

**ACTION SHEET
CITY COUNCIL COMMITTEE MEETING OF 05/27/15
ITEM FROM FINANCE COMMITTEE MEETING OF 05/18/15**

ISSUE:

29. Request for Approval of a Resolution Directing Staff to Obtain Services to Execute a Pilot Project that Will Examine the Capital Funding Needs for the City's Buildings over the Next 30 Years, and Identify Potential Funding Strategies to Meet Those Needs. Prepare the City to Meet the Growing Funding Needs of its Aging Infrastructure. (Councilor Maestas) (Isaac Pino)

Committee Review:

Public Works Committee (scheduled) 05/26/15
City Council (scheduled) 05/27/15

Fiscal Impact – Yes (FY 15/16 = \$59,532.00; FY 16/17 = \$11,512.00)

FINANCE COMMITTEE ACTION: APPROVED AS CONSENT ITEM

Approved Resolution for FY 15/16 = \$59,532.00 and FY 16/17 = \$11,512.00.

FUNDING SOURCE:

SPECIAL CONDITIONS OR AMENDMENTS

Add Councilor Trujillo as co-sponsor.

STAFF FOLLOW-UP:

VOTE	FOR	AGAINST	ABSTAIN
COUNCILOR TRUJILLO	X		
COUNCILOR RIVERA	X		
COUNCILOR LINDELL	X		
COUNCILOR MAESTAS	X		
CHAIRPERSON DOMINGUEZ			

4-13-15

City of Santa Fe, New Mexico

LEGISLATIVE SUMMARY

Resolution No. 2015-____ City Asset Management Plan

SPONSOR(S): Councilors Maestas and Trujillo

SUMMARY: The proposed resolution directs staff to obtain services to execute a pilot project that will examine the capital funding needs for the city's buildings over the next 30 years, and identify potential funding strategies to meet those needs. Prepare the city to meet the growing funding needs of its aging infrastructure.

PREPARED BY: Rebecca Seligman, Legislative Liaison Assistant

FISCAL IMPACT: Yes

DATE: May 19, 2015

ATTACHMENTS: Resolution
FIR

CITY OF SANTA FE, NEW MEXICO
PROPOSED AMENDMENT(S) TO RESOLUTION NO. 2015-__
City Asset Management Plan

Mayor and Members of the City Council:

I propose the following amendment(s) to Resolution No. 2015-__:

1. On page 2, lines 18 and 19, *delete* “conducted by Ameresco Asset Sustainability Group (ASG)”.

Respectfully submitted,

Councilor Joseph Maestas

ADOPTED: _____
NOT ADOPTED: _____
DATE: _____

Yolanda Y. Vigil, City Clerk

1 CITY OF SANTA FE, NEW MEXICO

2 RESOLUTION NO. 2015-__

3 INTRODUCED BY:

4
5 Councilor Joseph Maestas

6 Councilor Ron Trujillo

7
8
9
10 A RESOLUTION

11 DIRECTING STAFF TO OBTAIN SERVICES TO EXECUTE A PILOT PROJECT THAT
12 WILL EXAMINE THE CAPITAL FUNDING NEEDS FOR THE CITY'S BUILDINGS OVER
13 THE NEXT 30 YEARS; IDENTIFY POTENTIAL FUNDING STRATEGIES TO MEET
14 THOSE NEEDS AND PREPARE THE CITY TO MEET THE GROWING FUNDING
15 REQUIREMENTS OF ITS AGING INFRASTRUCTURE.

16
17 WHEREAS, the City of Santa Fe can benefit from an asset management plan; and

18 WHEREAS, local governments across America are seeing a growing challenge with aging
19 infrastructure (buildings, roads, bridges, waste water, etc.); and

20 WHEREAS, in general, aging infrastructure requires increasing amounts of funding to
21 maintain so as to continue meeting service level requirements; and

22 WHEREAS, municipalities are struggling to fund these increasingly necessary capital
23 expenses from existing tax revenues; and

24 WHEREAS, the City of Santa Fe owns, maintains and operates numerous buildings, roads,
25 bridges, water treatment systems, and other infrastructure that are aging, resulting in increased capital

1 funding needs; and

2 **WHEREAS**, the City of Santa Fe continues to defer critical maintenance of its ageing
3 infrastructure due to a lack of funding, thereby adding to its already significant funding gap; and

4 **WHEREAS**, business processes and tools provided by Ameresco Asset Sustainability Group
5 (ASG) are designed to forecast capital needs in the near (1-5 years), medium (5-10 years) and long
6 (10-30 years) term for City infrastructure, prioritize those needs in a transparent manner based on risk
7 so funding can be allocated to the areas of greatest impact, and to project the performance of
8 infrastructure based on different levels of funding; and

9 **WHEREAS**, Ameresco's unique Decision Development Framework would be incorporated
10 into City-wide planning to help identify impact of various funding sources to meet the projected
11 capital funding needs; and

12 **WHEREAS**, an asset management system will help maximize the life cycle of key
13 infrastructure and recommend appropriate work to maintain it; and

14 **WHEREAS**, there is an immediate need for the City to plan and prepare for future
15 infrastructure needs and identify potential funding strategies in advance, in order to continue
16 providing a high level of service to all citizens and visitors.

17 **NOW, THEREFOE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
18 **CITY OF SANTA FE** that staff is directed to commence with a pilot project conducted by Ameresco
19 Asset Sustainability Group (ASG) to examine the capital funding needs of the City's buildings over
20 the next 30 years and identify potential funding strategies to meet those needs.

21 **BE IT FURTHER RESOLVED** that staff is directed to include in the pilot project the
22 following items:

- 23 • Projections of capital costs for City-owned buildings for the next 30 years and the amount of
24 funding needed to sustain them;
- 25 • Projections of currently available funding to meet the 30 year projected costs;

- Metrics such as the Facility Condition Index (FCI) and Unfunded Liability (UL) to assess risk and the viability of these buildings over time;
- An executive report noting observations and findings highlighting life cycle projections (needs) and risks to maintain and sustain an aging infrastructure of buildings.
- Identify improvements to increase efficiency that will reduce operational and maintenance costs.

PASSED, APPROVED and ADOPTED this _____ day of _____, 2015.

JAVIER M. GONZALES, MAYOR

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK

APPROVED AS TO FORM:



KELLEY A. BRENNAN, CITY ATTORNEY

City of Santa Fe Fiscal Impact Report (FIR)

This Fiscal Impact Report (FIR) shall be completed for each proposed bill or resolution as to its direct impact upon the City's operating budget and is intended for use by any of the standing committees of and the Governing Body of the City of Santa Fe. Bills or resolutions with no fiscal impact still require a completed FIR. Bills or resolutions with a fiscal impact must be reviewed by the Finance Committee. Bills or resolutions without a fiscal impact generally do not require review by the Finance Committee unless the subject of the bill or resolution is financial in nature.

Section A. General Information

(Check) Bill: _____ Resolution: X
(A single FIR may be used for related bills and/or resolutions)

Short Title(s): A RESOLUTION DIRECTING STAFF TO OBTAIN SERVICES TO EXECUTE A PILOT PROJECT THAT WILL EXAMINE THE CAPITAL FUNDING NEEDS FOR THE CITY'S BUILDINGS OVER THE NEXT 30 YEARS; IDENTIFY POTENTIAL FUNDING STRATEGIES TO MEET THOSE NEEDS AND PREPARE THE CITY TO MEET THE GROWING FUNDING REQUIREMENTS OF ITS AGING INFRASTRUCTURE.

Sponsor(s): Councilor Maestas
Reviewing Department(s): City Attorney's Office / Finance Department
Persons Completing FIR: Rebecca Seligman / Isaac Pino Date: 05/11/15 Phone: 955-6501 / 955-6622

Reviewed by City Attorney: [Signature] Date: 05/14/2015
(Signature)

Reviewed by Finance Director: [Signature] Date: 5-14-2015
(Signature)

Section B. Summary

Briefly explain the purpose and major provisions of the bill/resolution:
 The proposed resolution directs staff to obtain services to execute a pilot project that will examine the capital funding needs for the city's buildings over the next 30 years. Identify potential funding strategies to meet those needs and prepare the city to meet the growing funding needs of its aging infrastructure.

Section C. Fiscal Impact

- Note:** Financial information on this FIR does not directly translate into a City of Santa Fe budget increase. For a budget increase, the following are required:
- a. The item must be on the agenda at the Finance Committee and City Council as a "Request for Approval of a City of Santa Fe Budget Increase" with a definitive funding source (could be same item and same time as bill/resolution)
 - b. Detailed budget information must be attached as to fund, business units, and line item, amounts, and explanations (similar to annual requests for budget)
 - c. Detailed personnel forms must be attached as to range, salary, and benefit allocation and signed by Human Resource Department for each new position(s) requested (prorated for period to be employed by fiscal year)*
- 1. Projected Expenditures:**
- a. Indicate Fiscal Year(s) affected – usually current fiscal year and following fiscal year (i.e., FY 03/04 and FY 04/05)
 - b. Indicate: "A" if current budget and level of staffing will absorb the costs
"N" if new, additional, or increased budget or staffing will be required
 - c. Indicate: "R" – if recurring annual costs
"NR" if one-time, non-recurring costs, such as start-up, contract or equipment costs
 - d. Attach additional projection schedules if two years does not adequately project revenue and cost patterns
 - e. Costs may be netted or shown as an offset if some cost savings are projected (explain in Section 3 Narrative)

Finance Director: [Signature]

_____ Check here if no fiscal impact

Column #:	1	2	3	4	5	6	7	8
	Expenditure Classification	FY 15/16	"A" Costs Absorbed or "N" New Budget Required	"R" Costs Recurring or "NR" Non-recurring	FY 16/17	"A" Costs Absorbed or "N" New Budget Required	"R" Costs - Recurring or "NR" Non-recurring	Fund Affected
	Personnel*	\$800.00	N		\$			
	Fringe**	\$320.00	N		\$			
	Capital Outlay	\$			\$			
	Land/ Building	\$			\$			
	Professional Services	\$54,900.00	N		\$ 9,400.00		R	
	All Other Operating Costs	\$ 3,512.00	N		\$2,112.00		R	
	Total:	\$59,532.00			\$11,512.00			

* Any indication that additional staffing would be required must be reviewed and approved in advance by the City Manager by attached memo before release of FIR to committees. **For fringe benefits contact the Finance Dept.

2. Revenue Sources:

- a. To indicate new revenues and/or
- b. Required for costs for which new expenditure budget is proposed above in item 1.

Column #:	1	2	3	4	5	6
	Type of Revenue	FY _____	"R" Costs Recurring or "NR" Non-recurring	FY _____	"R" Costs - Recurring or "NR" Non-recurring	Fund Affected
	_____	\$ _____	_____	\$ _____	_____	_____
	_____	\$ _____	_____	\$ _____	_____	_____
	_____	\$ _____	_____	\$ _____	_____	_____
	Total:	\$ _____	_____	\$ _____	_____	_____

3. Expenditure/Revenue Narrative:

Explain revenue source(s). Include revenue calculations, grant(s) available, anticipated date of receipt of revenues/grants, etc. Explain expenditures, grant match(s), justify personnel increase(s), detail capital and operating uses, etc. (Attach supplemental page, if necessary.)

Section D. General Narrative

1. Conflicts: Does this proposed bill/resolution duplicate/conflict with/companion to/relate to any City code, approved ordinance or resolution, other adopted policies or proposed legislation? Include details of city adopted laws/ordinance/resolutions and dates. Summarize the relationships, conflicts or overlaps:

None identified

2. Consequences of Not Enacting This Bill/Resolution:

Are there consequences of not enacting this bill/resolution? If so, describe.

Capital funding needs for the City's buildings over the next 30 years would not be identified.

3. Technical Issues:

Are there incorrect citations of law, drafting errors or other problems? Are there any amendments that should be considered? Are there any other alternatives which should be considered? If so, describe.

No

4. Community Impact:

Briefly describe the major positive or negative effects the Bill/Resolution might have on the community including, but not limited to, businesses, neighborhoods, families, children and youth, social service providers and other institutions such as schools, churches, etc.
