



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
JULY 2, 2012 – 5:00 P.M.

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

CITY CLERK'S OFFICE

DATE 6-19-12 TIME 3:30 pm

SERVED BY Yolanda Green

RECEIVED BY [Signature]

Regular Finance Committee Meeting—June 18, 2012

CONSENT AGENDA

6. Request for Approval of Award for Automobile Rental Concessions (RFP #12/22/P) for Santa Fe Municipal Airport (Jim Montman)
 - A. Request for Approval of Terminal Auto Concession Lease Agreement; Hertz Corporation
 - B. Request for Approval of Terminal Auto Concession Lease Agreement; Avis Rent A Car System, LLC
7. Request for Approval of Professional Services Agreement – Engineering, Architectural and Planning Consultant Services for Santa Fe Municipal Airport (RFP #12/21/P); Molzen-Corbin & Associates. (Jim Montman)
8. Request for Approval of Nutrition Service Incentive Program Agreement—Fiscal Year 2012/2013 Nutrition Program for Senior Services Division; North Central New Mexico Economic Development District, Non-Metro Area Agency on Aging. (Ron Vialpando)
 - A. Request for Approval of Budget Increase—Grant Fund
9. Request for Approval of Vendor Agreement—Transportation, Nutrition and In-Home Support Services for Division of Senior Services; North Central New Mexico Economic Development District, Non-Metro Area Agency on Aging. (Ron Vialpando)
 - A. Request for Approval of Budget Increase—Grant Fund



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
JULY 2, 2012 – 5:00 P.M.

10. Request for Approval of Sole Source Procurement and Maintenance Agreement– Hardware and Software Services for Library Division; Innovative Interfaces, Inc. (Patricia Hodapp)
11. Request for Approval of Procurement under State and Cooperative Price Agreements– Books and Materials for Library Division; Book Wholesalers, Inc. and Baker & Taylor, Inc. (Patricia Hodapp)
12. Request for Approval of a Resolution Amending the City of Santa Fe Records Retention Rule for Campaign Contribution Reports. (Councilor Bushee) (Yolanda Vigil)

Committee Review:

Finance Committee (Postponed)
City Council (scheduled)

06/18/12
07/11/12

Fiscal Impact–No

13. Request for Approval of an Ordinance Authorizing the Execution and Delivery of a Loan Agreement and Intercept Agreement by and between the City of Santa Fe, New Mexico (The "Governmental Unit") and The New Mexico Finance Authority, Evidencing a Special, Limited Obligation of the Governmental Unit to pay a Principal amount of \$5,000,000, together with interest thereon, for the purpose of defraying the cost of Purchasing, Furnishing, Equipping, Rehabilitating, making additions to and making improvements to the Railyard Condo Unit for existing and future Municipal Facilities; providing for the payment of the Principal and Interest Due under the Loan Agreement solely from (1) the Revenues of the Governmental Unit's one-half of one percent (1/2%) Municipal Gross Receipts Tax distributed to the Governmental Unit by the State Taxation and Revenue Department, (2) the Revenues of the Governmental Unit's one-eighth of one percent (1/8%) Municipal Infrastructure Gross Receipts Tax Distributed to the Governmental Unit by the State Taxation and Revenue Department, and (3) the Revenues of the State-Shared Gross Receipts Tax Distributed to the Governmental Unit Pursuant to Section 7-1-6.4, NMSA 1978, as amended; providing for the Distribution of certain Gross Receipts Tax Revenues to be Redirected by the State Taxation and Revenue Department to The New Mexico Finance Authority or its assigns for the Payment of Principal and Interest due on the Loan Agreement Pursuant to an Intercept Agreement;



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
JULY 2, 2012 – 5:00 P.M.

Approving the form and terms of, and other Details Concerning the Loan Agreement and the Intercept Agreement; ratifying actions heretofore taken; repealing all action Inconsistent with this Ordinance; and Authorizing the taking of other Actions in Connection with the Execution and Delivery of the Loan Agreement and Intercept Agreement. (Dr. Melville Morgan and Helene Hausman)

Committee Review:

City Council (request to publish)

07/11/12

City Council (public hearing)

08/08/12

Fiscal Impact–Yes

END OF CONSENT AGENDA

DISCUSSION

14. OTHER FINANCIAL INFORMATION
15. MATTERS FROM THE COMMITTEE
16. 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, July 2, 2012

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved	1
APPROVAL OF CONSENT AGENDA	Approved [amended]	2
CONSENT AGENDA LISTING		2
APPROVAL OF MINUTES: REGULAR FINANCE COMMITTEE MEETING – JUNE 18, 2012	Approved	3
<u>CONSENT CALENDAR DISCUSSION</u>		
REQUEST FOR APPROVAL OF AWARD FOR AUTOMOBILE RENTAL CONCESSIONS (RFP #12/22/P) FOR SANTA FE MUNICIPAL AIRPORT. (JIM MONTMAN)		
REQUEST FOR APPROVAL OF TERMINAL AUTO CONCESSION LEASE AGREEMENT; HERTZ CORPORATION	Approved	3-8
REQUEST FOR APPROVAL OF TERMINAL AUTO CONCESSION LEASE AGREEMENT; AVIS RENT A CAR SYSTEM, LLC	Approved	3-8
REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND MAINTENANCE AGREEMENT – HARDWARE AND SOFTWARE SERVICES FOR LIBRARY DIVISION; INNOVATIVE INTERFACES, INC.	Approved w/direction to staff	9
REQUEST FOR APPROVAL OF A RESOLUTION AMENDING THE CITY OF SANTA FE RECORDS RETENTION RULE FOR CAMPAIGN CONTRIBUTION REPORTS	Approved [amended]	9-11

ITEM

ACTION

PAGE

REQUEST FOR APPROVAL OF AN ORDINANCE
AUTHORIZING THE EXECUTION AND DELIVERY
OF A LOAN AGREEMENT AND INTERCEPT
AGREEMENT BY AND BETWEEN THE CITY OF
SANTA FE, NEW MEXICO (THE "GOVERNMENTAL
UNIT") AND THE NEW MEXICO FINANCE AUTHORITY,
EVIDENCING A SPECIAL LIMITED OBLIGATION OF
THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL
AMOUNT OF \$5,000,000, TOGETHER WITH INTEREST
THEREON, FOR THE PURPOSE OF DEFRAYING THE
COST OF PURCHASING, FURNISHING, EQUIPPING,
REHABILITATING, MAKING ADDITIONS TO AND
MAKING IMPROVEMENTS TO THE RAILYARD
CONDO UNIT FOR EXISTING AND FUTURE
MUNICIPAL FACILITIES; PROVIDING FOR THE
PAYMENT OF THE PRINCIPAL AND INTEREST
DUE UNDER THE LOAN AGREEMENT, ETC.

Approved

12

END OF CONSENT CALENDAR DISCUSSION

DISCUSSION

OTHER FINANCIAL INFORMATION

None

12

MATTERS FROM THE COMMITTEE

Verbatim Transcript

13p-16

ADJOURN

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE**
Monday, July 2, 2012

1. CALL TO ORDER

A meeting of the City of Santa Fe Finance Committee was called to order by Chair Carmichael A. Dominguez, at approximately 5:00 p.m., on Monday, July 2, 2012, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Carmichael A. Dominguez, Chair
Councilor Patti J. Bushee
Councilor Christopher Calvert
Councilor Bill Dimas
Councilor Peter N. Ives

MEMBERS EXCUSED:

OTHERS ATTENDING:

Dr. Melville L. Morgan, Director, Finance Department
Yolanda Green, Finance Division
Melessia Helberg, Stenographer.

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

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

3. APPROVAL OF AGENDA

MOTION: Councilor Calvert moved, seconded by Councilor Dimas, to approve the agenda, as published.

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

4. APPROVAL OF CONSENT AGENDA

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

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

CONSENT AGENDA

6. *[Removed for discussion by Councilor Bushee]*
7. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – ENGINEERING, ARCHITECTURAL AND PLANNING CONSULTANT SERVICES FOR SANTA FE MUNICIPAL AIRPORT (RFP #12/21/P); MOLZEN-CORBIN & ASSOCIATES. (JIM MONTMAN)
8. REQUEST FOR APPROVAL OF NUTRITION SERVICE INCENTIVE PROGRAM AGREEMENT – FISCAL YEAR 2012/2013 NUTRITION PROGRAM FOR SENIOR SERVICES DIVISION; NORTH CENTRAL NEW MEXICO ECONOMIC DEVELOPMENT DISTRICT, NON-METRO AREA AGENCY ON AGING. (RON VIALPANDO)
 - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – GRANT FUND.
9. REQUEST FOR APPROVAL OF VENDOR AGREEMENT – TRANSPORTATION, NUTRITION AND IN-HOME SUPPORT SERVICES FOR DIVISION OF SENIOR SERVICES; NORTH CENTRAL NEW MEXICO ECONOMIC DEVELOPMENT DISTRICT, NON-METRO AREA AGENCY ON AGING. (RON VIALPANDO)
 - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – GRANT FUND.
10. *[Removed for discussion by Councilor Ives]*
11. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE AND COOPERATIVE PRICE AGREEMENTS – BOOKS AND MATERIALS FOR LIBRARY DIVISION; BOOK WHOLESALE, INC., AND BAKER & TAYLOR, INC. (PATRICIA HODAPP)
12. *[Removed for discussion by Councilor Calvert]*
13. *[Removed for discussion by Councilor Bushee]*

END OF CONSENT AGENDA

5. APPROVAL OF MINUTES: REGULAR FINANCE COMMITTEE MEETING – JUNE 18, 2012.

MOTION: Councilor Dimas moved, seconded by Councilor Calvert, to approve the minutes of the Regular Finance Committee Meeting of June 18, 2012, as presented.

VOTE: The motion was approved on a voice vote with Councilor Calvert, Councilor Dimas and Councilor Ives voting in favor of the motion, no one voting against, and Councilor Bushee abstaining because she was absent.

CONSENT CALENDAR DISCUSSION

6. REQUEST FOR APPROVAL OF AWARD FOR AUTOMOBILE RENTAL CONCESSIONS (RFP #12/22/P) FOR SANTA FE MUNICIPAL AIRPORT. (JIM MONTMAN)
A. REQUEST FOR APPROVAL OF TERMINAL AUTO CONCESSION LEASE AGREEMENT; HERTZ CORPORATION.

Councilor Bushee said she removed this item because she was looking at the evaluations, which said past performance is 20% of the score. She asked what this means. She is concerned because an entity would never be able to break into our two stalls, and asked how long Avis and Hertz have been the lessees.

Mr. Montman said Hertz and Avis and have been at the Airport as long as he has which is almost 12 years. He said they didn't do the RFP process at first, but after he had been there a while they started doing the RFP process. He noted this is the second RFP he's done and Hertz and Avis won the first and this one. He said the first contract was for 3 years, and this contract is for 4 years.

Mr. Montman said, regarding the evaluation criteria, past performance has little to do with past performance at the Airport. He said the reason it is there is that they are interested in the past performance of the rental car company, noting someone starting out would have little past performance as a rental car company. He said the proposal dwells a lot on their history, the number of cars they have, the number of agencies that they run. These are the things they're looking at in terms of past performance. He said they provide financials, locations throughout the world, how they service their customers, and this is primarily what the City is looking for, in terms of past performance. He said, however, they can't get past the fact if they've been on the Airport for some period of time, they can put that in their proposal if they prefer. He said "past performance," is past performance as a rental car company, and we're not specific about the fact that they may or may not have been on the Airport.

Councilor Bushee asked the reason there was no RFP process in place before Mr. Montman went to the Airport.

Mr. Montman said they complied with the Purchasing Manual, and it wasn't required.

Councilor Bushee said all three companies are nationally known, and asked if Enterprise has some kind of main office in West Albuquerque.

Mr. Montman said Enterprise has an office in Albuquerque, but the regional office is in Colorado. He said there is someone in Texas that now has something to do with this region. He is meeting with both of them to find another location at the Airport that might be acceptable, but not in the terminal building, because there are only two spots.

Councilor Bushee said she removed this for discussion as to how another entity ever could break into our system. She looked at the scoring, noting Kate Noble was 90 points less for Enterprise. She said Robert Rodarte gave them the second highest score and Mr. Montman ranked them lower as well. She said it is her experience as a consumer, that Enterprise gives a break to the consumer, noting she is concerned that Enterprise is somewhat locked-out.

Mr. Montman said, with regard to Kate Noble's scoring, Ms. Noble's scores were the lowest across-the-board of all evaluators for Hertz and Avis as well.

Councilor Bushee said she would like to ask Ms. Noble these questions, and said Mr. Montman doesn't need to explain Ms. Noble's scores.

Councilor Bushee noted there wasn't such a big difference between Ms. Noble's scoring for the top two. She asked if the panel interviews the people.

Mr. Montman said interviews are available if deemed necessary by the Committee and the Purchasing Officer. There were 5 evaluators, and the ranking essentially was the same for 5 evaluators, so the Committee deemed there was no requirements to do interviews, which is not uncommon in this process.

Councilor Bushee said she may vote against this.

Robert Rodarte, Purchasing Officer, said all of the companies are perfectly capable of operating at the Airport. He said he and Mr. Zamora met with the regional representatives from Enterprise last week and said, "From a consumer end, we would like to have all of them there." He said they briefed Enterprise with regard to the reasons Enterprise wasn't selected, they gave Enterprise alternatives to let them know.....

Councilor Bushee asked Mr. Rodarte to explain the reason Enterprise wasn't selected.

Mr. Rodarte said it was hard to beat Hertz and Avis in terms of the background with the City. He said Hertz and Avis have an impeccable background with the City. He said, "It's just fantastic. There's actually no complaints coming from that area. They are basically hard to beat. And this is what we told the individuals from Enterprise, but there's only two spots. To break that bond that's there is pretty tough."

Councilor Bushee said, "See, that's my concern, Robert, is that our system is set up that if past performance is a big part of it, you're never going to break into... it's not a competitive market."

Mr. Rodarte said, "But what we did, though, is we let them know that the RFP process was fully executed. So, there's something going on at the Airport where we eventually may own the building. But, in the meantime, what they're doing is, we've talked to them about meeting with the individuals that own the building next to us, and they're all for it. So, what's going to happen is, they're going to go ahead and set up with the company that owns the building next to us, and they, in turn, will be at the Airport. My concerns with Enterprise was the fact that they're using the term 'Enterprise at Santa Fe Airport,' over the past several years, and that's kind of deceiving when it comes to the way they're portraying themselves right now."

Councilor Bushee asked where Enterprise is currently.

Mr. Rodarte said Enterprise is on Cerrillos Road and Airport Road, not at the Airport. He said, "We identified a whole bunch of things that they needed to improve on, and one was customer service basically. They have to grab a phone and someone will come and pick them up. The waits were long and so on and so forth. But we came up with alternatives so that we can have all of them there. Not just Enterprise, but the 3 entities that they represent."

Councilor Bushee said they wouldn't be in the terminal, and would be at another building off site.

Mr. Rodarte said, "Off site, yes. And who knows, maybe in the future it might be where they're all outside, we don't know at this point. But it looks like, as we move along and we eventually do acquire that building, that who knows, maybe all 3 of them will be there. But the important part here is that we worked it out with them and they understand where we're headed. In fact, next week, they're going to come and discuss with the property owner to see about possibly setting up there. It's only, like 50 feet from the terminal gate."

Councilor Bushee asked how far in the future is the possibility of all 3 being in a separate building.

Mr. Rodarte said, "Who knows. I don't know anything about that kind of stuff going on the Airport – the long term vision plan or whatever. But the key here is that it looks like we were able to work it out where we will have representation of all of the key players in our limited area down there. In the event that the City, while this particular RFP is active, if we do take that building and now the contracts come over to us, we in turn will pull up this RFP again and say it's active. We will change the terms and conditions that they will now be our vendor."

Councilor Bushee asked the time frame on the current contract. She asked if the City could extend the current contracts temporarily and "see what the future brings, rather than having... locked in, because we lock in for 3-4 years at a time it seems."

Mr. Montman said these contracts expire on July 30, 2012, primarily because of the fact that they don't go more than 4 years on contracts.

Mr. Montman said, "The building that Robert is referring to is one that I'm in the process of purchasing right now to get that leasehold back and to get the building, it's building north of the terminal

building, so we can have that property available for future expansion. The FBO [Fixed Base Operator] owns it, we owe about \$80,000 on it, and the FBO is now renting part of it to TSA. That's not complete yet, the rest of the building....and the rest of the building currently is not rented. The FBO is willing to talk to Enterprise to rent the building to them. If they're interested in it, they could be in, essentially, on their own time frame. The area is vacant now."

Mr. Montman said, "As far as past performance is concerned, part of the problem with past performance, was this advertising. I've complained about it number of times in the past and was told it would be fixed and it hasn't been. One of the things that brought them in low on everybody's scores, mine in particular, is they said they would provide 10 rentals cars. Hertz and Avis have as many as 75 rental cars on the streets at any one given time. So we felt there was a customer service issue associated with that as well."

Councilor Bushee asked how many they have at the Airport.

Mr. Montman said Hertz has 24-50 rental cars on the airport at any one time, but it depends on what's happening on that weekend, but usually no fewer than 24. And Avis around 15-20 on the Airport, but Enterprise was going to have only 10 at the Airport according to its RFP.

Councilor Bushee reiterated she likes competition and a really open and fair bid process, saying she isn't saying this wasn't, but she is really looking out for the consumer, and from her experience, Avis and Hertz usually are the most expensive when she has rented a car.

Councilor Calvert said, "I think, at least historically, and the way it's been, the Airport isn't Enterprise's niche. Their niche is the auto repair part of the market, and they don't ordinarily... in most airports. So it's probably not unusual that they haven't been there. And I think Hertz and Avis tend to cater to the airport market and to the airlines and frequent flyer programs as well. So I think there is that connection that is, call it past performance or whatever you want, but it is sort of a natural niche that they each have in the market. And the airport typically is not Enterprise's niche."

Councilor Ives said when this came before Public Works, he sent emails asking similar questions about past performance, and the fact that it was weighted at 20%. He said, "It sounds like your perspective on how that gets interpreted is slightly different, and I didn't think it was to the point where we needed to modify anything with these particular contracts. But, it's certainly part of what I hope to talk about, in terms of how we go about our contracting on our RFPs, because it's not only an issue with regard to the car rental companies, but also the Molzen folks who do the improvements out there. And they had a past performance as well, and I think it does potentially become... or it has the appearance of being somewhat exclusionary, which I want to make sure is not the case in our contracting process."

Councilor Ives continued, "The only thing I might note is that if you look at the actual contracts attached, which under Guarantee of Service says, 'Lessee shall provide the public a minimum of 10 late model automobiles.' And again, just weighing the contracts when somebody is agreeing to meet your requirements in that sense in ways that provide preference for others, we're doing something else. Again, I just want to make sure that we're using as fair and equitable a process as will bring the City the best

customer service. So, again, I agree with Councilor Bushee that those are areas of concern that, hopefully we can maybe do a little improvement on."

Chair Dominguez asked how the evaluation committee members are identified. He said, "I almost feel like we're going down a road where the Governing Body may become critical of certain Committee members being part of the evaluation committee, and that makes him feel a little nervous. And so how is it that Committee members are appointed or chosen."

Mr. Rodarte, "Several practices go into play here, and in this particular case, what we wanted was someone that represented the constituents out there, that being Kate Noble. She listens to a lot of the needs of the community. We thought we'd bring her expertise in. We wanted someone from Parking. Parking seems to be a liaison with just about every individual here in the downtown areas. They patrol the areas, talk to tourists. We wanted the Airport expertise with Jim's background there. And myself. And so you go in and select areas that would represent....

Chair Dominguez asked who "goes in and selects."

Mr. Rodarte said, "I do."

Chair Dominguez asked, "What is the policy in terms of making sure that the committee members are as diverse as they can be, or as we can be, without, I guess, and I'm kind of treading on interesting ground here, but without questioning their integrity or any of that stuff. What policies do we have in place that assures the Governing Body that it is a good cross-section of Committee members."

Mr. Rodarte said, "We base it, based on need or the critical sections of the RFP. It's got to be broken down, depending on what you're doing, but we don't have anything in writing that says we must have..."

Chair Dominguez said, "So we don't have a policy in place that says, 'you can't have one evaluation committee member at 90% of the RFPs or anything like that. We don't have any policy like that in place."

Mr. Rodarte said, "The goal here is to level out the processes as equally as possible, so that is why, in the case of this Airport, I don't have but one individual there, that being Jim."

Chair Dominguez said that makes sense.

Mr. Rodarte said, "And so, I always bring others in so that you don't stack the deck on one side, and it's very, very common to see that kind of stuff. I make adjustments and I disqualify people and, before we even start, there's a grueling breakdown as to what I'm looking for. Lots of questions are asked straight to that individual if they can come out and make an honest, unbiased opinion on what they're looking at."

Chair Dominguez said, "Part of the reason I'm asking that question, is because I think, I want to be sensitive to putting staff in this predicament where they're getting called to be a part of the evaluation committee 100% of the time. And maybe we need to come up with a different process, so we don't put them in that kind of situation.... and I'm just asking in general. I just see that with some of the last few cases that we've had, we're kind of going down this road that can be very tricky if we're not careful, and so I just wanted to ask some of those general questions."

Mr. Rodarte said, "I do bring in outside forces, as needed, especially in the case of last week's approvals for the liability insurance, because we needed that expertise from someone from the outside that could give us a nice, neutral opinion, the reason it was submitted to us, to brief us, because we're just probably weren't qualified to really do that on our own. I do bring people in. I'm with working with Kate Noble on a couple of items related to the Santa Fe Incubator. We brought in a specialist there to help us and give us advice on things. We do that, and it's not always City employees that are on my committees. And recently, for another insurance evaluation, we brought in someone from the State that specializes in insurance. So, I do go and reach out when needed. In some areas, we don't need to bring somebody in because we've been at it too long with this kind of stuff."

Mr. Montman said the fifth member of the panel was from the Convention & Visitors Bureau. He said they tried to get department or divisions directors in all cases, but in some cases they weren't available, so they sent what they thought was their best qualified person for the task. He said they tried to get as diverse a group as they could, but still had some interest in the tourists and the types of people that would come through the Airport and had some experience with rental car agencies. He said this was his thinking in suggesting these people.

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

VOTE: The motion was approved on a voice vote, with Chair Dominguez, Councilor Calvert and Councilor Ives voting in favor of the motion, and Councilor Bushee voting against.

Explaining her vote: Councilor Bushee said, "Opposed, and I just want to explain, I have no problem with the selection of the staff that ranked these proposals. I just... I think it...I've raised my issue. Thank you."

B. REQUEST FOR APPROVAL OF TERMINAL AUTO CONCESSION LEASE AGREEMENT; AVIS RENT A CAR SYSTEM, LLC.

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

VOTE: The motion was approved on a voice vote, with Chair Dominguez, Councilor Calvert and Councilor Ives voting in favor of the motion, and Councilor Bushee voting against.

Explaining her vote: Councilor Bushee said, "No. I vote for the same reasons I expressed earlier against it."

10. REQUEST FOR APPROVAL OF SOLE SOURCE PROCUREMENT AND MAINTENANCE AGREEMENT – HARDWARE AND SOFTWARE SERVICES FOR LIBRARY DIVISION; INNOVATIVE INTERFACES, INC. (PATRICIA HODAPP)

Councilor Ives said he had two questions. The first is the reason page 2 is included, because it relates to Item #11, and apparently that an error and the item picks up on page 3. He said Innovative Interfaces, Inc., is a sole source vendor, and his questions about this item are strictly legal, and he has begun a discussion with the City Attorney's office on the form of the contract. He said the contract appears to be a stand-alone instruction, noting Subsection (m) of the contract discusses automatic annual renewal without notification of termination and did not seem to contain the City's standard provisions relating to whether or not appropriations were made.

Councilor Ives said he removed this item for discussion so we could look at these issues and move it forward with a condition that any and all other appropriate provisions for City contracts, with regards to those types of limitations be added here, if the City Attorney determined that this does not incorporate that underlying agreement which presumably does have those provisions. He said he wants to be sure there are appropriate appropriation limitations, especially where there is an automatic renewal unless there is termination. He said this also could be changed to make renewal an annual thing.

MOTION: Councilor Ives moved, seconded by Councilor Calvert, to approve this request with the condition that the City Attorney's office add additional provisions to ensure that the contract complies with the City's contracting procedures with regard to making appropriations and other similar matters.

DISCUSSION: Chair Dominguez asked the City Attorney if he got the request, and Mr. Zamora said yes.

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

12. REQUEST FOR APPROVAL OF A RESOLUTION AMENDING THE CITY OF SANTA FE RECORDS RETENTION RULE FOR CAMPAIGN CONTRIBUTION REPORTS (COUNCILOR BUSHEE). (YOLANDA VIGIL) Committee Review: Finance Committee (Postponed) 06/18/12; and City Council (scheduled) 07/11/12. Fiscal Impact – No.

Councilor Calvert said the Committee asked that this come back when Councilor Bushee, the sponsor, could be here and explain the reason we would want to do this.

Councilor Bushee said Ms. Vigil told her it wasn't a problem and was easily done, and that she, Councilor Bushee, had a request from a constituent to have as much information as possible be made available electronically, and two election cycles seemed a good compromise. She said it isn't required, but Ms. Vigil told she generally kept 6 years, so they went with 8 years in their discussion, reiterating it isn't a big problem for Mr. Vigil to do this.

Responding to Councilor Calvert, Councilor Bushee said the City Clerk only has to retain records for two years.

Ms. Vigil said the way the rule is written is to retain the records 2 years after the election date, or until the termination of office, whichever is longer, so it is a 4 year period. She said Councilor Bushee was looking for 2006 records.

Councilor Bushee said since Ms. Vigil already has the records, she thought it was good to just retain them anyway.

Councilor Calvert asked if this adds extra expense in terms of filing, archiving, staff time and such.

Ms. Vigil said once the documents are scanned and placed on the web, they can be retained there as long as needed.

Councilor Calvert said then all of this is done electronically.

Ms. Vigil asked if they would like to retain the hard copies, or if they want to make it clear that it is specifically the electronic documents.

Councilor Calvert said we need to make it as cost effective as possible.

Councilor Bushee said the on-line documents can be printed, and people can find the documents at the website.

Councilor Calvert said then people don't have to request hard copies from the City Clerk, and people can go on line and get the documents. He said, with that understanding, he has no problem with the bill. However, he doesn't want the City to have to produce copies of these things "forever, or the longer period of time, if the onus is on them to get them themselves."

Ms. Vigil asked, for clarification, if she is to start with the retention of the records electronically beginning in 2008 through 2012.

Councilor Bushee said she would like to keep records for two election cycles, two four-year terms.

Chair Dominguez asked where we started retaining these records.

Mr. Zamora said, "Although we can keep it on line and accessible on line, under IPRA, even if it is on line, someone could come in and ask for a printout of all those things on line, for a record that we still maintain. And so we still have all the IPRA obligations that way.

Councilor Calvert said we should explain to people that we maintain this information on line and the public can get it as easily as the City can, and it is free.

Mr. Zamora said, "Right. It depends on if they want to print it or want us to print it. That is correct."

Councilor Bushee said beginning in 2008 makes sense to her.

Councilor Ives said the Resolution references the City of Santa Records Retention Guidebook for Records Liaisons and he now has a copy of that Guidebook. He said his question is in regard to consistency and how the City's Guidebook relates to pattern and practice around the State of New Mexico, and if it is possible to get this information. He doesn't know the derivation of the retention policy. He said he is hesitant to change a multitude of provisions to move us off that norm if it is a norm with which most people are comfortable, unless there is a compelling reason. He said he wants to understand this better before voting yes or no on this, and doesn't believe he can do this tonight, since he only just received a copy of the Guidebook.

Ms. Vigil said the records retention schedules actually are created by the State of New Mexico, and the City adopted the guidelines and retention schedules which deal specifically with New Mexico municipalities. She doesn't know what other municipalities do, but she can get that information if he would like for her to call specific municipalities.

Councilor Ives said presumably the current Guidebook represents the adoption of the practice for New Mexico municipalities.

Councilor Bushee said it already is there as a matter of practice, and the request was made. Also, Santa Fe is a home rule city and we can choose the length of time we want to retain these records. She said it seemed to make sense since constituents were asking.

Councilor Calvert said he doesn't want Ms. Vigil to have to go back and pull things that aren't already on the internet. He asked what is the oldest election online at the website.

Ms. Vigil said in its entirety, she has 2008 to the current time, noting Councilor Bushee requested 2006 which isn't in good order, and had asked her to put some of those on line. However, if we start with 2008, she can guarantee that through the present with good copies and good reporting.

Councilor Calvert would like to amend the Resolution to retain records beginning with 2008 and moving forward.

MOTION: Councilor Bushee moved, seconded by Councilor Dimas, to approve this request, with an amendment to add language on page 2, line 9, "beginning with the election of 2008."

DISCUSSION: Councilor Ives reiterated he still isn't convinced of the need to move off the paradigm that has been set in our Guidebook. He understands constituents are asking for it, but presumably that public information already is available on line for any four-year term. So any constituent has the full capacity to figure that out for a period of at least 4 years, and he isn't convinced that we want to extend it and change it.

VOTE: The motion was approved on a voice vote, with Councilor Dimas, Councilor Calvert and Councilor Bushee voting in favor of the motion, no one voting against, and Councilor Ives Abstaining.

13. REQUEST FOR APPROVAL OF AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN THE CITY OF SANTA FE, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF \$5,000,000, TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF DEFRAYING THE COST OF PURCHASING, FURNISHING, EQUIPPING, REHABILITATING, MAKING ADDITIONS TO AND MAKING IMPROVEMENTS TO THE RAILYARD CONDO UNIT FOR EXISTING AND FUTURE MUNICIPAL FACILITIES; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM (1) THE REVENUES OF THE GOVERNMENTAL UNIT'S ONE-HALF OF ONE PERCENT (½%) MUNICIPAL GROSS RECEIPTS TAX DISTRIBUTED TO THE GOVERNMENTAL UNIT BY THE STATE TAXATION AND REVENUE DEPARTMENT, (2) THE REVENUES OF THE GOVERNMENTAL UNIT'S ONE-EIGHTH OF ONE PERCENT (1/8%) MUNICIPAL INFRASTRUCTURE GROSS RECEIPTS TAX DISTRIBUTED TO THE GOVERNMENTAL UNIT BY THE STATE TAXATION AND REVENUE DEPARTMENT, AND (3) THE REVENUES OF THE STATE-SHARED GROSS RECEIPTS TAX DISTRIBUTED TO THE GOVERNMENTAL UNIT PURSUANT TO SECTION 7-1-6(4), NMSA 1978, AS AMENDED; PROVIDING FOR THE DISTRIBUTION OF CERTAIN GROSS RECEIPTS TAX REVENUES TO BE REDIRECTED BY THE STATE TAXATION AND REVENUE DEPARTMENT TO THE NEW MEXICO FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; APPROVING THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT AND THE INTERCEPT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT AND INTERCEPT AGREEMENT. (DR. MELVILLE MORGAN AND HELENE HAUSMAN). Committee Review: City Council (public hearing) 07/11/12; and City Council (request to publish) 07/25/12. Fiscal Impact – Yes.

Councilor Bushee said she removed this item so she could vote against it.

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

VOTE: The motion was approved on a voice vote, with Councilor Calvert, Councilor Dimas and Councilor Ives voting in favor of the motion and Councilor Bushee voting against

END OF CONSENT CALENDAR DISCUSSION

DISCUSSION

14. OTHER FINANCIAL INFORMATION

None.

15. MATTERS FROM THE COMMITTEE

**VERBATIM TRANSCRIPT
OF ITEM 15 MATTERS FROM THE COMMITTEE
REQUESTED BY COUNCILOR BUSHEE**

- COUNCILOR BUSHEE: I wanted to raise, and I have a concern and I was hoping the City Manager was going to stick around. Is he available somewhere. These are questions that he might have answers for me tonight. Well, I would like something relayed. I'm understanding that after we voted on the 2% raise by Resolution, it was my understanding that those raises would go into effect, at least if not immediately, at the same time our cost increases for health care were going into effect. And that was my understanding and I believe other Councilors had a similar understanding. Now I understand that perhaps that's not what's taking place and that the 2% is now being bargained for and waiting for finalization of contracts before it goes into effect, and it's not being a 2% across the board. It's being something, well, equal to 2%. And it's also my understanding that the non-union employees' raises of 2% are also going into effect at the same time, which the health care increases have already also gone into effect for this next pay period coming up, this paycheck. So I have a concern that we perhaps have been misinterpreted and I don't know who can clarify that, but it's... what I'm hearing does not seem what we voted on, and so I would like someone to reconcile that, at least get back to me immediately, but I'm sure the rest of the Council is as interested.
- CHAIR DOMINGUEZ: We... why don't we pull some of the minutes from our budget hearings. I know we did have some discussion about that. I know at one point there was discussion about whether or not we could necessarily negotiate some of that, or what the intent was. So maybe we can get some of those minutes and get some clarification. Councilor Bushee go ahead.
- COUNCILOR BUSHEE: But I also want to clarify that it goes against everything there is about why we even have collective bargaining, if in fact the non-union police are actually receiving the benefit without any kind of discussion. And yet, the collective bargaining employees are being delayed and their increases to their insurance have taken effect, so I find that disturbing and really really would like a response.
- CHAIR DOMINGUEZ: Anything else?
- COUNCILOR BUSHEE: That was it, really.

COUNCILOR DIMAS:

Mr. Chairman, just following up on that. I've received a lot of calls from a lot of employees too, who are union employees who are concerned about the same thing. And what they're telling me is exactly the same thing as Councilor Bushee brought up is that they're not receiving the 2% across-the-board raise, which is, my understanding was when we voted on this on the Council, it was supposed to take effect in the new fiscal year, and I didn't think that was up for negotiation. I wouldn't think that would be up for negotiation considering it was a 2% across-the-board for all of our employees, for all our City employees. Now, all of a sudden, I'm hearing that that's got to be negotiated out and that union employees aren't going to receive that raise like all of the non-union people are going to receive it when the insurance rates kick in. So for me, I don't think that's fair at all and I think something's gotta happen fairly quickly. If there's got to be negotiations that have to be done with the unions, well let's get the negotiations done and let's get this where all of our employees are getting that 2% raise. You know, I think that was the intent of the Council, as far as I was concerned, that was certainly my intent when I voted on this. So, you know, I agree with you Councilor Dominguez that we need to probably go back in the minutes, but the rest of my recollection, and of course I'm older and I don't remember everything, but to the best of my recollection that was the intent for this Council was for everyone to receive that 2% raise across-the-board, all of our employees, union and non union.

CHAIR DOMINGUEZ:

Okay.

COUNCILOR BUSHEE:

And can I have minutes and the Resolution.

CHAIR DOMINGUEZ:

Yes, I was going to say we could get the Resolution relatively quickly compared to the minutes I suppose, but actually we should be able to get them both pretty quickly, because the minutes have already been approved. So. Councilor Calvert.

COUNCILOR CALVERT:

Could I ask Geno, can I approach you on the fly. I just want to ask a general question on this. When we approve the allocation of the budget [inaudible because Councilor Calvert's microphone was off]. Like when we were talking about the Resolution for the incentives for the police initially, that still has to be bargained right. So, I don't know, I means that [inaudible]. I know if this falls into that category or not. But when we approved the budget we provided enough money for a 2% raise, but that doesn't have to include [inaudible].

CHAIR DOMINGUEZ:

[Inaudible, microphone was turned off].

GENO ZAMORA:

Mr. Chair, Councilor Calvert, I got a text from my wife that dinner was ready and I wish I had left by now. That being said, I will follow up with Robert. I will follow up with Mark Allen, with the labor lawyer. I don't want to walk away without giving you an answer. The best answer I can give you off the top of my head, and I believe this to be the correct answer but I'll get it verified and this isn't going to make me popular, is this, that like the incentives, the budget is allocated for an increase. However, that increase needs to be negotiated into the contract. Providing a pay increase in given circumstances, under certain circumstances, that of course didn't happen here, could actually be couched as some kind of unfair labor practice. In a worst case scenario, [for example] the Governing Body is fighting union leadership on a particular issue, so they dangle out a carrot with the 2% increase that's going to get the membership to go a different direction from the leadership. It's those types of potential circumstances that require an entity to negotiate into the contract the pay increase. Again, I'll have to speak a little bit more with Robert [Romero] and a little bit more with Mark on that. I may be incorrect, but that's my understanding that you do need to get it into the contract. I will also explore options with no guarantees, but options on whether that could be made retroactive based upon the negotiated contract date. So, once that's negotiated, if the budget was 2% from fiscal year day one and the contracts negotiated fiscal year, day 10, then how would that be retroactive. Again, I can't make promises in that, and I'm not experienced in that area, but I will explore that as an option.

CHAIR DOMINGUEZ:

Councilor Calvert you still have the floor. We're on Matters from the Committee, so let's be wary that we may not have proper staff here to answer all these. Councilor Bushee.

COUNCILOR BUSHEE:

It's not questions. It starts with if it has to be bargained, fine. And put into the contract, that's fine. But you don't start the clock for the non-union employees right away, because they don't have to negotiate. And my other concern really was that we were talking about it the entire time that it was a counter-action for the increases to the health care that were going to hit the paychecks. And they are hitting, as I understand it, this next pay period. [inaudible]. The money was set aside for a 2% increase. And the other concern really is, I understand there are things that need to be negotiated but it shouldn't be, I don't believe out of that 2%. If there are other incentives or other things that we have said over the years, you know, cut this, that gets negotiated. But my understanding... I don't quite get how it could be an unfair labor practice, when we have publicly and through a piece of legislation said 2% across the Board for all employees. So it's about the timing and it's about the fact that... it shouldn't be... I don't believe, the percentage shouldn't be negotiated. I think it needs to

be built into contracts and part of the discussions, and other things could be negotiated, but I think it could be really unfair.... I mean I look at these employees that don't have to pay union dues and are automatically receiving a 2%. Now how did that happen if we have all of this confusion about the rest. And so if the process needs to be clarified for us, or whomever, I would really welcome a thorough discussion of this, because I don't think this should happen again – if what's been described to me is actually happening this way. So I have grave concerns.

CHAIR DOMINGUEZ:

[Inaudible because his microphone was turned off]. Councilor Ives.

COUNCILOR IVES:

And this was on this same point Mr. Chair. I certainly do recall and in our Resolution, I think will reflect a 2% increase which specifically identified the City's three unions as well as other City staff. I believe there was discussion of the fact that things might have to be worked through the negotiation process. Or at least I know, certainly as we were discussing various options over the course of developing the budget, that was often said, with regards to union matters. That said, I think you certainly get a sense that the Council feels that very strongly, that that 2% should be available for all folks in accord with the Resolution as quickly as possible. And, hopefully, if in discussions with Mr. Allen and negotiations with the unions to move that through quickly, would be, at least that one aspect of it, if that is prudent and makes sense, I think that would certainly be a good thing from the Council's perspective, just based on the comments heard here tonight. I had one other point. Oh, and while I think we had a general discussion that we suspected that 2% was going to be used by City employees to cover the increased health coverage, I don't believe there is anything in anything that we did, by way of Resolution, which tied those together. So I think those are separate and discrete, but that was our surmise at the time as to how those funds would likely be used by employees and again, with the new premiums kicking in again, all the more reason to see if that could be done on an expedited basis. Thank you.

CHAIR DOMINGUEZ:

Thank you Councilor.

COUNCILOR BUSHEE:

Aha, you just missed everything. [speaking to Robert Romero].

CHAIR DOMINGUEZ:

Okay, so I'm not going to... I think the questions have been asked and I expect that Robert and Geno and Mel will get some information. So I just have one item. Since you're here Robert, just to let you know we'll get the employee health benefits discussion that we had a couple weeks ago on the thirtieth and I think that was going to be enough time for staff to get some of the process in place. And if we could also get Sue Perry's health

plan to look at as well, that would be helpful. So is there anything else from the Committee? So that should be on the thirtieth. Anything else?

COUNCILOR BUSHEE: But we're going to get answers to this at the next meeting.

CHAIR DOMINGUEZ: We should get answers to this quickly.

GENO ZAMORA: Correct.

I certify that this is a true and accurate transcript of Agenda Item 15, Matters from the Committee, from the Finance Committee meeting of July 2, 2012.

Melessia Helberg, Stenographer

END OF VERBATIM TRANSCRIPT OF AGENDA ITEM #15

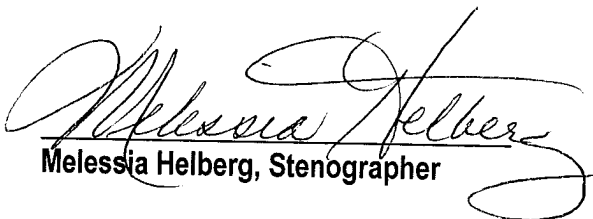
16. ADJOURN

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

Carmichael A. Dominguez, Chair

Reviewed by:

Dr. Melville L. Morgan, Director
Department of Finance



Melessia Helberg, Stenographer