# City of Santa Fe, New Mexico

# memo

DATE: June 12, 2021

TO: Frances A. Dunaway, Purchasing Officer

FROM: Carol Branch, Environmental Services Program Manager CB

VIA: Shirlene Sitton, Environmental Services Division Director SS

RE: Sole Source : Keep Santa Fe Beautiful, Inc. (KSFB)

**Item and Issue**:

Request Sole Source for contract with KSFB

**Background and Summary:**

The City has enjoyed a partnership with Keep Santa Fe Beautiful, Inc. (KSFB) since the 1980's. This collaboration produces such great programs as Adopt-a-Median, Great American Cleanup and Toss no Mas, the award winning entryway sign, and the installation and maintenance of raingardens. For the City's side of the relationship, The Environmental Services Division (ESD) provides in-kind support for the planning and executing of programs and events. ESD's Environmental Programs Manager acts in a capacity similar to an Executive Director for the non-profit; and also oversees the Graffiti Abatement team. Though Graffiti is not technically part of the KSFB non-profit partnership, the goals of the programs are in alignment, and the graffiti team also helps out with the KSFB related special events

Keep Santa Fe Beautiful, Inc. is a 501 c-3 registered non-profit organization, with a volunteer Board of Directors that provide governance, direction, and oversight. KSFB has three sources of funds: 1) a yearly grant through New Mexico Tourism Department's Clean and Beautiful program; 2) fundraising from donors; and 3) the in-kind funding provided through ESD. The City acts as the fiscal agent to execute the grant from New Mexico Clean and Beautiful. The advantage to this affiliation is that the non-profit is able to raise money outside of the City-provided funding, utilize volunteers for projects, and obtain grants from the State, Keep American Beautiful, and other sources; thus amplifying the funds provided by the City for staffing and office space. In similarly designed "*Keep it Beautiful*" programs, this amplification of City funding is at least 10:1.

In previous years, the annual grant contract/agreement with the State of New Mexico has served as the only formal agreement between the City and KSFB,Inc. Without a broader, formal operating agreement that speaks to expectations for both the City and the non-profit, we have found that inconsistencies have existed for the non-profit in executing its' by-laws and ensuring

appropriate Board practices; as well as incomplete legal filings, financial compliance, and record-keeping. We have worked together over the past few years to address these issues and bring all of the non-profit's financial and legal obligations current and compliant, but these oversights speak to a lack of formally expressed contractual expectations on the City's behalf. This contract more formally hires KSFB, Inc. to do a certain specified type of work for the city-including litter clean ups, the Adopt-a-Median program, and beautification projects. It allows our City-provided staff an appropriate measure of influence to ensure the non-profit is in compliance with its own by-laws, and legal obligations, and remains financially sound. This contract also works to keep the non-profit strong and able to work toward fulling its Mission and Vision, providing it with a measure of security to plan and execute its programs and events by specifying the City's in-kind contribution of staff, office space, and equipment; as well as other support.

This contract is designed to ensure the City's contribution to the partnership is in line with regular governmental obligations. For example, the contract specifies KSFB to be in good standing as a Keep America Beautiful affiliate. It states that the value spent by the city should not exceed the value provided by the non-profit. Additionally, it outlines ethical expectations about the Board of Directors, financial record keeping, and auditing rights of the City. It speaks to the city's rights regarding Board meeting notifications and minutes, and limits any political activities.

In return, we are including a $10,000 contractual payment direct to the non-profit for their work to accomplish the activities described in the scope of work for litter abatement, waste reduction and public education. The fundraising environment is always uncertain, and 2020 hit the non-profit fundraising budget vary hard. The amount the state has awarded affiliates through the grant process has also fallen in recent years. To institute a sound, equitable agreement going forward, ESD and the KSFB Board of Directors agree that an annual payment providing a small level of assured funds to the non-profit will ensure a good return on investment for years to come. This contract is intended to be renewed annually based on the desires of both the City and KSFB, Inc. and will help ensure a healthy working relationship with the non-profit through shared expectations and standards.

**Action Requested:**
The Public Utilities Department requests approval of KSFB as sole source procurement and approval of the Purchase Requisitions and Purchase Order for Fiscal Year 2022-2025.

Approved ☐

Disapproved: ☐

_____ Date: _____
Frances A. Dunaway Purchasing Officer

# SOLE SOURCE REQUEST AND DETERMINATION FORM

**This form must be forwarded to the Purchasing Officer for the City of Santa Fe Purchasing Office for processing.**

**Date:** July 1, 2021

**Prepared By:** Carol Branch **Title:** ESD Program Manager/Executive Director of Keep Santa Fe Beautiful

**Vendor Name:** Keep Santa Fe Beautiful Committee Inc.

**Address:** 1142 Siler Rd

**City:** Santa Fe **State:** NM **Zip Code:** 87505

**Description of Good/Service to be Procured:**

**Estimated Cost:** $10,000.00 **Term of Contract:** One year

**1. Explain why this is the only available source that can be meet the needs of your department.**

Keep Santa Fe Beautiful is a non-profit organization, and an affiliate of Keep America Beautiful. KSFB has partnered with the City of Santa Fe, serving together for over 35 years. The City employs staff to work in liaison with KSFB to support and implement programs and events together. These include the Adopt-a-Median program, Toss no Mas, and the Great American Cleanup. The program is a city/state/non-profit relationship, with the city being the designated fiscal agent for the state grant funds from the New Mexico Clean and Beautiful Program; and there is no other organization for this purpose.

**2. Explain why this vendor is the only available source from which to obtain this product of service.**

☐ **The company has affirmed (memo from vendor is attached) that there is no other source for this item. Our search for possible vendors proved unsuccessful; or**

☒ **Other reason, please explain in full. Attach additional sheets, if necessary.**

See above. This is the only organization for this purpose.

**3. Explain why the price is considered fair and reasonable.**

With 2020-2021 fiscal year volunteer hours from our litter clean ups, Board of Directors hours, and volunteer hours from the Adopt a Median program, they add up to 8364 hours. Using the New Mexico hourly volunteer rate of $19.71, this give us a dollar amount of $163,181.64 in in-kind value to the City. The organization relies on grants and fundraising, but needs some income that is assured to continue to supply these services, and grow future programs, as grant funding from the state has decreased and fundraising has completely stalled during the pandemic.

**quote? (Attach additional sheets, if necessary.)**

KSFB staff and Board of directors must keep accurate volunteer hours on a monthly basis in order to receive grant funding that we provide to the entire city for volunteer clean ups. What we can provide is accurate volunteer hours and their monetary value which is $ 163,181.64 in hours for one year.

**Approvals:**

**Based on the above facts, the Purchasing Office has made the determination that the justification for the Sole Source procurement is in accordance with Section 13-1-126, NMSA 1978 and will be posted for a 30-day period prior to award.**

Fran Dunaway

Fran Dunaway (Jul 8, 2021 10:10 MDT)

Jul 8, 2021

**Fran Dunaway** **Date**
**Purchasing Officer**

**Pursuant to Section 13-1-126, NMSA 1978, the 30-day posting period of the Notice of Intent to Award this Sole Source request was met and no obligation to the award to the above referenced contractor were received. This Sole Source determination will be valid for a period of one (1) year from the date of the award.**

**Fran Dunaway,** **Date**
**Purchasing Director**
**City of Santa Fe**

**Required Attachments:**

***Letter from Contractor, if applicable**

***Agenda Item to be presented to City Council if over $50,000 for Professional Services and $50,000 for Goods and Non-Professional Services**

KEEP Santa Fe BEAUTIFUL
A Keep America Beautiful Affiliate

P.O. Box 22235, Santa Fe,
New Mexico 87502

Phone 505.955.2215
Fax 505.955.2118
sfbeautiful@santafenm.gov
keepsantafebeautiful.org

**BOARD OF DIRECTORS:**

Dave Parker
*Chairman*

Chris McLarry
*Vice Chairman*

Steve Sandoval
*Secretary &*
*Communications Chair*

Melissa Houser
*Treasurer*

Miquela Gonzales
*Community Outreach Chair*

Linda Duran
*Education Outreach Chair*

Cara Fox
*Development Chair*

Gina Capener
*Member at Large*

Rick Martinez
*Member at Large*

Carol Branch
*Executive Director*

Michelle Romero-Babcock
*Environmental Programs*
*Coordinator*

Michaela Beggins
*Outreach Coordinator*

**Sole Source Justification Letter**

Shirlene E. Sitton June 28, 2021
City of Santa Fe
Environmental Service Division Director
1142 Siler Road
Santa Fe, NM 87507

Keep Santa Fe Beautiful (KSFB) has partnered with the City of Santa Fe (City) in supporting the New Mexico litter control and beautification Act of 1985, which provides public funds in the form of Grants for the purpose of enhancing local litter control and beautification program. The City has entered into a Contract with State of New Mexico Tourism Department as the Fiscal Agent for the Grant fund, and has delegated the administration of the Grant funded program to KSFB.

Within FY21 KSFB through its volunteer base has generated monitory value of $163,181.64 in-kind value to the City efforts, this amount does not include donations, or fund raisers. KSFB is providing a valuable service to the City. The Agreement will ensure KSFB compliance in administrating the Grant and assuring the City legal obligations are meet.

Sincerely,

Carol Branch

Carol Branch,
Executive Director
Keep Santa Fe Beautiful

**Signature:** Carol Branch
Carol Branch (Jul 2, 2021 08:54 MDT)

**Email:** cjbranch@santafenm.gov

**Signature:** Shirlene Sitton
Shirlene Sitton (Jul 2, 2021 13:56 MDT)

**Email:** sesitton@santafenm.gov