



# Agenda

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## ***Capital Improvements Advisory Committee***

**Thursday, March 10, 2011**

**3:00 p.m.**

**City Hall, 200 Lincoln Avenue, 1<sup>st</sup> Floor  
City Councilors' Conference Room**

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES
  - **Meeting of January 13, 2011**
5. ACTION ITEMS
  - A. **Public Works Department – Request to use Impact Fees**  
*Cerrillos Road Reconstruction, Phase II-B (Cielo Court to Camino Carlos Rey)*  
*\$700,000 from Roads Impact Fee Account.*
  - B. **Impact Fees Annual Report** (Summary of 2010)
6. INFORMATION ITEMS
  - **Memo** – Confirming CIAC action taken on request for additional \$5,000 for the Southwest Activity Node (SWAN) / Parks Impact Fee Account.
7. MATTERS FROM THE CHAIR / COMMITTEE
8. MATTERS FROM THE FLOOR
9. NEXT QUARTERLY MEETING DATE (**Thursday, April 14, 2011, 3:00 p.m.**)
10. ADJOURN

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For questions regarding this agenda, please contact the Long Range Planning Division at 955-6610.

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March 10, 2011

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**MINUTES OF THE**  
**CITY OF SANTA FE**  
**CAPITAL IMPROVEMENTS ADVISORY COMMITTEE**  
**March 10, 2011**

**1. CALL TO ORDER**

A regular meeting of the City of Santa Fe Capital Improvements Advisory Committee was called to order by Karen Walker, Chair at 3:10 p.m. on this date in the City Councilors' Conference Room, 1<sup>st</sup> Floor, City Hall, Santa Fe, New Mexico.

**2. ROLL CALL**

Roll call indicated a quorum was present for conducting official business as follows:

**MEMBERS PRESENT:**

Karen Walker, Chair  
Michael Chapman, Vice Chair  
Maria Higuera Pope  
Gilbert Romero  
Kim Shanahan  
Neva Van Peski

**MEMBERS ABSENT:**

Edmundo Lucero, excused  
Marg Veneklassen, excused

**STAFF PRESENT:**

Reed Liming, City of Santa Fe Long Range Planning Division Director  
Desirae Lujan, City of Santa Fe Public Works Department

**OTHERS PRESENT:**

Jo Ann G. Valdez, Stenographer

### **3. APPROVAL OF AGENDA**

**Ms. Van Peski moved to approve the agenda as presented. Mr. Romero seconded the motion, which passed unanimously by voice vote.**

### **4. APPROVAL OF MINUTES: January 13, 2011**

**Mr. Chapman moved to approve the Minutes of the January 13, 2011 meeting as submitted. Ms. Van Peski seconded the motion, which passed unanimously by voice vote.**

### **5. ACTION ITEMS**

#### **A. Public Works Department-Request to use Impact Fees**

*Cerrillos Road Reconstruction, Phase II-B, (Cielo Court to Camino Carlos Rey) \$700,000 from Roads Impact Fee Account*

(Copies of the Memo to the Capital Improvements Advisory Committee from Desirae Lujan, Engineer Associate, dated March 3, 2011 {Exhibit 5A} were distributed in the members' packets.)

The City of Santa Fe Public Works Department issued a request for bids on February 9, 2011 for project construction. Four bids were received on March 2, 2011. The lowest qualified bidder is AUI, Inc. of Albuquerque with a bid amount of \$6,223,285.60 exclusive of New Mexico Gross Receipts Tax. Funds required for construction, including tax and contingency, totals \$7,200,000. Currently, Federal and State funds in the amount of \$6,500,000 are available for project construction. Therefore, additional funds in the amount of \$700,000 are required to award a construction contract. It is recommend that \$700,000 in impact fees are utilized to fully fund project construction. The Project is also identified in the Impact Fees Capital Improvement Plan for Planned Major Road Improvements (2007-2012, Table 22, Page 23).

The Public Works Department recommends the following:

- Support the use of Impact Fees in the amount of \$700,000 to fund construction of CIP #810A-Cerrillos Road Reconstruction Project, Phase IIB, Cielo Court to Camino Carlos Rey.

A copy of the Plot of the *Cerrillos Road Reconstruction* Project was reviewed. The Committee had the following questions:

- Mr. Romero asked if there were bus stops.

Ms. Lujan said yes, there are nice bus stops.

- Ms. Van Peski asked how long it has been since Cerrillos Road has been reconstructed.

Ms. Lujan said that Cerrillos Road was redesigned to be reconstructed from St. Michael's Drive to Airport Road. It is too large of a project to build at one time; therefore it has been built in sections. The first project was the Airport Road Intersection; the next portion was up to Rufina and that was built in 2002-2203; and the last portion, which is Phase A, was built in 2009, from Richards Avenue to Cielo Court. And now Phase B will be constructed and then they still have Phase C.

Ms. Lujan noted that Cerrillos Road is a State Road; however, the City has an agreement with the State to maintain it. She said the funds that they currently have for the Project are State funds. Again, the Construction Funds to Date (Federal/State) are \$6,500,000.00.

- Mr. Chapman asked if there has been some resurfacing done on Cerrillos Road.

Ms. Lujan said yes.

- Chair Walker asked if the businesses in that area will be negatively impacted by the Project.

Ms. Lujan said that they included in the contract that the Contractor must maintain access at all businesses at all times. The City will also make informational signs.

- Chair Walker asked if one lane (of Cerrillos Road) will always be open.

Ms. Lujan said yes; and the City will not allow Cerrillos Road to be shut down.

- Mr. Romero asked what the timeline was for the Project.

Ms. Lujan said that the company (AUI, Inc.) will get a Notice to Proceed on April 18<sup>th</sup>. They are required to complete the Project by October 7<sup>th</sup>.

- Chair Walker asked if they interviewed any local companies to bid.

Ms. Lujan said that it was an open bid; anyone could bid but unfortunately there were only four bids that qualified.

- Mr. Shanahan asked if the City gets lobbied by businesses when they are making the plans.

Ms. Lujan said yes. There are also traffic counts done.

- Mr. Romero asked if they will tear up the road in sections; or are they going to do it all at once. He noted that it is a long way.

Ms. Lujan said this is up to the contractor's discretion; however, the City gives the contractor a suggested sequence for the project.

- Chair Walker asked what the red hatching was on the roll plot.

Ms. Lujan said she would get an explanation for this and get back to the Committee.

**Ms. Van Peski moved to approve the request to use Impact Fees for the Cerrillos Road Reconstruction, Phase II-B, (Cielo Court to Camino Carlos Rey) in the amount of \$700,000 from the Roads Impact Fee Account. Ms. Pope seconded the motion, which passed unanimously by voice vote.**

**B. Impact Fees Annual Report** (Summary of 2010 impact fee activity)  
[Copies of the Impact Fees Annual Report {*Exhibit 5B*} were distributed in the members' packets.]

Mr. Liming reviewed Exhibit 5B noting that every year, as part of the Impact Fee Ordinance, the Committee is to submit a summary to City Council on the impact fee activity of the previous calendar year.

Mr. Liming noted that there were two projects that were approved in 2010. He explained that during 2010, \$250,000 of impact fee money was reimbursed back into the "Roads" impact fee account. The Public Works Department had requested, the CIAC recommended and the City Council approved, the use of \$930,000 from Road impact fees for the construction of the Siler Road Bridge and extension to West Alameda. Subsequent to that, the City was able to obtain \$250,000 from the City/County Regional Planning Authority (RPA) as substitute funding for the project, which meant only \$680,000 of Road impact fee funding was required; thus the reimbursement of \$250,000 back into the Roads impact fee account.

Mr. Liming said these figures do not include the fact that Wal-Mart came in during January 2011 and paid \$729,000 in impact fees of which \$684,000 went into the Roads impact fee account. This will pretty much cover what was approved above for the Cerrillos Road Reconstruction Project.

Chair Walker referred to page 2 (6<sup>th</sup> paragraph) of the Summary that reads: *"A study completed as part of the 2004 annual report estimates that the effect of impact fees on housing prices in the local market ranges between 0.5 % – 1.6 % of the final sale price of a new single family house. Therefore, impact fees play a minor role in the price of a new house in the Santa Fe market."* She asked Mr. Liming if he has found that impact fees on structures for businesses or industries has had a negative impact/effect on the business market-do impact fees place a hardship on the commercial industry.

Mr. Liming said the effect of impact fees on housing prices is a little easier to measure than it is on the commercial market.

Mr. Chapman said the Committee has to recognize that construction costs are also a factor - with respect to the housing and commercial market.

Ms. Pope said she would like to keep on the table the notion of the benefits that impact fees have brought to the community. She said one way the Committee could show that is to list all the projects that have been funded by impact fees.

Mr. Liming offered to attach a list of the projects that have been funded by impact fees to the Summary Report to the City Council.

There was consensus of the Committee to attach a list of the projects that have been funded by impact fees.

Ms. Van Peski offered the following amendment to the final paragraph of the Summary Report to City Council:

***“JD Edwards / HTE software report Reconciliation***

*Staff has been successful in efforts to explain why there are differences between the data generated by the two software programs (the HTE permit tracking software and the JD Edwards financial tracking software) which are used to track impact fee revenues from assessment through actual payment. These differences have in the past resulted in two quite different estimates of quarterly impact fee totals. Truly heroic efforts of Finance Department staff, working with the ITT Division, resulted in solving this long-standing knotty problem. The Capital Improvement Advisory Committee and staff wishes to extend its appreciation for the assistance.”*

**Mr. Chapman moved to accept Ms. Van Peski’s amendment to the final paragraph of the Summary Report (as noted above). Ms. Van Peski seconded the motion, which passed unanimously by voice vote.**

Mr. Romero asked if they are selling more permits.

Mr. Liming said between January and February, there were 25 permits for new homes.

**6. INFORMATION ITEMS**

**Memo** – Confirming CIAC action taken on request for additional \$5,000 for the Southwest Activity Node (SWAN) Parks Impact Fee Account

[Copies of the Memo to the Capital Improvements Advisory Committee from Reed Liming dated February 15, 2011 regarding the Committee’s approval of \$5,000 additional funding for the Southwest Activity Center were distributed in the members’ packets. Please see *Exhibit 6* for the details.]

Mr. Liming noted that the Land Use Department is recommending changes to the Impact Fees Ordinance (under the umbrella of Chapter 14-Land Development Code) and this will probably be on the agenda for the April meeting. He said he may invite Wendy Blackwell to the next meeting.

**7. MATTERS FROM THE CHAIR/COMMITTEE**

There were no matters from the Committee.



**8. MATTERS FROM THE FLOOR**

There were no matters from the floor.

**9. NEXT MEETING DATE: Thursday, April 14, 2011 at 3:00 p.m.**

**10. ADJOURNMENT**

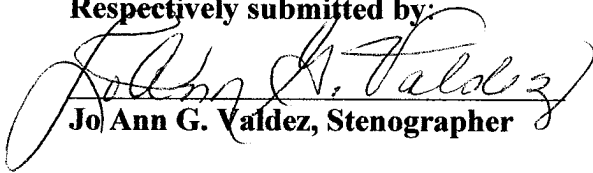
Having no further business to discuss, Ms. Van Peski moved to adjourn the meeting, second by Mr. Romero, the meeting adjourned at 4:10 p.m.

**Approved by:**

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**Karen Walker, Chair**

**Respectively submitted by:**



**Jo Ann G. Valdez, Stenographer**