



# Agenda

FINANCE COMMITTEE MEETING  
CITY COUNCIL CHAMBERS  
SEPTEMBER 19, 2011 – 5:00 PM

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. APPROVAL OF CONSENT AGENDA

5. APPROVAL OF MINUTES:

SEPTEMBER 6, 2011

CITY CLERK'S OFFICE

DATE 9/16/11 TIME 8:50am

SERVED BY Yolanda Green

FOLLOWED BY [Signature]

## CONSENT AGENDA

6. REQUEST FOR APPROVAL OF LEASE AND MAINTENANCE AGREEMENT AND PROCUREMENT UNDER STATE PRICE AGREEMENT – UPGRADE CITY'S TELEPHONE SYSTEM (12 LOCATIONS); AVAYA FINANCIAL SERVICES (THOMAS WILLIAMS)

7. REQUEST FOR APPROVAL OF SUPPORT SERVICES AGREEMENT – LAND USE, POLICE AND FIRE DEPARTMENT SYSTEMS SUPPORT SERVICES; SUNGUARD PUBLIC SECTOR, INC. (CARYN FIORINA)

8. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – SOFTWARE PROGRAMMING FOR THE CITY OF SANTA FE; MOUNTAIN RIVER CONSULTING, INC. (CARYN FIORINA)

9. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – NATURAL GAS SERVICES AND DISTRIBUTION TO CITY-WIDE FACILITIES; BP ENERGY COMPANY (NICK SCHIAVO)

10. REQUEST FOR APPROVAL OF GRANT AWARD AND GRANT AGREEMENT – REPLACEMENT VEHICLES FOR TRANSIT DIVISION; NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES (JON BULTHUIS)

A. REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT – TWO (2) BUS REPLACEMENT VEHICLES FOR TRANSIT DIVISION; GILLIG, LLC



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- B. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – FOUR (4) PARATRANSIT REPLACEMENT VEHICLES FOR TRANSIT DIVISION; MV SALES AND LEASING, INC.
- C. REQUEST FOR APPROVAL OF BUDGET INCREASE – GRANT FUND
- 11. REQUEST FOR APPROVAL OF EXEMPT PROCUREMENT AND CONTRACT – ADVERTISING SERVICES FOR CITY OF SANTA FE; THE SANTA FE NEW MEXICAN (ROBERT RODARTE)
- 12. REQUEST FOR APPROVAL OF AMENDMENT NO. 4 TO PROFESSIONAL SERVICES AGREEMENT – ENGINEERING SERVICES FOR SANTA FE HYDROELECTRIC PROJECT; AECOM TECHNICAL SERVICES, INC. (DALE LYONS)
- 13. REQUEST FOR APPROVAL OF CHANGE ORDERS NO. 6 AND NO. 7 – CANYON ROAD WATER TREATMENT PLANT MODIFICATIONS AND IMPROVEMENTS PROJECT; TRIAD BUILDERS OF NEW MEXICO, INC. (ROBERT JORGENSEN)
- 14. REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO AGREEMENT – CONTINUUM FUNDING FOR CITY OF SANTA FE; STATE OF NEW MEXICO CHILDREN, YOUTH AND FAMILIES DEPARTMENT (RICHARD DEMELLA)
- 15. REQUEST FOR APPROVAL OF A RESOLUTION SUPPORTING THE VIP RECEPTION AND GRAND CENTENNIAL BALL TO BE HELD ON JANUARY 6, 2012 AT THE SANTA FE COMMUNITY CONVENTION CENTER, IN HONOR OF THE NEW MEXICO CENTENNIAL; AND AUTHORIZING THE WAIVER OF FEES FOR USE OF THE SANTA FE COMMUNITY CONVENTION CENTER (COUNCILOR WURZBURGER) (JAMES BRADBURY)

**Committee Review:**

City Council (scheduled)

09/27/11

Fiscal Impact – Yes

- 16. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING EXHIBITS C AND D OF CHAPTER XXV SFCC 1987 TO AUTHORIZE THE SUSPENSION OF SANTA FE RIVER TARGET FLOWS DURING “WATER WARNING – ORANGE” AND “WATER EMERGENCY – RED” IMPLEMENTATION STAGES (COUNCILORS ORTIZ AND WURZBURGER) (BRIAN SNYDER)



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**Committee Review:**

Public Utilities (approved)	09/07/11
City Council (request to publish)	09/27/11
City Council (public hearing)	10/26/11

Fiscal Impact – No

17. REQUEST FOR APPROVAL OF A RESOLUTION AMENDING RESOLUTION NO. 2010-50, ADOPTED JUNE 30, 2010; AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT (“LOAN AGREEMENT”) BY AND BETWEEN THE CITY OF SANTA FE, NEW MEXICO (THE “GOVERNMENTAL UNIT”) AND THE NEW MEXICO FINANCE AUTHORITY (THE “NMFA”), EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF NO MORE THAN THREE HUNDRED TWENTY THOUSAND ONE HUNDRED THIRTY-EIGHT DOLLARS (\$320,138), TOGETHER WITH INTEREST, COSTS OF ISSUANCE AND ADMINISTRATIVE FEES THEREON, FOR THE PURPOSE OF FINANCING THE COSTS OF A PROJECT CONSISTING OF UPGRADES TO THE CITY’S WATER UTILITY SYSTEM, INCLUDING INSTRUMENTATION OF PUMPING SITES TO MONITOR ENERGY USAGE; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF, INTEREST AND ADMINISTRATIVE FEES DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE PLEDGED REVENUES; SETTING A MAXIMUM INTEREST RATE FOR THE LOAN; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT (COUNCILORS WURZBURGER AND CALVERT) (DALE LYONS)

- A. REQUEST FOR APPROVAL OF AMENDED AND RESTATED DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT BY AND BETWEEN THE CITY OF SANTA FE, NEW MEXICO AND THE NEW MEXICO FINANCE AUTHORITY (LOAN NO. 2392-DW)

- B. REQUEST FOR APPROVAL OF BUDGET INCREASE – WATER FUND

**Committee Review:**

Public Utilities (approved)	09/07/11
City Council (scheduled)	09/27/11

Fiscal Impact – Yes



# Agenda

FINANCE COMMITTEE MEETING  
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## **END OF CONSENT AGENDA**

### **DISCUSSION**

18. **(PUBLIC HEARING)**  
REQUEST FOR APPROVAL OF NORTHWEST WELL PERMIT APPLICATION;  
OFFICE OF STATE ENGINEER (CLAUDIA BORCHERT)
19. **(PUBLIC HEARING)**  
REQUEST FOR APPROVAL CREDIT APPLICATION – PURSUE DISCHARGE TO  
OFFSET BUCKMAN WELL IMPACTS IN THE LA CIENEGA AREA; OFFICE OF  
STATE ENGINEER (CLAUDIA BORCHERT)
20. **(PUBLIC HEARING)**  
REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 11-12.1  
SFCC 1987 SO THAT CASH BALANCES GENERATED BY ENTERPRISE FUNDS  
SHALL BE RETAINED WITHIN THEIR RESPECTIVE FUNDS AND SHALL NOT  
BE TRANSFERRED TO THE GENERAL FUND WITH THE EXCEPTION THAT  
THE CITY MAY CHARGE ENTERPRISE FUNDS FOR DULY INCURRED COSTS  
(COUNCILOR BUSHEE) (BRIAN SNYDER)

#### **Committee Review:**

Public Utilities (not approved)	09/07/11
City Council (request to publish)	09/27/11
City Council (public hearing)	10/26/11

Fiscal Impact – Yes

21. REQUEST FOR APPROVAL OF 2013-2017 INFRASTRUCTURE CAPITAL  
IMPROVEMENTS PLAN (ICIP) (ISAAC PINO)
  - A. REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING AN  
INFRASTRUCTURE CAPITAL IMPROVEMENTS PLAN (ICIP)  
(COUNCILOR DOMINGUEZ) (ISAAC PINO)

#### **Committee Review:**

Public Works (approved)	09/19/11
City Council (scheduled)	09/27/11

Fiscal Impact – No



# Agenda

FINANCE COMMITTEE MEETING  
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22. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT OF EMERGENCY VEHICLE OUTFITTING EQUIPMENT AND INSTALLATION FOR POLICE DEPARTMENT; MHQ OF NEW MEXICO AND WIRELESS ADVANCED COMMUNICATIONS (POLICE CHIEF RAYMOND RAE)
  23. REQUEST FOR APPROVAL OF CONSIDERATION TO FILL VACANT POSITIONS (ROBERT ROMERO)
  24. OTHER FINANCIAL INFORMATION:
    - A. UPDATE ON GROSS RECEIPTS TAX RECEIVED IN SEPTEMBER 2011 (FOR JULY 2011 ACTIVITY) AND LODGERS' TAX REPORT RECEIVED IN AUGUST 2011 (FOR JULY 2011 ACTIVITY) (KATHRYN RAVELING)
  25. MATTERS FROM THE COMMITTEE
  26. 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, September 19, 2011

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved [amended]	1-2
APPROVAL OF CONSENT AGENDA	Approved [amended]	2
CONSENT AGENDA LISTING		2-4
APPROVAL OF MINUTES: SEPTEMBER 6, 2011	Approved	4
<u>CONSENT CALENDAR DISCUSSION</u>		
REQUEST FOR APPROVAL OF EXEMPT PROCUREMENT AND CONTRACT – ADVERTISING SERVICES FOR CITY OF SANTA FE; <i>THE SANTA FE NEW MEXICAN</i>	Approved [amended]	4-5
REQUEST FOR APPROVAL OF AMENDMENT NO. 4 TO PROFESSIONAL SERVICES AGREEMENT – ENGINEERING SERVICES FOR SANTA FE HYDROELECTRIC PROJECT; AECOM TECHNICAL SERVICES, INC.	Approved	5-7
*****		
END OF CONSENT CALENDAR DISCUSSION		
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<u>DISCUSSION</u>		
REQUEST FOR APPROVAL OF 2013-2017 INFRASTRUCTURE CAPITAL IMPROVEMENTS PLAN (ICIP)	Approved [amended]	7-8
REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING AN INFRASTRUCTURE CAPITAL IMPROVEMENTS PLAN (ICIP)	Approved [amended]	7-8
<u>PUBLIC HEARING</u>		
REQUEST FOR APPROVAL OF NORTHWEST WELL PERMIT APPLICATION; OFFICE OF STATE ENGINEER	Approved	8-10

<b><u>ITEM</u></b>	<b><u>ACTION</u></b>	<b><u>PAGE</u></b>
<b><u>PUBLIC HEARING</u></b> REQUEST FOR APPROVAL CREDIT APPLICATION – PURSUE DISCHARGE TO OFFSET BUCKMAN WELL IMPACTS IN THE LA CIENEGA AREA; OFFICE OF STATE ENGINEER	Approved	10-12
<b><u>PUBLIC HEARING</u></b> REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 11-12.1 SFCC 1987, SO THAT CASH BALANCES GENERATED BY ENTERPRISE FUNDS SHALL BE RETAINED WITHIN THEIR RESPECTIVE FUNDS AND SHALL NOT BE TRANSFERRED TO THE GENERAL FUND WITH THE EXCEPTION THAT THE CITY MAY CHARGE ENTERPRISE FUNDS FOR DULY INCURRED COSTS	Motion to approve defeated	12-16
REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT OF EMERGENCY VEHICLE OUTFITTING EQUIPMENT AND INSTALLATION FOR POLICE DEPARTMENT; MHQ OF NEW MEXICO AND WIRELESS ADVANCED COMMUNICATIONS	Motion to install at the Radio Shop	16-20
REQUEST FOR APPROVAL OF CONSIDERATION TO FILL VACANT POSITIONS	Postponed to 10/03/11	20
<b><u>OTHER FINANCIAL INFORMATION:</u></b>		
UPDATE ON GROSS RECEIPTS TAX RECEIVED IN SEPTEMBER 2011 (FOR JULY 2011 ACTIVITY) AND LODGERS' TAX REPORT RECEIVED IN AUGUST 2011 (FOR JULY 2011 ACTIVITY)	Information/discussion	20-21
MATTERS FROM THE COMMITTEE	None	21
ADJOURN		21

**MINUTES OF THE  
CITY OF SANTA FE  
FINANCE COMMITTEE**  
Monday, September 19, 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, September 19, 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 Patti J. Bushee  
Councilor Carmichael A. Dominguez  
Councilor Rebecca Wurzbarger

**MEMBERS EXCUSED:**

Councilor Rosemary Romero

**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**

Chair Ortiz said there is a request to move Item #21 to be heard first on the Discussion Agenda, before the public hearings.

Ms. Raveling said Item #23 has been removed.



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

**VOTE:** The motion was approved on a voice vote, with Councilor Bushee, Councilor Dominguez and Chair Ortiz voting in favor of the motion and none against.

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

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

**VOTE:** The motion was approved on a voice vote, with Councilor Bushee, Councilor Dominguez and Chair Ortiz voting in favor of the motion and none against

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#### **CONSENT AGENDA**

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A copy of Fiscal Impact Report No. 2172 regarding Item #16, is incorporated herewith to these minutes as Exhibit "1."

- 6. REQUEST FOR APPROVAL OF REQUEST FOR APPROVAL OF LEASE AND MAINTENANCE AGREEMENT AND PROCUREMENT UNDER STATE PRICE AGREEMENT – UPGRADE CITY’S TELEPHONE SYSTEM (12 LOCATIONS); AVAYA FINANCIAL SERVICES. (THOMAS WILLIAMS)**
- 7. REQUEST FOR APPROVAL OF SUPPORT SERVICES AGREEMENT – LAND USE, POLICE AND FIRE DEPARTMENT SYSTEM SUPPORT SERVICES; SUNGUARD PUBLIC SECTOR, INC. (CARYN FIORINA)**
- 8. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND PROFESSIONAL SERVICES AGREEMENT – SOFTWARE PROGRAMMING FOR THE CITY OF SANTA FE; MOUNTAIN RIVER CONSULTING, INC. (CARYN FIORINA)**
- 9. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – NATURAL GAS SERVICES AND DISTRIBUTION TO CITY-WIDE FACILITIES; BP ENERGY COMPANY. (NICK SCHIAVO)**

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  - A. REQUEST FOR APPROVAL OF PROCUREMENT UNDER COOPERATIVE PRICE AGREEMENT – TWO (2) BUS REPLACEMENT VEHICLES FOR TRANSIT DIVISION; GILLIG, LLC.
  - B. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – FOUR (4) PARATRANSIT REPLACEMENT VEHICLES FOR TRANSIT DIVISION; MV SALES AND LEASING, INC.
  - C. REQUEST FOR APPROVAL OF BUDGET INCREASE – GRANT FUND.
11. *[Removed for discussion by Councilor Bushee]*
12. *[Removed for discussion by Councilor Bushee]*
13. REQUEST FOR APPROVAL OF CHANGE ORDERS NO. 6 AND NO. 7 – CANYON ROAD WATER TREATMENT PLANT MODIFICATIONS AND IMPROVEMENTS PROJECT; TRIAD BUILDERS OF NEW MEXICO, INC. (ROBERT JORGENSEN)
14. REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO AGREEMENT – CONTINUUM FUNDING FOR CITY OF SANTA FE; STATE OF NEW MEXICO, CHILDREN, YOUTH AND FAMILIES DEPARTMENT. (RICHARD DeMELLA)
15. REQUEST FOR APPROVAL OF A RESOLUTION SUPPORTING THE VIP RECEPTION AND GRAND CENTENNIAL BALL, TO BE HELD ON JANUARY 6, 2012, AT THE SANTA FE COMMUNITY CONVENTION CENTER, IN HONOR OF THE NEW MEXICO CENTENNIAL; AND AUTHORIZING THE WAIVER OF FEES FOR USE OF THE SANTA FE COMMUNITY CONVENTION CENTER (COUNCILOR WURZBURGER). (JAMES BRADBURY) Committee Review: City Council (scheduled) 09/27/11. Fiscal Impact – yes.
16. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING EXHIBITS C AND D OF CHAPTER XXV SFCC 1987, TO AUTHORIZE THE SUSPENSION OF SANTA FE RIVER TARGET FLOWS DURING “WATER WARNING – ORANGE” AND “WATER EMERGENCY – RED” IMPLEMENTATION STAGES (COUNCILORS ORTIZ AND WURZBURGER). (BRIAN SNYDER). Committee Review: Public Utilities (approved) 09/07/11; City Council (request to publish) 09/27/11; and City Council (public hearing) 10/26/11. Fiscal Impact – No.
17. REQUEST FOR APPROVAL OF A RESOLUTION AMENDING RESOLUTION NO. 2010-50, ADOPTED JUNE 30, 2010; AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESEATED DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT (“LOAN AGREEMENT”), BY AND BETWEEN THE CITY OF SANTA FE, NEW MEXICO (THE “GOVERNMENTAL UNIT”) AND THE NEW MEXICO FINANCE AUTHORITY (THE “NMFA”), EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF NO MORE THAN THREE HUNDRED TWENTY THOUSAND ONE HUNDRED THIRTY EIGHT DOLLARS (\$320,138), TOGETHER WITH

INTEREST, COSTS OF ISSUANCE AND ADMINISTRATIVE FEES THEREON, FOR THE PURPOSE OF FINANCING THE COSTS OF A PROJECT CONSISTING OF UPGRADES TO THE CITY'S WATER UTILITY SYSTEM, INCLUDING INSTRUMENTATION OF PUMPING SITES TO MONITOR ENERGY USAGE; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF, INTEREST AND ADMINISTRATIVE FEES DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE PLEDGED REVENUES; SETTING A MAXIMUM INTEREST RATE FOR THE LOAN; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT (COUNCILORS WURZBURGER AND). (DALE LYONS)

A. REQUEST FOR APPROVAL OF AMENDED AND RESTATED DRINKING WATER STATE REVOLVING LOAN FUND AGREEMENT BY AND BETWEEN THE CITY OF SANTA FE, NEW MEXICO AND THE NEW MEXICO FINANCE AUTHORITY (LOAN NO. 2392-DW)

B. REQUEST FOR APPROVAL OF BUDGET INCREASE – WATER FUND.

Committee Review: Public Utilities (approved) 09/07/11; and City Council (scheduled) 09/27/11. Fiscal Impact – Yes.

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#### END OF CONSENT AGENDA

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#### 5. APPROVAL OF MINUTES: SEPTEMBER 6, 2011

**MOTION:** Councilor Bushee moved, seconded by Councilor Dominguez, to approve the minutes of the Regular Finance Committee Meeting of September 6, 2011, as presented.

**VOTE:** The motion was approved on a voice vote, with Councilor Bushee, Councilor Dominguez and Chair Ortiz voting in favor of the motion and none against

#### CONSENT CALENDAR DISCUSSION

#### 11. REQUEST FOR APPROVAL OF EXEMPT PROCUREMENT AND CONTRACT – ADVERTISING SERVICES FOR CITY OF SANTA FE; *THE SANTA FE NEW MEXICAN*. (ROBERT RODARTE)

Councilor Bushee said she is unclear as to what the total is, and asked if it is for advertising, or just for subscriptions.

Mr. Rodarte this is for everything, which includes the publishing and all ads which is 90% of the overall procurement.

Responding to Councilor Bushee, Mr. Rodarte said the projected dollar amount is \$100,000. He

said they believe it will come down considerably this year because the Buckman and other things have "come down a lot and are pretty much finalized." He said they based the annual fee for advertising on a value of \$100,000, down from \$150,000.

Councilor Bushee said the contract says a maximum of \$100,000. She wants to know what we are approving.

Mr. Rodarte said if the City goes beyond the \$100,000, we are subject to a lower rate. He said the request is to approve at least \$100,000, noting we are now at \$24,000 for the year, and we don't know what will be coming up. He said the request is to approve the \$100,000, and they will come back if it goes over this amount.

Councilor Bushee said it doesn't say anything about advertising, and when this comes back, she wants a better breakdown of how this works – how much is subscription, how much is advertising, what is the cap, and what the request is.

Mr. Rodarte said there were 503 transactions with *The Santa Fe New Mexican* last year, and all of the transactions are in the same category which is publishing, so it will difficult to break this down.

**MOTION:** Councilor Bushee moved, seconded by Councilor Dominguez, to approve a cap of \$100,000, and if funds are needed in the future, staff will come back.

**DISCUSSION:** Councilor Dominguez asked if we have done this contract previously, and Mr. Rodarte said it is done annually.

Councilor Dominguez asked if it is pretty much the same every year, and if we are basing the cap on what we've spent in previous years with some adjustments.

Mr. Rodarte said this is the reason he put three years of history. He said this year the advertising budgets have really been cut, especially in the General Fund. He said this is the reason staff opted to try to get to \$100,000. He said at June 30, 2010, it was \$180,000, which was mostly Buckman. He said between 2009 and 2010 it increased by almost \$30,000.

**VOTE:** The motion was approved on a voice vote, with Councilor Bushee, Councilor Dominguez and Chair Ortiz voting in favor of the motion and none against

**12. REQUEST FOR APPROVAL OF AMENDMENT NO. 4 TO PROFESSIONAL SERVICES AGREEMENT – ENGINEERING SERVICES FOR SANTA FE HYDROELECTRIC PROJECT; AECOM TECHNICAL SERVICES, INC. (DALE LYONS)**

Councilor Bushee noted this is an amendment for \$55,000. She wants to know the total cost of the project, which she thinks is \$700,000. She wants to know how much was grant money and how much was City money. She noted \$20,000 annual energy savings.

Mr. Lyons said the contract is for an engineer on the project. He said they have spent about \$220,000 on engineering for the project. He said the total construction cost was about \$850,000, of which \$700,000 which was covered by an ARRA grant, and \$161,000 of the engineering was covered by a New Mexico Finance Authority Drinking Water Loan Program Grant. He said the total savings by generating electric power with the net metering system is about \$20,000. He said we will be selling our RECs, and we are working on a REC Purchase Agreement with PNM which will generate another \$8,000 annual revenue.

Councilor Bushee asked how long before it will pay for itself.

Mr. Lyons said it should pay for itself in about 5 years, noting the City's cost was approximately \$75,000.

Councilor Bushee asked how that compares with the solar array at the Buckman.

Mr. Lyons said we have requested another \$64,000 to help us pay for the SKADA impacts to this project, which will offset the amount of money. He said that request is still pending before the New Mexico Finance Authority, noting we should have heard 2 months ago. He said these are subsidized loans and a large amount of the principle is forgiven and other principle is financed at a very low rate.

Councilor Bushee said by the time this goes to Council she wants to know how this compares with the solar array.

Mr. Lyons said the solar facility at the BDD was not financed by the City.

Councilor Bushee said she knows that, but she wants to know the savings.

Mr. Lyons said it generates 10 times the power. The hydroelectric facility is expected to generate about 400 MWH per year. The solar facility is expected to generate about 2,500 MWH per year. He said it will save the BDD and the City about \$250,000 per year in terms of the cost we would have to pay PNM.

Councilor Bushee said she is surprised how small the return is, as to what we'll get back in energy costs.

Mr. Lyons asked if she needs more information before Council.

Councilor Bushee said no.

Councilor Dominguez asked, regarding #2, if the \$20,000 is the result of the interconnection requirements at PNM proposed after discussions.

Mr. Lyons said no. He said when PNM began the process of interconnection, they had published their manual, and based on the criteria that was published in the manual, we developed the design for the project. He said in the intervening time between the start of the process and submitting the design, PNM had changed its interconnection requirements and didn't tell us.

Councilor Dominguez asked if we made changes as a result of that, and Mr. Lyons said no.

Councilor Dominguez noted a budget of \$55,000 for travel.

Mr. Lyons said the \$55,000 is the sum-total of all changes, so the new contract is a total of \$55,000 and includes travel, noting there is only \$700 for travel.

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

**VOTE:** The motion was approved on a voice vote, with Councilor Bushee, Councilor Dominguez and Chair Ortiz voting in favor of the motion and none against.

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**END OF CONSENT CALENDAR DISCUSSION**

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**DISCUSSION**

21. **REQUEST FOR APPROVAL OF 2013-2017 INFRASTRUCTURE CAPITAL IMPROVEMENTS PLAN (ICIP). (ISAAC PINO)**  
A. **REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING AN INFRASTRUCTURE CAPITAL IMPROVEMENTS PLAN (ICIP) (COUNCILOR DOMINGUEZ). (ISAAC PINO)**  
**Committee Review: Public Works (approved) 09/19/11; and City Council (scheduled) 09/27/11. Fiscal Impact – No.**

Councilor Dominguez said at Public Works there was a request to add the Rodeo project on the ICIP, but he can't find it.

Mr. Pino said it hasn't been added, but it will be on the list by the time this goes to the City Council.

Councilor Bushee said she had asked for some additions, but she doesn't remember all of them, and asked if they are included

Mr. Pino said she asked for something on Siler Road which is on page 56, and the projects for the College which is on page 126. He said she asked for something at the Railyard and that's on page 44.

Councilor Bushee asked if this is for multi-modal.

Mr. Pino said no, it is for infrastructure improvements to the whole property.

Councilor Bushee asked if the multi-modal is included.

Mr. Pino said it may be, but he will have to check, and if it's not, it can be added. He said there was a request to add broadband.

**MOTION:** Councilor Bushee moved, seconded by Councilor Dominguez, to approve this request with the changes, with the condition that Mr. Pino will make sure that multi-modal is included.

**VOTE:** The motion was approved on a voice vote, with Councilor Bushee, Councilor Dominguez and Chair Ortiz voting in favor of the motion and none against.

**PUBLIC HEARING**

**18. REQUEST FOR APPROVAL OF NORTHWEST WELL PERMIT APPLICATION; OFFICE OF STATE ENGINEER. (CLAUDIA BORCHERT)**

A copy of "Comments Concerning the Northwest Well Application," by John Miles Smith, Vice President, SFBWA, 955-1719, entered for the record by John Miles Smith, is incorporated herewith to these minutes as Exhibit "2."

The staff report was presented by Claudia Borchert from her Memorandum of August 30, 2011, which is in the Committee packet. Please see this Memorandum for specifics of this presentation.

**Public Hearing**

**Speaking to the Request**

John Miles, Vice President, Santa Fe Basin Water Association, said the issues of sharing water are interesting and challenging. He said he is a big fan of the City water strategy.

Mr. Miles read his statement into the record requesting, "Based on City Policy and Fiscal Impact, we respectfully request the Committee to recommend consideration of a NWW application for a drought/emergency reserve. Please see Exhibit "2" for specifics of Mr. Miles statement.

**The Public Hearing was closed**

Councilor Bushee asked if the FIR costs are a minimum, and asked Ms. Borchert to address first the issue of arsenic raised by Mr. Miles.

Ms. Borchert said the reason we have arsenic and uranium in the Buckman wells has to do with upwelling of deep groundwater that is concentrated in the basin between the Rio Grande and Las Campanas. She said there are some good studies by Peggy Johnson, a geologist, which identifies the sources of the arsenic. Therefore, concern that hard pumping of the northwest well would result in the same deterioration of water quality is not evidenced by what we understand about the geology in our basin.

Councilor Bushee asked if the BDD is a contributing factor to the arsenic.

Ms. Borchert said it is a geological phenomenon of deep groundwater upwelling into our basin. She said hard pumping of the well does not change the concentration of the contaminants.

Councilor Bushee asked Ms. Borchert if this was an issue 10 years ago when you had to go before the OSE on this permit.

Ms. Borchert said the northwest well has very little arsenic and it was not an issue then and we're "fortunate that we don't think it will be an issue in the future." It also presumes that we're going to pump the northwest well hard. The difference here is we're preserving our option to manage our resources as we need to in the future, knowing that a year like this one, which has brought all kinds of unknowns into the equation could, and likely is going to be part of our future. We want to have all of the options that are legally ours available to us to deal with the future. She said there is no presumption that we're going against the fundamental in our Long Range Water Supply Plan which is to pump the groundwater harder. We're fortunate right now to have 90% of our water resources in a good year is surface water. That's more than we can say about any of the others tapping into this aquifer – they're not using 90% surface water in good years. She said we have a facility we want to use, which we spent \$216 million to build and we plan on using that surface water when it's there. This application is about preserving our right to use the groundwater when we need to.

Councilor Bushee said she didn't understand the paragraph about abandoning the water right, even if it was just to be a drought reserve well, and asked how does that abandon the water rights.

Ms. Borchert said if we don't apply for these rights for a supplemental to our existing City well right, noting we have 40 years to grow into the 4,865 afy. She said of the 4,865 afy we have put 3,507 afy to beneficial use. She said there is another 900 afy in the northwest well for combined use. If we don't apply for that, the State Engineer could very well say the City has abandoned its right to grow into that water right because the City didn't apply for it, and the total use from the City well field would be 3,507 afy, period.

Councilor Bushee asked Ms. Borchert if she didn't agree with the assertion of the former State Engineer Tom Turney.

Ms. Borchert said she doesn't doubt that Tom Turney said the things Mr. Smith said he is purported to say. However, she doesn't think it is the law and doesn't think it is material.

Councilor Bushee said there is only \$50,000 for this year and \$30,000 is projected for the next year in terms of consultant fees. She quoted from Ms. Borchert's memorandum, "However, significant resources for groundwater modeling will likely be needed regardless of the course of action." She asked if this includes groundwater modeling runs in those projected FIRs.

Ms. Borchert said what she is saying is that the estimate presumes we don't go to District Court but do go through a full OSE hearing process. She said the \$80,000 is earmarked for the groundwater modeling for the OSE hearing, but she doesn't anticipate having to redo a lot of the groundwater modeling if we go to District Court. However, staff time would be greater if we take it to the next step, if we feel we need to. She said half of it for expert testimony if we go to District Court.



Chair Ortiz said Ms. Borchert said at Public Utilities it could be higher, except for the fact that Marcus Martinez is staying, we would have to pay more for legal services, noting we have staff to do the expert testimony.

Ms. Borchert said this is correct and she will be the expert staff for hydrogeology, noting only pieces will be farmed out to other experts.

Councilor Bushee said she doesn't know how much we spent, but we just settled on having it as a drought reserve well.

Ms. Borchert said the well as permitted the last 10 years is not a drought reserve well, and we are allowed to pump 900 afy every year. It's just a short term permit and we want to make it permanent.

**MOTION:** Councilor Dominguez moved, seconded by Chair Ortiz , to approve this request– staff's recommendation.

**VOTE:** The motion was approved on a voice vote, with Councilor Bushee, Councilor Dominguez and Chair Ortiz voting in favor of the motion and none against.

#### **PUBLIC HEARING**

**19. REQUEST FOR APPROVAL CREDIT APPLICATION – PURSUE DISCHARGE TO OFFSET BUCKMAN WELL IMPACTS IN THE LA CIENEGA AREA; OFFICE OF STATE ENGINEER. (CLAUDIA BORCHERT)**

The staff report was presented by Claudia Borchert from her Memorandum of August 30, 2011, which is in the Committee packet. Please see this Memorandum for specifics of this presentation.

Ms. Borchert said they are looking for direction from the Council on how to offset the impact of the Buckman Well on the La Cienega area, and staff is recommending that we pursue a discharge credit or a return flow credit.

Chair Ortiz said, as explained by Ms. Borchert at the PUC, this is a less sure approach because it's a hybrid alternative recommended by staff, and it isn't a straight return flow credit kind of application, so we don't know necessarily what kind of process or result we'll get which will be applied by the State Engineer.

Ms. Borchert said this is correct, noting some of the costs in the FIR reflect the uncertainty, and the amount of consultant work, mainly groundwater modeling, mainly hydrogeologist work, to help accommodate all of the information the State Engineer will want to be assured. She said this is a hydrogeologic reality, it's just a question of what we have to prove that. She said the initial "temperature reading" from the OSE is that they aren't very in favor of this, and don't quite understand why. She said the first step to approve this is for us to meet with them and get a real good sense of what they're concerned about and the reason they don't think this is appropriate.

Councilor Bushee asked Ms. Borchert if staff is advocating the second alternative.

Ms. Borchert said yes, noting in her March memo they had narrowed it to two alternatives, the first was purchase of new water right and the second was this one. She said this recommendation narrows it to the second alternative – the first choice – for the discharge credit.

Councilor Bushee said the last sentence of page 1 provides, in part, "... staff is unsure of the State Engineer's acceptance of this offset mechanism and what groundwater modeling or stream and aquifer monitoring requirements the permit will draw. It is uncertain how and to what degree the City will need to assert its position with the OSE, but there is a good chance that this might take some time, effort and resources." She asked Ms. Borchert if "you have more of a handle on cost benefit analysis."

Ms. Borchert said all of the other alternatives cost well more than a million dollars, and when you start having to build pipeline, maintain NPDS permits, then even the additional cost in staff time and other resources to pursue this to the degree that we choose to do so, is still way less than all the other alternatives.

Councilor Bushee asked what happens if the State Engineer rejects this new mechanism.

Ms. Borchert said, "We'll be back."

Councilor Bushee asked for a hard copy of the color map, and Ms. Borchert said she provide one to her.

Ms. Borchert said she doesn't think the people knew about this being on the agenda, noting that it was advertised on the published agenda as a public hearing.

Councilor Bushee asked what happened since Public Utilities saying, "We didn't hear about that. The win-win at PUC."

Ms. Borchert said, "I'm sorry you thought that. It is win-win from a hydrologic perspective. The OSE has some return flow credit and discharge guidelines and this does not fall within the exact box of either of those two. And so, upon initial discussions with the OSE, yes, and I did talk to Laura Petronis in the hydrology bureau, who said this does not fit either discharge credit application or return flow credit application, so we can't accept this, we don't know what to do with this."

### **Public Hearing**

#### **Speaking to the Request**

There was no one speaking to this request

### **The Public Hearing was closed**

Chair said this was advertised as a Public Hearing at the request of the PUC so we could get comment from some of the downstream people who have come to us over the summer saying we have to discharge water to them.

Councilor Bushee said she thinks we have to give staff a shot at this since they came up with it.

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

**VOTE:** The motion was approved on a voice vote, with Councilor Bushee, Councilor Dominguez and Chair Ortiz voting in favor of the motion and none against.

### **PUBLIC HEARING**

20. **REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 11-12.1 SFCC 1987, SO THAT CASH BALANCES GENERATED BY ENTERPRISE FUNDS SHALL BE RETAINED WITHIN THEIR RESPECTIVE FUNDS AND SHALL NOT BE TRANSFERRED TO THE GENERAL FUND WITH THE EXCEPTION THAT THE CITY MAY CHARGE ENTERPRISE FUNDS FOR DULY INCURRED COSTS (COUNCILOR BUSHEE). (BRIAN SNYDER). Committee Review: Public Utilities (not approved) 09/07/11; City Council (request to publish) 09/27/11; and City Council (public hearing) 10/26/11. Fiscal Impact – Yes.**

The staff report was presented by Brian Snyder, noting this was heard by the Public Utilities Committee last week, and there are no changes except for the requested FIR which is in the Committee packet.

Chair Ortiz said there are proposed amendments from staff.

Councilor Bushee said no one called her, but the amendments are acceptable. Councilor Bushee said she understands the repayment of loans and accepts that language, reiterating no one called her and it would have been to know about the amendments. She said this was not recommended by the PUC, and she was hoping to hear more discussion here at Finance.

### **Public Hearing**

#### **Speaking to the Request**

Chair Ortiz gave each person 4 minutes to speak to the request.

**John Gordnier, 8 La Traviata, SF Coalition for Good Government.** Mr. Gordnier said on September 15, 2011, he provided a statement for the record with regard to his concerns.

Chair Ortiz said it is in the packet.

Mr. Gordnier said at the time this was heard at the Finance Committee in May, there was a notation in the minutes that it would be subject to, or contingent on, the rendering of a definitive legal opinion by the City Attorney. He said, "I did stop by the City Attorney's office. As anticipated, he told me that was privileged. You, Mr. Chairman, were kind enough when we were talking about the 41% tax increase, to address with the City Attorney the release of the opinion. If there is such an opinion, I would make that same request."

Chair Ortiz said, "Okay, I'll take it under advisement."

Mr. Gordnier presented information from the two-page Memorandum dated September 15, 2011, to the Mayor and each of the City Councilors, from the Santa Fe Coalition for Good Government. Please see this Memorandum for specifics of Mr. Gordnier's presentation on behalf of the Coalition, maintaining the violation of the Bateman Act if this action is not taken. He spoke about the benefits of adopting the Ordinance and the consequences of not doing so. The Coalition urges the Council and Committees to vote in favor of this Resolution.

**Greg Bemis, 3876 Old Santa Fe Trail**, said he is in support of Bushee's amendment. Mr. Bemis said, "I read the minutes of your last meeting where you discussed the different uses being made of Parks and Recreation Bond money. If the minutes correctly represent what is occurring, it would seem you may be operating skating on thin ice. There are two very distinct and different uses for tax revenues versus bond revenues. Tax revenues are for annual operating expenses, while bond revenues are for capital expenditures, i.e., long term requirements, investments. In my opinion, funds for such and the management thereof, need to be kept clearly separate in planning, raising and expending. Bonds for capital expenditures, in order to keep faith with the electorate, should be used solely for the stated purposes and should not be used for operating expenses. Since bonds must be repaid, income from the enterprise involved, or from whatever preplanned source, must be rigorously applied to the repayment schedules. The use of bonds in part, or in whole, for operating expenses is fiscally irresponsible, possibly illegal and certainly morally reprehensible. It is a slippery slope to financial disaster. The subject tonight of whether or not you should be free to appropriate cash balances in enterprise funds for general budget uses unrelated to that fund is comparable to the aforementioned bad financial practices outlined. It is indicative of inadequate planning, of abuse of power and a break in faith with the voters. I would hope you would vote in support of Councilor Bushee's amendment. Thank you very much."

**Cindy Katz, founding member, Santa Fe Coalition for Good Government.** Ms. Katz said, "For the record, the Santa Fe Coalition for Good Government supports Councilwoman's Bushee's Resolution reversing the change you made on May 25, 2011, to Ordinance 11-12.1 of the Santa Fe City Charter of 1987. The change to the City Charter that you authorized allows the City Council to transfer from enterprise funds, which essentially are fees charged for the services provided to the General Fund to fill budget deficits on an annual basis up to \$1.7 million, which you are now calling cash balances, before today was called surplus revenues. The cash reserves generated by the Wastewater Enterprise Fund and other enterprise funds was found to be over nineteen and a half million dollars, which is well over the reserve amounts required by state and City statutes. The Santa Fe Coalition for Good Government

supports Councilor Bushee's Resolution to return to the language that, from 1987 to May 24, 2011, worked. In fact the ordinance worked just fine until you faced a deficit of \$4 million dollar. And when the citizens of Santa Fe stood up and said no to letting you raise their property taxes by 41%, you backed off and decided it would be more creative, which is why you changed the statute that is being addressed in Councilor Bushee's Resolution. Until the increase in property tax came before the citizens of Santa Fe, I did not pay much attention to what the Council was doing with our tax dollars. But after attending numerous Finance and City Council meetings, listening to all the creative ways you were coming up with to raise our taxes, and hearing from everyday citizens of Santa Fe about their concerns for how you are managing their hard earned tax dollars, we formed a non-partisan group called the Santa Fe Coalition for Good Government. I am here to let you know that now we are paying attention and we are not going away. I want to thank you for allowing me to provide you with my input. I hope you all support Councilwoman Bushee's Resolution and send it to the full City Council for their approval."

**Joseph Lovato, Treasurer, AFSCME Local 3999**, said, "We are opposed to what Councilor Bushee is putting up here. Where we sit with this is, when we did do this \$4 million budget shortfall that we had, they did use money from these enterprise funds. 60% of our employees work in those enterprises and generate that money for the public that pay the fees. So, we would hope that when we do have these budget crises that we are able to use those, because these are our employees, and out workers, and the people that clean your water, and clean your sewers, and do all that for you guys. So I just wanted to say that we're opposed to this. We do not sit with this and it does not sit well with us, Councilor Bushee."

### **The Public Hearing was closed**

Chair Ortiz said, "First, I believe the issue on the language which the first gentleman spoke to, I don't think the legal argument is void for vagueness, I think it is an *ultra vires* argument. And I think that we had that discussion on this particular item when we went through this budget exercise. And I think that problem that existed then, still exists now with this particular Ordinance. As I remember the discussion at Public Utilities, what it involved really was what the practical effect would be of changing this language back for this current fiscal year. That is, how would returning the language back to the original language which is what Councilor Bushee wants to do, how does that affect the budget decision that was made in this current fiscal year. As you know, a couple of us voted against that budget for the same reason that I think is the intent behind this, which is we don't want to have a continuing use of enterprise funds as the slush fund to bail out the City, or reserves, from making tough financial choices. And so for those who voted against the budget, I know that was discussed and that was brought up as a part of the budget."

Chair Ortiz said, "The question and the reason it received a do not pass, was that if we pass this language now, how would it impact the current fiscal year that we're in, and I think that's where the vote came from Public Utilities."

**MOTION:** Councilor Bushee moved, seconded by Chair Ortiz for purposes of discussion , to approve this request with the staff amendment."

**DISCUSSION:** Councilor Bushee said, "It was a crazy budget cycle. Let's just say that. I don't know if there were extraordinary circumstances or just a difficult process, but we were kind of forced into a situation that I hope we won't be forced into again in any other future budget cycle. And there's a reason why this ordinance was in place originally, and I think it's wise and prudent to continue to try to operate separately our enterprise fund from our General Fund, and I really believe that whatever money we gained should have gone back to the ratepayers and should not be considered or construed to be, well, we're going to go by default into accepting increases that perhaps were not called for. And so, I don't think it's something... and I'm sorry our union disagrees in the sense that, you know, one should never try and operate the enterprise fund as the next place to look to raid, in contracts or any other disputes in terms of funding. I really believe that we should maintain solvency in our enterprise funds and that we also need to keep a solvent general fund as we move through the process. So, I really think this is important. I think it is an important... it's almost a foundation of good government from my vantage point."

Chair Ortiz asked Ms. Raveling if this were to be approved, what would be the practical impact on the current budget adopted by the Council – if we reverted out this particular language, what would be the effect. He asked if the City would find itself in the same \$1.7 million gap."

Ms. Raveling said she hadn't anticipated that they would go back and change that, but the City would be short by \$1.7 million.

Chair Ortiz said, "As I understand it, whatever the amount is, that was the question which came up is, if we went back.... the reason we had to pass this language when we did was because the budget compromise that the majority of the Council made was to do this. And in order to do this, they had to effect this change. So to revert it, is to say that that action that was taken by the Council is now in question. Now, I will say, I agree with you Councilor Bushee, we have had discussions, sometimes contention discussions, about how much of a percentage the City's General Fund takes from all of the enterprise funds. It amounts to about 10% of the budget for the enterprise funds that gets taken and put in the General Fund, applied to the General Fund, for payment of like services. And that has always been a discussion point. But the issue, as I understand it, is if we went back and changed this language it would have immediate effects in the current fiscal year."

Councilor Bushee said she offered at the PUC to consider an amendment for a delayed effective date. She said she personally is in support of this, and wants to see it go through.

**VOTE:** The motion was defeated on a voice vote, with Councilor Bushee voting in favor of the motion, and Councilor Dominguez voting against, and Chair Ortiz voting no to break the tie vote.

**Explaining his vote:** Chair Ortiz said he is going to stay consistent with his vote at the PUC, because he thinks, despite his objection to the budget, the Council voted to do this, and to approve this would reverse the majority of the Council's decision, so he votes no.

Chair Ortiz said this receives a Do Not Pass from this Committee, but the item still will go forward to the City Council.

Ms. Raveling asked, for clarification, if the Committee is asking for a proposal to cover the difference, if this is approved.

Chair Ortiz said the majority of the Council voted in favor of the change to the Ordinance, and if we pass this, we are in a bigger budget hole than before, and he doesn't want to put the City in that situation.

Ms. Raveling said, then you're voting to leave the budget as is, but in the future you're not going to do this.

Chair Ortiz said that could be an amendment Councilor Bushee could propose to the Ordinance.

Councilor Bushee said she has proposed that others propose that amendment, but she has heard nothing.

Chair Ortiz said he has heard of no one that supports this except Councilor Bushee.

**22. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT OF EMERGENCY VEHICLE OUTFITTING EQUIPMENT AND INSTALLATION FOR POLICE DEPARTMENT; MHQ OF NEW MEXICO AND WIRELESS ADVANCED COMMUNICATIONS. (POLICE CHIEF RAYMOND RAE)**

A packet of information prepared by Jim Montman and Chief Rael, is incorporated herewith to these minutes as Exhibit "3."

Councilor Bushee asked that Thomas Williams come to the front and be a part of this discussion, noting she requested a memo from him and she has never received it.

Chair Ortiz said she can ask Mr. Williams to come forward and answer questions. Chair Ortiz noted there was a request for a memorandum from staff, and asked the status.

Mr. Montman said Exhibit "3" is what was provided in terms of her request for a cost analysis that showed exactly the differences in the way this project could be done, and he would like to review that information with the Committee to be sure they have answered Councilor Bushee's questions.

Mr. Montman reviewed the information in Exhibit "3." Please see Exhibit "3" for specifics of this presentation. Mr. Montman noting there is an efficiency gain in going with Wireless so we can get the vehicles out on the street, noting Wireless has all requested parts in stock and the City is in a back order situation.

Councilor Bushee asked Mr. Montman how long this "fell under you."

Mr. Montman said about six months.

Councilor Bushee asked how long ago the Xterras were purchased.

Mr. Montman said on April 30, 2011, a decision was made to move from the Escapes to the Xterras which were purchased locally. He said he got one of the first Xterras to use as a test vehicle at the Airport.

Councilor Bushee said the vehicles originally were to go to Colorado, but now will go to the Radio Shop. She asked why it took so long if they were purchased 6 months ago. She said, "If there was really an efficiency concern here, why wouldn't they just automatically have gone to the Radio Shop instead of sitting around for 6 months at a substation."

Mr. Montman said purchase date and delivery date are two different things.

Councilor Bushee said, "Well, those vehicles have been sitting over there for a while. I drive by."

Robert Rodarte said they went to the Council in March for approval to purchase the vehicles and when they were approved, we found we missed the deadline for the purchase of the Ford Escapes in terms of the built up of the manufacturer. He said we had an opportunity to purchase Xterras on the State Price Agreement, which were readily available, although a little more expensive. He said they then made a decision as to who would do install the equipment.

Mr. Rodarte said the decision was made to have the Radio Shop do the installations. However, there are specialized products we need to do this, especially in the console area, and they can do nothing until those parts are received. There is one part related to the console which hasn't been received, "otherwise the Radio Shop would be jumping right on it."

Councilor Bushee said when the Police Department comes here to replace vehicles and say it is urgent, she supports that. She said, "However, I have to tell you that the Xterras, there are 6 of them are going to the Public Safety Aides. How much are these vehicles."

Mr. Rodarte said, "Right at \$20,000."

Councilor Bushee said, "And so, there are no other vehicles available now that they're driving... the Public Safety Aides. Right. And this is... I'm just... what I'm getting and I read between the lines maybe in some of these Memos that they change, is that you know, there's some, I don't want to use a strong word, but there's some indication that the shop has not been putting out the product fast enough or good enough, and I don't get that at all from our past history here. And I am dismayed that we would send this out to a new vendor in Colorado. I see the price shrinking some as we ask questions, which is great, but I still can't support sending this to Colorado, when we have a very efficient and effective shop here that has been cranking out these products. You know, that's where I've been asking for the Memo from Thomas, because Thomas is the guy on the ground. He supervises that shop, and I have never heard that this radio shop didn't put out an excellent product effectively and efficiently. I'm concerned that we're kind of dancing around and saying this is an efficiency issue. And I don't need you necessarily to respond to that. I just really have found the more I ask questions, the more I've had heartburn over how this is developed,



and who made what decisions, you know. And I even start to hear from other individuals that, you know, they didn't even really need to get these big, very gas hog, what are they, F-250s necessarily. You know, the K-9 group is getting phased out and these big trucks are for SWAT, but they're certainly not gas efficient. I know they're big statements as vehicles go, but you know, really, all of this, to me, just points to sending work outside the State at more cost to the taxpayers, so I can't support it."

**MOTION:** Councilor Bushee moved to keep the work in-house, here at the Radio Shop, seconded by Councilor Dominguez.

**DISCUSSION:** Councilor Dominguez understands and appreciates the comments about efficiency, labor costs and such. He said Mr. Rodarte's September 11, 2011, Memorandum says, "The Radio Shop, a division of I.T.T., historically has installed all equipment on police department vehicles." He said there is already a track record. His concern is with regard to the warranty on the equipment and vehicle, and asked what is the track record. He asked, "The Radio Shop has installed this equipment. Has there been an increase or a large number of call-backs for, maybe, not being installed correctly, I have no idea."

Chief Rael said his understanding is that we are experiencing delays because when a part goes down, we have to stop, reorder and it takes some time for the part to get back in. He said we don't keep these parts in stock. He said the Colorado company has these parts in stock.

Councilor Dominguez asked how often you have to reorder. How often do they have to take a vehicle in.

Chief Rael said he doesn't have that number "off the top of his head," but it does happen regularly. He said when a light bar or a radio or any piece of equipment goes out, it immobilizes the unit until it can be repaired or replaced, and they have to find a spare.

Councilor Dominguez asked if it is the result of the installation from the radio shop.

Chief Rael said it could be the result of any number of things. He said, "I can't say specifically what that is. It could be a faulty product, heat and cold extremes. I really don't know."

Councilor Dominguez said the Radio Shop is a Division of ITT, and said he would like to ask Thomas Williams a question.

Councilor Dominguez said, "Given the information that we have here and the track record that Division has with the installation of the equipment, do you think your folks can handle getting this done in an efficient amount of time."

Mr. Williams said, "To answer the question directly, yes. The Radio Shop has an excellent track record. They can do the work. Again, the question keeps pointing back with respect to, I guess, how quickly, is the subjective question. And I yield to the Police Department to how quickly they want vehicles out, and when we talk about, you know, this company in Colorado having all of this equipment in stock because they're a larger company, and they don't have the lead times with ordering equipment, I have to take them at their word on that. I mean, at the Radio Shop we stand by the 'one vehicle every 2 days.' Jim said 2 ½ or so

per week. They can do that and the work is excellent. And, there are, to my knowledge, there are very little returns with respect to having to readdress something. They do quality work and I think everyone would agree with that. So, I hope that answers the question."

Councilor Dominguez said this answers his question.

Councilor Bushee said, "And just back to reinforce why I made this motion. So, if these were sent off to Colorado, who would maintain any repairs. I can't imagine that's more efficient to send the vehicles back up to Colorado to get any fixes."

Chief Rael said, "There is a warranty that comes with the installation from the Colorado factory. It's my understanding that they are willing to pay to send one of our technicians up [to Colorado] and train them on the equipment they install, the methodology, and if we do have a malfunction for any reason, they are willing, first of all, to have this individual, whoever is trained, change out that equipment, repair it, replace the malfunctioning item and pay us for the cost of the time spent by our technician for repairing that piece of equipment."

Councilor Bushee said, "As in our technician in the Radio Shop."

Chief Rael said that's correct.

Councilor Bushee said, "That seems like a really inefficient way, you know, to send them off, to buy them in Colorado, to bring them back here and we're going to maintain them anyway. Honestly, I'm just going to continue to say that.... you know, and you've got me now starting to question that some of these vehicles are necessary. So, I've got to go back to my original stance that I hope that we keep this business here in our Radio Shop which has an excellent track record. And I believe that you'll get them done in time as well."

Robert Rodarte asked to reinforce the Chief's answer.

Chair Bushee said, "No. Actually I'm good. Thank you."

Chair Ortiz said, "So my question for anyone here on the staff is, your argument to have this hybrid, or the original proposal, as opposed to having it done in house for efficiency, that's the only answer that you can give us for why this proposal is being offered. It's for efficiency of installation. Is that right. You get more cars installed in a shorter period of time. Is that right."

Chief Rael said, "Yes. That's correct. We are trying to expedite the replacement of these vehicles in the field. Several of our vehicles at this point are in dire need of replacement. We're spending quite a bit of money for the upkeep and maintenance. And this issue, apparently, has been in the planning since sometime late last year. Efficiency would be our primary focus."

Chair Ortiz said, "We've had these vehicles since April of this year."

Chief Rael said, "The Xterras, it's my understanding, were received sometime in late April of this year."

Chair Ortiz said, "So at a rate of 2 per week, those Xterras, there's right of them right."

Chief Rael said no there are 7 Xterras.

Chief Ortiz said, "At a rate of two per week, those Xterras would have been outfitted internally in a time period of 3½ weeks."

Chief Rael said, "Chairman Ortiz, had the parts been available. I believe, as Mr. Montman indicated, these are specialty vehicles that require specialty parts. And the delay in turning those vehicles out is that we can't get those parts, they have to be manufactured."

Councilor Bushee said, "Well, I'm going on an old memo I have that I saved from August seventeenth, and the sentence that stood out, was the sentence, 'The Santa Fe area does not have qualified or certified vendors capable of performing the installation of the equipment listed in the attached pages.' That was the original rationale. So, efficiency just became the second rationale. And now I understand that we actually have the capable certified vendors and installers. So, I really stand by my motion."

**VOTE:** The motion was approved on a voice vote, with Councilor Bushee, Councilor Dominguez and Chair Ortiz voting in favor of the motion and none against.

**23. REQUEST FOR APPROVAL OF CONSIDERATION TO FILL VACANT POSITIONS. (ROBERT ROMERO.**

This item is postponed to the next meeting of the Committee.

**24. OTHER FINANCIAL INFORMATION:**

**A. UPDATE ON GROSS RECEIPTS TAX RECEIVED IN SEPTEMBER 2011 (FOR JULY 2011 ACTIVITY) AND LODGERS' TAX REPORT RECEIVED IN AUGUST 2011 (FOR JULY 2011 ACTIVITY). (KATHRYN RAVELING)**

Chair Ortiz noted the Committee received an email from Helene last week, and asked if the Committee has questions for staff.

Responding to Councilor Dominguez, Mr. Raveling said the listing on page 4 is just for the July activity, and the second sheet has July through September.

Councilor Bushee asked if the increased GRT receipts has anything to do with any of the markets held here during August.

Mr. Raveling said this is all the detail that we get, and there's really no way to know.

**25. MATTERS FROM THE COMMITTEE**

There were no Matters from the Committee.

**26. ADJOURN**

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

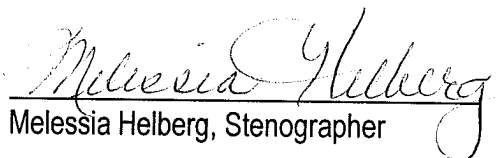
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Matthew E. Ortiz, Chair

Reviewed by:

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Kathryn L. Raveling, Director  
Department of Finance

  
Melessia Helberg, Stenographer