



Agenda

CITY CLERK'S OFFICE

DATE 10/30/13 TIME 11:30 am

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**PUBLIC UTILITIES COMMITTEE
MEETING
CITY COUNCIL CHAMBERS
WEDNESDAY, NOVEMBER 6, 2013, 2013
REGULAR MEETING – 5:00 P.M.**

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES FROM THE OCTOBER 2, 2013 PUC MEETING

INFORMATIONAL ITEMS

6. Update on re-permitting the Northwest Well and the potential for drilling a new production well in Barrio Canada. (Claudia Borchert)

CONSENT – INFORMATION ITEMS

7. Status Report on the Environmental Services Division. (Cindy Padilla)
8. Update on Current Water Supply Status. (Victor Archuleta)
9. Drought, Monsoon and Water Resource Management Update. (Rick Carpenter)
10. Update on 3rd Party Water Conservation Studies. (Laurie Trevizo)
 - a. Residential End Use Study.
 - b. Demand Elasticity Study.
11. Update on Water Conservation Office Fall Events. (Laurie Trevizo)

CONSENT – ACTION CALENDAR

12. Request for approval of the 2014 Public Utilities Committee meetings calendar. (Stephanie Lopez)

Public Utilities Committee – 11/6/13
City Council – 12/11/13
13. Request for approval of Amendment No. 3 to the PSA with Southwest Safety Services, Inc. for traffic control and safety services for the Transmission and Water Distribution Section for the amount of \$30,000.00 exclusive of NMGRT. (Mike Moya)

Public Utilities Committee – 11/6/13
Finance Committee – 11/18/13
City Council – 12/11/13
14. Request for approval of Change Order No. 1 to the contract with Sasquatch, Inc. for the Hospital Tank Valve Project to cover unforeseen buried conditions encountered during construction that required additional work to correct for the amount of \$142,651.01 exclusive of NMGRT. (Bill Huey)

Public Utilities Committee – 11/6/13
Finance Committee – 11/18/13
City Council – 12/11/13
15. Request for approval of Change Order No. 2 to the contract with Guaranteed Waterproofing & Construction (GWC) for the Hospital Tank Coating Application Project to cover unforeseen conditions that required additional work for the amount of \$121,465.00 exclusive of NMGRT. (Bill Huey)

Public Utilities Committee – 11/6/13
Finance Committee – 11/18/13
City Council – 12/11/13
16. Request for approval of Amendment No. 2 to the Professional Services Agreement with Narasimhan Consulting Services, Inc. (NCS) for the Hospital Tank Rehabilitation Project to cover additional work due in part to uncertainty about the Community Workforce Agreement and how it would affect the project and unforeseen actual site conditions that have lengthened the project significantly for the amount of \$88,762.19 inclusive of NMGRT. (Bill Huey)

Public Utilities Committee – 11/6/13
Finance Committee – 11/18/13
City Council – 12/11/13
17. Request for approval of award of RFP '14/02/P with Reunity Resources for services for a Pilot Program for food waste separation, collection and composting for the Environmental Services Division. (Cindy Padilla)

Public Utilities Committee – 11/6/13

Finance Committee – 11/18/13

City Council – 12/11/13

18. Request for approval of award of Bid No. '14/14/B and approval of contract with RMCI, Inc. for the Wastewater Management Division Southwest Effluent Water Line, CIP # 934 for the amount of \$1,056,014.94 inclusive of NMGR. (Bryan Romero)
 - a. Request for approval of 10% Contingency.
 - b. Request for approval of Budget Adjustment Request.

Public Utilities Committee – 11/6/13

Finance Committee – 11/18/13

City Council – 12/11/13

DISCUSSION ITEMS AND ACTION ITEMS

19. Request for approval of Bill No. 2013-_____. An ordinance relating to sewer rates for properties located outside the city limits; amending subsection 22-6.2 SFCC 1987 to establish that the Santa Fe County Housing Assistance Ordinance shall have jurisdiction over properties outside the city limits; ;and amending Rule 8A of Exhibit A of Chapter 22 SFCC 1987, City of Santa Fe Sanitary Sewer Rate, Fee and Penalty Schedule, to establish customer wholesale rates for properties located outside the city limits that are connected to the city sewer system. (Councilor Calvert) (Bryan Romero)

Finance Committee – 11/4/13

Public Utilities Committee – 11/6/13

City Council – 11/13/13 (Request to Publish)

City Council – 12/11/13 (Public Hearing)

20. Request for approval of Resolution No. 2013-_____. A resolution transferring the City's graffiti program to Keep Santa Fe Beautiful and the Environmental Services Division. (Cindy Padilla) (Councilor Dominguez)

Public Utilities Committee – 11/6/13

Finance Committee – 11/18/13

City Council – 12/11/13

21. Request for approval of award of contract to Harris Computer Corporation for RFP '13/33/P for a new Utility Billing System and Implementation Services as follows: (Peter Ortega)
 - a. Request approval of Information Technology Agreement in the amount of \$1,033,476 inclusive of NMGR for Utility Billing/Customer Information Software and Implementation Services.
 - b. Request for approval of Software Agreement with N. Harris Computer Corporation.

- c. Request for approval of Annual Support and Maintenance Agreement with N. Harris Computer Corporation in amount of \$68,750.00 exclusive of NMGRT.

Finance Committee – 11/4/13
Public Utilities Committee – 11/6/13
City Council – 11/13/13

- 22. Request for approval of award of Bid No. '14/02/B – FY 2013/2014 to Insituform Technologies, LLC for the Wastewater Management Division Sanitary Sewer Line Rehabilitation Project – CIP # 946 for the amount of \$1,175,541.47 inclusive of NMGRT. (Stan Holland)

Public Utilities Committee – 11/6/13
Finance Committee – 11/18/13
City Council – 12/11/13

- 23. Request for approval of Telecommunications Services Agreement with Cyber Mesa Computer Systems Inc. for the CIP High Speed Internet Project. (Sean Moody)

Public Utilities Committee – 11/6/13
Finance Committee – 11/18/13
City Council – 12/11/13

MATTERS FROM THE PUBLIC

MATTERS FROM THE CITY ATTORNEY

ITEMS FROM STAFF

MATTERS FROM THE COMMITTEE

NEXT MEETING: WEDNESDAY, DECEMBER 4, 2013

ADJOURN

PERSONS WITH DISABILITIES IN NEED OF ACCOMODATIONS, CONTACT THE CITY CLERK'S OFFICE AT 505-955-6520, FIVE (5) WORKING DAYS PRIOR TO THE MEETING DATE.

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PUBLIC UTILITIES COMMITTEE MEETING
Wednesday, November 6, 2013

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REQUEST FOR APPROVAL OF SOFTWARE AGREEMENT WITH N. HARRIS COMPUTER CORPORATION	Approved	8-13
REQUEST FOR APPROVAL OF ANNUAL SUPPORT AND MAINTENANCE AGREEMENT WITH N. HARRIS COMPUTER CORPORATION IN AMOUNT OF \$68,750 EXCLUSIVE OF NMGR	Approved	8-13
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**MINUTES OF THE
CITY OF SANTA FE
PUBLIC UTILITIES COMMITTEE
Wednesday, November 6, 2013**

1. CALL TO ORDER

A meeting of the Public Utilities Committee was called to order by Councilor Christopher N. Calvert, Chair, at approximately 5:00 p.m., on Wednesday, November 6, 2013, in the Council Chambers, City Hall, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Councilor Calvert, Chair
Councilor Bill Dimas
Councilor Carmichael A. Dominguez
Councilor Christopher M. Rivera
Councilor Ronald S. Trujillo

MEMBERS EXCUSED:

OTHERS PRESENT:

Brian Snyder, Public Utilities Director
Stephanie Lopez, Public Utilities
Marcus Martinez, Assistant City Attorney
Melessia Helberg, Stenographer

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

NOTE: All items in the Committee packet for all agenda items are incorporated herewith to these minutes by reference. The original Committee packet is on file in the Public Utilities Department.

3. APPROVAL OF AGENDA

Mr. Schiavo said he would like to pull Item #23 from the agenda, because it isn't ready, to be postponed indefinitely.

Mr. Schiavo would like to hear Item #22 before Item #21.

MOTION: Councilor Trujillo moved, seconded by Councilor Dimas, to approve the Agenda as, amended.

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

4. APPROVAL OF CONSENT AGENDA

MOTION: Councilor Trujillo moved, seconded by Councilor Rivera, to approve the following Consent Informational Calendar and Consent Action Calendar, as amended.

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

CONSENT – INFORMATIONAL CALENDAR

7. STATUS REPORT ON THE ENVIRONMENTAL SERVICES DIVISION. (CINDY PADILLA)
8. *[Removed for discussion by Councilor Trujillo]*
9. DROUGHT, MONSOON AND WATER RESOURCE MANAGEMENT UPDATE. (RICK CARPENTER)
10. UPDATE ON 3RD PARTY WATER CONSERVATION STUDIES. (LAURIE TREVIZO)
 - A. RESIDENTIAL END USE STUDY
 - B. DEMAND ELASTICITY STUDY
11. UPDATE ON WATER CONSERVATION OFFICE FALL EVENTS. (LAURIE TREVIZO)

CONSENT – ACTION CALENDAR

12. REQUEST FOR APPROVAL OF THE 2014 PUBLIC UTILITIES COMMITTEE MEETING CALENDAR. (STEPHANIE LOPEZ) Public Utilities Committee 11/06/13; and City Council 12/11/13.
13. REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO THE PSA WITH SOUTHWEST SAFETY SERVICES, INC., FOR TRAFFIC CONTROL AND SAFETY SERVICES FOR THE TRANSMISSION AND WATER DISTRIBUTION SECTION FOR THE AMOUNT OF \$30,000, EXCLUSIVE OF NMGR. (MIKE MOYA) Public Utilities Committee 11/06/13; Finance Committee 11/18/13; and City Council 12/11/13.

14. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 1 TO THE CONTRACT WITH SASQUATCH, INC., FOR THE HOSPITAL TANK VALVE PROJECT TO COVER UNFORESEEN BURIED CONDITIONS ENCOUNTERED DURING CONSTRUCTION THAT REQUIRED ADDITIONAL WORK TO CORRECT FOR THE AMOUNT OF \$142,651.01, EXCLUSIVE OF NMGR. (BILL HUEY) Public Utilities Committee 11/06/13; Finance Committee 11/18/13; and City Council 12/11/13.
15. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 2 TO THE CONTRACT WITH GUARANTEED WATERPROOFING & CONSTRUCTION (GWC) FOR THE HOSPITAL TANK COATING APPLICATION PROJECT TO COVER UNFORESEEN CONDITIONS THAT REQUIRED ADDITIONAL WORK FOR THE AMOUNT OF \$121,465, EXCLUSIVE OF NMGR. Public Utilities Committee 11/06/13; Finance Committee 11/18/13; and City Council 12/11/13.
16. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT WITH NARASIMHAN CONSULTING SERVICES, INC. (NCS) FOR THE HOSPITAL TANK REHABILITATION PROJECT TO COVER ADDITIONAL WORK DUE IN PART TO UNCERTAINTY ABOUT THE COMMUNITY WORKFORCE AGREEMENT AND HOW IT WOULD AFFECT THE PROJECT AND UNFORESEEN ACTUAL SITE CONDITIONS THAT HAVE LENGTHENED THE PROJECT SIGNIFICANTLY FOR THE AMOUNT OF \$88,762.19, INCLUSIVE OF NMGR. (BILL HUEY) Public Utilities Committee 11/06/13; Finance Committee 11/18/13; and City Council 12/11/13.
17. REQUEST FOR APPROVAL OF AWARD OF RFP 14/02/P WITH REUNITY RESOURCES FOR SERVICES FOR A PILOT PROGRAM FOR FOOD WASTE SEPARATION, COLLECTION AND COMPOSTING FOR THE ENVIRONMENTAL SERVICES DIVISION. (CINDY PADILLA) Public Utilities Committee 11/06/13; Finance Committee 11/18/13; and City Council 12/11/13.
18. REQUEST FOR APPROVAL OF AWARD OF BID NO. 14/14/B AND APPROVAL OF CONTRACT WITH RMCI, INC., FOR THE WASTEWATER MANAGEMENT DIVISION SOUTHWEST EFFLUENT WATER LINE, CIP #934 FOR THE AMOUNT OF \$1,056,014.94 INCLUSIVE OF NMGR. (BRYAN ROMERO)
 - A. REQUEST FOR APPROVAL OF 10% CONTINGENCY.
 - B. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT REQUESTPublic Utilities Committee 11/06/13; Finance Committee 11/18/13; and City Council 12/11/13.

5. APPROVAL OF MINUTES FOR THE OCTOBER 2, 2013 PUC MEETING

MOTION: Councilor Trujillo moved, seconded by Councilor Rivera, to approve the minutes of the meeting of October 2, 2013, as submitted.

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

INFORMATIONAL ITEMS

6. UPDATE ON RE-PERMITTING THE NORTHWEST WELL AND THE POTENTIAL FOR DRILLING A NEW PRODUCTION WELL IN BARRIO CANADA. (CLAUDIA BORCHERT)

Ms. Borchert presented information from her Memoranda of October 29, 2013, to the Public Utilities Committee, regarding the *Northwest Well potential for drilling a new well in Barrio Canada*, and September 26, 2012, to the Public Utilities Committee, regarding the *Northwest Well re-permitting update*, both of which are the Committee packet. Please see these documents for specifics of this presentation.

The Councilors commented and asked questions as follows:

- Councilor Rivera said he read the Northwest Well impacts. He asked if there is a way to measure how it is going to affect downstream users over the short term and over the long term.

Ms. Borchert said she presumes he is speaking about surface water downstream user, and Councilor Rivera said yes.

Ms. Borchert said there is a groundwater model in the basin that does that. The wells in their current configuration have a certain amount of impact, and because these are old 1950 era wells, and at that time, wells were allowed to impact surface water without having to offset the use like we do for the Buckman Well Field. In this case, we are moving the Northwest Well further to the north from that configuration of wells as they exist now, and the impacts downstream to La Cienega actually become less because they are moving away from where the impacts would otherwise occur and they increase on the Rio Tesuque and the Rio Pojoaque. The groundwater model measures all of that and calculates the impacts, and we do have to offset those impacts for the northwest well, noting that is standard practice as we retire the rights on the surface water to make up for the impacts that are caused.

- Councilor Rivera asked if there is a way to measure how it would impact domestic wells further downstream.

Ms. Borchert said they use the same groundwater model, and those reports were submitted a few months ago and we had some calculations. The State Engineer used another calculation and the protestants yet another. There is a way to estimate what those impacts are going to be. She said we are fortunate that the northwest well is about ½ mile from the nearest well in an area in the middle of the grant where there aren't many nearby houses, noting impacts decrease with distance. She said staff would say the impacts aren't that great. She said, "I think that would be a comment people can disagree about. That is a process that gets worked out as we go through the hearing process."

- Councilor Calvert said Ms. Borchert is leaving the City for a position with the County, and wished her well in her new position, commenting we are sad to see her go. He said she is a great

resource and he's learned a lot from Claudia over the years, and she has been invaluable in many different issues that we've dealt with in the Water Division, including this.

-CONSENT DISCUSSION

8. UPDATE ON CURRENT WATER SUPPLY STATUS. (VICTOR ARCHULETA

A copy of the *Weekly Water Report Week of October 27, 2013*, is in the Committee report.

Victor Archuleta presented the information in the Weekly Water Report. Please see this report for specifics of this presentation.

Councilor Trujillo said he pulled this item so he could say thank you to everyone who was involved with the Fishing Derby last month. He is grateful for what they were able to accomplish in a very short time so we could have the Fishing Derby which is one of the truly local events. He said families are there with the kids, grandmothers and grandfathers. He said they did a great job in such a very short time.

Mr. Archuleta thanked Councilor Trujillo, saying it is always great to get involved with the community, and he hopes next year he can convince Alan to get some t-shirts for the Annual Fishing Derby.

DISCUSSION AND ACTION ITEMS

19. **REQUEST FOR APPROVAL OF BILL NO. 2013- ____ . AN ORDINANCE RELATING TO SEWER RATES FOR PROPERTIES LOCATED OUTSIDE THE CITY LIMITS; AMENDING SUBSECTION 22-6.2 SFCC 1987, TO ESTABLISH THAT THE SANTA FE COUNTY HOUSING ASSISTANCE ORDINANCE SHALL HAVE JURISDICTION OVER PROPERTIES OUTSIDE THE CITY LIMITS; AND AMENDING RULE 8A OF EXHIBIT A OF CHAPTER 22 SFCC 1987, CITY OF SANTA FE SANITARY SEWER RATE, FEE AND PENALTY SCHEDULE, TO ESTABLISH CUSTOMER WHOLESALE RATES FOR PROPERTIES LOCATED OUTSIDE THE CITY LIMITS THAT ARE CONNECTED TO THE SEWER SYSTEM (COUNCILOR CALVERT). (BRYAN ROMERO) . Finance Committee 11/04/13; Public Utilities Committee 11/06/13; City Council 11/13/13 (Request to Publish); and City Council 12/11/13 (Public Hearing).**

A copy of proposed amendments to this bill, *Sewer Rates for Properties Outside the City Limits*, submitted by staff, is incorporated herewith to these minutes as Exhibit "1."

The staff report was presented by Bryan Romero from his Memorandum of October 28, 2013, which is in the Committee packet.

Councilor Rivera asked who is responsible for the line and infrastructure if something happens on the Aldea side or the other side of #599 which is in the County.

Mr. Romero said the City is responsible until it is transferred to the County, but when the County takes over the County will be responsible for everything that needs to be done.

Councilor Rivera said then the County will bill the residents and we will bill the County.

Mr. Romero said it would be one bill to the County.

Councilor Romero asked if a City rate increase would be applied to the County residents.

Mr. Romero said it is part of the wholesale rate. The City is providing the service so an ordinance change would be needed. The wholesale rates are a component of all the rates, and will be considered in any rate adjustment.

Councilor Rivera asked if we would have to negotiate a rate change with the County.

Mr. Romero said the County would be automatically charged, although they can attend any public meeting and state their case as a customer.

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

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

20. REQUEST FOR APPROVAL OF RESOLUTION NO. 2013- _____. A RESOLUTION TRANSFERRING THE CITY'S GRAFFITI PROGRAM TO KEEP SANTA FE BEAUTIFUL AND THE ENVIRONMENTAL SERVICES DIVISION (COUNCILOR DOMINGUEZ, COUNCILOR CALVERT, COUNCILOR DIMAS, COUNCILOR RIVERA AND COUNCILOR TRUJILLO) (CINDY PADILLA). Public Utilities Committee 11/06/13; Finance Committee 11/18/13 and City Council 12/11/13.

The staff report was presented by Cindy Padilla from her Memorandum of November 6, 2013, which is in the Committee packet. Ms. Padilla said the Memo is self-explanatory, and she highlighted information on the program.

Ms. Padilla said they looked at the recommendation, and met with the City Manager, Mr. Schiavo and Mr. Pino and discussed the recommendation which is before you, to move the program to the Environmental Services Division, Keep Santa Fe Beautiful, to be supervised by Gilda Montano.

Ben Gurule, Parks Director, said there will be one supervisor, a maintenance worker senior and a regular maintenance worker.

Ms. Padilla said the budget for the salaries for the supervisor and two maintenance works is about \$77,000, with overtime, noting there will be some equipment transfer. The coordinator's salary is \$47,000 which includes benefits which would be from the General Fund, noting it doesn't add any cost, it is just transferred to the Environmental Services Division.

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

DISCUSSION: Chair Calvert and Councilor Rivera, Dimas and Trujillo asked to be added as cosponsors.

Councilor Rivera asked if the salaries are the same, so that in the future there are no compaction issues because of this move.

Ms. Padilla said they are fairly close, and they have looked at salary issues for the Keep Santa Fe Beautiful Coordinator in the past, and she will need to look at that again. She said compaction and equity issues are something which need to be considered.

Councilor Dominguez thanked staff for their work on this, and said perhaps this move will help us to get a better grip on the situation.

Chair Calvert thinks this solution more realistic than the ones in the past.

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

22. REQUEST FOR APPROVAL OF AWARD OF BID NO. 14/02/B – FY 2013/2014 TO INSITUFORM TECHNOLOGIES, LLC, FOR THE WASTEWATER MANAGEMENT DIVISION SANITARY SEWER LINE REHABILITATION PROJECT – CIP #946 FOR THE AMOUNT OF \$1,175,541.47 INCLUSIVE OF NMGRT. (STAN HOLLAND) Public Utilities Committee 11/06/13; Finance Committee 11/18/13 and City Council 12/11/13.

The staff report was presented by Stan Holland from his Memorandum of October 9, 2013, with attachments, to the Public Utilities Committee/Finance Committee/City Council, which is in the Committee packet. Please see this Memorandum for specifics of this presentation. Mr. Holland said the process they will be using is "cured in place pipe," which is used world-wide and described the process.

Councilor Rivera noted the company is from Missouri.

Mr. Holland said that is their home office, but the office that will be serving us is from Littleton and Denver, Colorado.

Councilor Rivera asked if they were able to identify how this company was able to underbid Santa Fe and Albuquerque companies, even with the local preference – what did they offer that the local people couldn't.

Mr. Holland said Insituform has been around since the beginning, it manufactures its own materials, and they were very competitive on all their prices. He said they made up the difference on the large 18 inch pipe, noting they cut their price about \$20. He said they told him other entities in the State were looking at this bid for purposes of piggy-backing, and that was a factor in their bid with us.

Councilor Dimas asked how long the current pipes have been in the ground.

Mr. Holland said 50 plus years.

Councilor Dimas asked if there is a warranty.

Mr. Holland said there is the basic one year manufacturers warranty, which is standard. He said we have the performance and payment bonds as well. He said if there are troubles during the first 6 years and we could show faulty workmanship, we could go back on those bonds. It is basically a one year warranty and then we fall back on the bonds.

Councilor Dimas asked how long it will take before we actually have to replace them again.

Mr. Holland said they are saying they have a minimum 50 year design life. He said they have been using this since 1979. He said if it is installed properly it seems to be okay.

Councilor Trujillo asked if there is breakage, can they insert another sleeve in there.

Mr. Holland said the sleeve is actually 6 inches, and the pipes are 1/4 - 3/8 in. to a little over 1/2 inch on the larger pipes, so you lose a little bit of diameter. He said that is set by the smoothness of the pipe, and he doesn't think they're looking at capacity issues.

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

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

21. REQUEST FOR APPROVAL OF AWARD OF CONTRACT TO HARRIS COMPUTER CORPORATION FOR RFP 13/33P FOR A NEW UTILITY BILLING SYSTEM AND IMPLEMENTATION SERVICES AS FOLLOWS:

- A. REQUEST APPROVAL OF INFORMATION TECHNOLOGY AGREEMENT IN THE AMOUNT OF \$1,033,476 INCLUSIVE OF NMGR FOR UTILITY BILLING/CUSTOMER INFORMATION SOFTWARE AND IMPLEMENTATION SERVICES.**
- B. REQUEST FOR APPROVAL OF SOFTWARE AGREEMENT WITH N. HARRIS COMPUTER CORPORATION.**
- C. REQUEST FOR APPROVAL OF ANNUAL SUPPORT AND MAINTENANCE AGREEMENT WITH N. HARRIS COMPUTER CORPORATION IN AMOUNT OF \$68,750 EXCLUSIVE OF NMGR.**

(PETER ORTEGA) Finance Committee 11/04/13; Public Utilities Committee 11/06/13; and City Council 12/11/13.

Peter Ortega gave a brief overview of the history of this purchase, noting the new system will be more user friendly, and it will have a customer portal.

Please see Peter Ortega's Memorandum of October 25, 2013, with attachments, to the Finance and Public Utilities Committees, and Robert Rodarte's Memorandum of October 25, 2013, to the Finance Committee, with attachments, both of which are in the Committee packet, for specifics on the bid award.

Mr. Ortega introduced Bob Lewis of Shafer Consulting, who was hired to assist with the procurement process.

Mr. Lewis said the finalists were given demonstration scripts, and all of the vendors demonstrated the same process. He said the City selection committee was then able to rate the vendors' ability to meet the functional requirements which were put forth in the RFP. He said Advanced Utility was the clear winner of the bid, and was selected by unanimous vote of the selection committee.

Mr. Lewis said the product being provided by Advanced Utility is *Infinity*, which is the base utility billing, utility billing, customer and account management application. He said the portal is called *Infinity Link* which is a two-way communications capability between the City and the customer. The benefit to the customer is 24/7 access to historical data, consumption data, 24/7 access to pay their bills on line. It also has the ability for the customer to create service orders on line, rather than having to call or come in to do these kinds of things.

Mr. Lewis said the other piece of the solution is *Infinity Mobile*, which will empower the people in the field to do their jobs in an automated manner and provide real time data. He said as service orders come in they are automatically pushed out to the City's mobile device – an iPad, telephone and such – and they can do that work.

Mr. Lewis said this is the overall solution being provided by Advanced Utility, noting it has a very strong reputation for delivering what it sells. He said, in this case, that is probably the most important piece – to be able to implement the functional capability of the system.

The Councilors commented and asked questions as follows:

- Councilor Dominguez asked how much revenue the City lost because of the old, antiquated system. And if there was, how much will this help.

Mr. Ortega said he doesn't have a hard number. However, there is an instance where we don't change a water rate, and it is missed on one bill item table, and that can affect several thousand customers. He said each situation is different.

- Councilor Dominguez said this will help us to capture the appropriate revenue, and it also will help staff to help the customer to not have to have late fees and such, because of the on-line services which will be much more advanced than what we have now.

Mr. Ortega said that is correct, but it is more of a user-friendly tool. He said he wouldn't say we would be gaining any lost revenue on it, but it is more of the functionality and being able to use the latest technology which exists with this system – being pro-active with our customers, notifying them of leaks.

- Councilor Trujillo's asked if the various reports which might be requested by the customer, for example, on just their household showing use, and be able to hand the report to the customer within 5 minutes. He asked if this system can do that.

Mr. Ortega said yes, and that's where the functionality is even better, because staff could email the report as well.

- Chair Calvert asked if the customers will be able to do some of that themselves, without coming into the office – the customer actually can pull that information from home.

Mr. Ortega said yes, because they can access the customer portal 24/7 and get that information themselves.

- Councilor Trujillo asked if there is the capability to add more technology to this system in the future to help us capture data even better.

Mr. Schiavo said at this point, we are looking at a system which will allow us to get close to real time data, and we made sure this software would work with that. He said there are a few companies that provide Automatic Reading Systems, so the information would be almost real time and the customer could see how much was used the day before or 4 hours before.

- Councilor Trujillo said his concern is that there is more technology out there. He asked if this system going to be compatible with something else, without the need to spend a lot more money to get that.

Mr. Schiavo, "The answer is a definite yes."

- Chair Calvert asked the implementation time frame, and how smooth the transition will be from the old system to the new system, especially in terms of the customer.

Mr. Ortega said Advanced Utilities has provided a detailed implementation plan which is for 12 months. He said their support is two-months "post live that." He said there is a lot of work to be done, and a lot of data scrubbing on the City side in the data conversion – that's where the heavy lifting is going to be. He said the customer won't see the transition until we are close to going live. He said before we go live, Advanced will do a parallel system to do thorough testing. He said what impressed him about the development plan is that there will be a lot of testing before we go live.

- Chair Calvert said just before he came on the City Council there were some big billing problems. He said he said we will need to reassure the rest of Council, as well as the community that the transition will be seamless, unnoticeable, and it won't impact them at all.

Mr. Ortega said part of the implementation plan is to be pro-active and to alert customers that we're going to do changes. He said this would be the time to change the look of the bill and provide more information to our customers. He said Chair Calvert has said he wanted a 13 month consumption graph on the bill.

Mr. Ortega said one of the things that could be done are payment arrangements.

- Chair Calvert said a study was done on individual water budget billings, and he asked if this program could accommodate that if we wanted it to.

Mr. Ortega said yes. He said there are different ways to do a budget billing, noting this is one of the questions the evaluation committee put together in the demo scripts – what are the various types of budget billings. He said one that is done with PNM, is that the same amount is billed monthly, and it is recalculated at the end of each year as a lump sum if they use more or less. He said the other budget billing is per household, or the size of the home versus an apartment complex. He said they answered that question very thoroughly.

- Councilor Rivera said, with regard to the support and maintenance of the software, it says it will be renewable every year after the software is installed, and asked what is the plan after that – to continue to have this company take care of software and maintenance issues, or will our IT Department take it over at some point.

Mr. Ortega said there is an annual maintenance with this company, and the reason he brought it forth is to lock into that rate for an additional 4 years. He said thereafter, it is a prorated cost, depending on the life of the system.

- Councilor Rivera said then the company won't abandon the City at some point, saying "It's your system now, you take it over." Will they provide the services for as long as we want to contract with them, and Mr Ortega said that is correct.

- Councilor Trujillo asked if there is something in the RFP which provides that they will do the training – is there something that makes it clear that someone from the City is trained.

Mr. Ortega said yes, training is incorporated into this contract as well. He said not only is it user friendly, but we are able to develop scripts within the system, so when the brand new customer service representative comes in they can follow these scripts easily with the system, and don't have to pull out a manual to try to figure out how to do anything. It is self-taught as they're entering the customer information and such.

- Chair Calvert asked who will do the initial training.

Mr. Ortega said Advanced Utility will do that.

- Chair Calvert said then they will provide a tutorial program so anybody who comes after that can get up to speed. He said hopefully, there will be a designated person who will be the "trainer of record," to answer any questions, and we can handle that locally, up to a point.

Mr. Ortega said, "Correct."

- Councilor Dominguez asked how many years of support we will get, outside of the training.

Mr. Ortega said the support is for 3 additional years after we go live with the software.

- Councilor Dominguez asked how much support is that – one guy on the phone, people on site, somebody there every month for a week.

Mr. Ortega said he can't recall the hours, but it is listed in the contract. He said it isn't 24/7, but it is a good period of time that any of his staff could get on the phone and get that support. He said if they need to come here they will, but most can be done remotely.

- Councilor Dominguez asked Mr. Ortega if he is comfortable with amount of support that you will be getting via the contract to get over the hurdles, and such things that happen in transition.

Mr. Ortega said yes.

Mr. Lewis said, "From a support standpoint, the hours are 8:00 a.m. to 8:00 p.m., est, so it covers the timeframe here. From the standpoint of the overall support structure, it is telephone support. But one of the nice things about technology today and Peter alluded to it is that they have remote capacity dial-in. So if it became a serious issue, basically we turn over the reigns to them, they dial into the system using security, and can troubleshoot from there. It's one of the advances of technology."

- Councilor Dominguez asked how good our technology infrastructure is to make the claim that we can do that kind of "life support," the dial in.

Mr. Lewis said that is "remote access," and that is a discussion we had with the technology people. He said IT was a member of the selection committee.

- Councilor Dominguez said then they won't be providing any on-site support at all.

Mr. Lewis said if on site report is needed it will be provided, but these days it's not needed. He said if additional training is needed and the City wanted someone on site, then Advance Utilities would send someone down to do that.

Mr. Lewis said the other question he asked is what happens beyond the four years in terms of maintenance. He said multiple things can happen. The City can renegotiate a new rate with the. He said any software company's desire is to keep a customer, because it costs a lot of money to get customers and they don't want to lose them, so there will be incentives to keep you as paying maintenance. He said during negotiation, we locked-in the escalation not to exceed the cpi. He said the good thing is that we're not locked into a rate for 4 years, and the 5th year the rate is increased 20-30% which isn't going to happen here. He said the worst case scenario is that you go annually year after year renewing. He would suggest the City consider locking into a rate for another four years.

- Councilor Dominguez asked Mr. Ortega if he has calculated the cost of the annual rate in the budget. He said too many times he has seen where the support is needed beyond the initial contract because there are upgrades, new versions of pieces of software. He wants to know that staff is comfortable with the longevity of this.

Mr. Ortega said it is in the budget. He said what is nice about Advanced Utility is when there is an upgrade to any of the other customers' software, the City also gets that upgrade at no cost, because we are under maintenance. He said, for example, if one of their customers ask for something different on the system, it is configured into our system as well. Then it is our decision as to whether to utilize that upgrade. He said we have this ability as long as we are on maintenance with them.

- Councilor Trujillo said, then there is no cost at all to the City for any upgrade.
- Chair Calvert said it's free if it's initiated by somebody else, but if we initiate the upgrade there will be a cost.
- Councilor Rivera asked if we do require somebody to come down, if the lodging/meals/travel is included in the contract.

Mr. Ortega said that is included in the contract, and that was part of the negotiations. He said during implementation, they already have lined out a specific number of trips to Santa Fe, but that is included in the cost as well.

MOTION: Councilor Rivera moved, seconded by Councilor Dimas, to approve Item 21 and 21(a), (b) and (c), as presented by staff.

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

23. **REQUEST FOR APPROVAL TELECOMMUNICATIONS SERVICES AGREEMENT WITH CYBER MESA COMPUTER SYSTEMS, INC., FOR THE CIP HIGH SPEED INTERNET PROJECT. (SEAN MOODY)** Public Utilities Committee 11/06/13; Finance Committee 11/18/13 and City Council 12/11/13.

This item was withdrawn from the Agenda and postponed indefinitely.

MATTERS FROM THE PUBLIC

There were no matters from the public.

MATTERS FROM THE CITY ATTORNEY

There were no matters from the City Attorney.

ITEMS FROM STAFF

Mr. Ortega introduced a new member of the staff, Suzanne Romero, the Administrative Secretary, who signed on about 3 weeks ago.

MATTERS FROM THE COMMITTEE

There were no matters from the Committee.

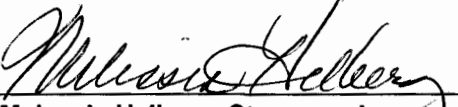
NEXT MEETING: WEDNESDAY, DECEMBER 4, 2013

ADJOURN

There was no further business to come before the Committee, and the meeting was adjourned at 6:00 p.m.



Christopher Calvert, Chair


Melessia Helberg, Stenographer

CITY OF SANTA FE, NEW MEXICO
PROPOSED AMENDMENT(S) TO BILL NO. 2013-____
(Sewer Rates for Properties Outside the City Limits)

Mayor and Members of the City Council:

We propose the following amendment(s) to Bill No. 2013-____:

On page 7, *delete* the following:

<i>Customer Wholesale Rate for Santa Fe County</i>			
<u>Effective Date</u>		<u>Monthly Service Fee</u>	<u>Monthly Usage Fee</u>
<u>January 1, 2014</u>	<u>Connected to county water</u>	<u>\$4.29/unit*</u>	<u>\$3.78 per 1000 gallons of water**</u>
<u>January 1, 2014</u>	<u>Not connected to county water</u>	<u>\$4.29/unit*</u>	<u>\$14.22/unit*</u>

And *insert* the following, in lieu thereof:

<i>Customer Wholesale Rate for Santa Fe County</i>			
<u>Effective Date</u>		<u>Monthly Service Fee</u>	<u>Monthly Usage Fee</u>
<u>January 1, 2014</u>	<u>Connected to county water</u>	<u>\$4.29/unit*</u>	<u>\$3.95 per 1000 gallons of water**</u>
<u>January 1, 2014</u>	<u>Not connected to county water</u>	<u>\$4.29/unit*</u>	<u>\$14.22/unit*</u>

Respectfully submitted,

 Staff

ADOPTED: _____
 NOT ADOPTED: _____
 DATE: _____

 Yolanda Y. Vigil, City Clerk