waste, wastewater, transit, senior services, libraries, swimming pools – just about everybody in this room contributes to the overall health and safety of the City."

Mr. Dalton said, "I have a very difficult time sitting here listening to the Committee, and the Committee constantly asking this side of the line to bring some issues to the table. I haven't heard one single issue from your side. Now, I'm not being critical. I worked for almost 30 years balancing budgets. It is very easy to balance a budget by cutting payroll or cutting personnel. Having had discussions with the Department heads over the past year and a half I've been involved as Union Vice President has really enlightened me. Having come from the private sector, it is very easy to criticize and point out things I

thought were wrong. Being careful not to offend anybody, I think that collectively we can fix the problem in the City, but we need to be a more creative on your side, not just pay cuts, and not just layoffs. AFSCME has given back to the City \$1.3 million in the form of furloughs or work reductions created language. At the same time, there has been a soft freeze on new employees. AFSCME has given up over 100 positions. And the back side of that, are the people coming into the City in classified positions which are classified as temporary positions without.... that's a very soft way of union busting. I am not so critical that I cannot rise above my personal feelings. My membership expects it of me, and more importantly, I expect it of myself as well as my family. I am grateful to be here amongst these people and amongst you, because we are all citizens of the City and we all care. AFSCME is willing to do their part. I am not at liberty at this point to reveal what we may bring to the table, but we are open to negotiation. And that's very important. I watch daily my brothers and sisters in Wisconsin. I know what they lost in New Jersey." He thanked his brothers and sisters in AFSCME, including management and the Governing Body.

Chair Ortiz said at the next Finance Committee meeting, March 21, 2011, the Committee will discuss some of the Resolutions which have been introduced to balance the budget, as well as have a discussion on employee benefits. He said the Governing Body received information in an executive session with regard to employee benefits relating to all 3 union contracts. The Governing Body has asked the City Manager and the Finance Director to have the information which was presented in the Committee packets for public consumption, so there is an amount that we have to come up with. He said it is necessary to be cognizant of the fact that 80% of the budget is for personnel.

Chair Ortiz said the proposals made by the Governing Body extend only to the non-bargaining positions, and the balance comes at a cost which has to be negotiated in good faith with representatives of the 3 bargaining units. He said if those negotiations come to a stand-still, for whatever reason, then management and the unions must "take and implement according to each of their respective positions of the collective bargaining agreement." He said, unlike New Jersey, Wisconsin, Texas and Alabama, this Governing Body has decided firmly that we are going to respect the right to organize and negotiate in good faith, and the right to allow those representatives to make those decisions and to participate in the pain that we are all experiencing. He said, just as today, all representatives of collective bargaining units will have the opportunity to speak to what is being presented with regard to employee benefits which are the subject of negotiations. He said if they have proposals, he would ask that those proposals be submitted in writing to the Finance Director, to him, or the City Manager, and those will be in the Committee packet and will be discussed.

Chair Ortiz said the only person who says that he supports a property tax increase has been David Jenkins, on behalf of the Firefighters, who said that loudly, clearly and eloquently. He said that argument is persuasive and can be repeated. The time to put those proposals on the table is now, and not at the last minute, because we still have a budget gap to be filled. He would like those proposals in writing. Chair Ortiz said there are rumors that we will close or cut services and or facilities, commenting that those are just rumors unless they are on the Committee agenda.

Chair Ortiz asked that any requests for information requested by the Committee or members of the Governing Body be made timely for the budget.

Chair Ortiz thanked the Mayor and Councilors for attending. He encourages people to attend the Committee meetings so they can hear directly from the administration and hear what your members are saying.

**23. ADJOURN**

There was no further business to come before the Committee, and the meeting was adjourned at 7:30 pm.

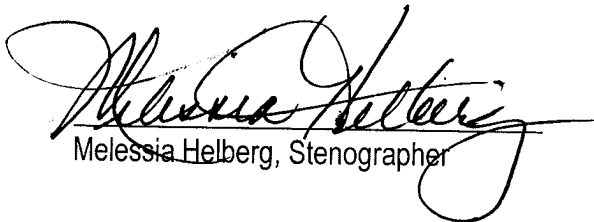
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Matthew E. Ortiz, Chair

Reviewed by:

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Kathryn L. Raveling, Director  
Department of Finance



Melessia Helberg, Stenographer