



Agenda

FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
MAY 31, 2016 – 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 5/26/14 TIME 1:12 p

SERVED BY [Signature]

RECEIVED BY [Signature]

Special Finance Committee Meeting – April 25, 2016
Special Finance Committee Meeting – April 26, 2016
Special Finance Committee Meeting – April 28, 2016

INFORMATIONAL AGENDA

6. Status of City of Santa Fe Cash and Investment Portfolio as of March 31, 2016.
(Helene Hausman)

CONSENT AGENDA

7. Request for Approval of City of Santa Fe Annual Debt Management and Post Issuance Policy. (Helene Hausman)
8. Request for Approval of Annual City of Santa Fe Investment Policy. (Helene Hausman)
9. Request for Approval of Professional Services Agreement – Procurement of Street Lights for Parking Lot Poles in the North and Baca Railyard Districts in the Amount of \$58,855; Santa Fe Railyard Community Corporation. (Robert Siqueiros)
10. Request for Approval of Bid No. 16/32/B and Construction Agreement – Replacement and Removal of Decorative Street Lights in the Amount of \$167,773.62; Bixby Electric, Inc. (Rick Devine)
11. Request for Approval of Prioritization List of Small Sidewalk Projects Funded Through 2014 CIP Bond in the Amount of \$500,000. (John Romero)
12. Request for Approval of Agreement Between Owner and Contractor in the Amount of \$381,494.83 and Design Contingency Amount of \$18,505.17 – Southwest Activity Node (SWAN) Park – Phase 2 (RFP #16/29/P); Surroundings Studio, LLC. (Mary MacDonald)



Agenda

**FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
MAY 31, 2016 – 5:00 P.M.**

13. Southside Transit Center – Site Work for Bus Shelter Installation – CIP Project #667. (LeAnn Valdez)

- Request for Approval to Use Impact Fees – Capital Improvement Plan Funds to Complete Site Work Construction for Bus Shelter Installation at Southside Transit Center in the Amount of \$1,144,585.45.
- Request for Approval of Budget Adjustment in the Amount of \$1,144,585.45 from Impact Fee Fund - Roads to Transit Bus Fund.

14. Request for Approval of a Resolution Amending Table 80 of the city of Santa Fe *Impact Fee Capital Improvements Plan 2020* Regarding Planned Major Road Improvements and Adding "Southside Transit Center Loop" as an Eligible Project to Receive "Road" Impact Fees. (Councilors Rivera, Villarreal and Dominguez) (Leann Valdez)

Committee Review:

Public Works Committee (approved)	05/23/16
Transit Advisory Board (approved)	05/24/16
City Council (scheduled)	06/08/16

Fiscal Impact – Yes

15. Request for Approval of a Resolution 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 Programs. (Councilors Trujillo and Maestas) (Gilda Montañño)

Committee Review:

Public Utilities Committee (scheduled)	06/01/16
City Council (scheduled)	06/08/16

Fiscal Impact – Yes

16. Request for Approval of a Resolution in Support of "El Grito", an Annual Celebration of Mexican Independence Day on September 16, 2016; and waiving all Associated Costs. (Mayor Gonzales, Councilors Ives and Rivera) (Xochitl Campos Biggs)

Committee Review:

Public Safety Committee (no action taken)	05/17/16
Parks and Recreation Advisory Committee (approved)	05/17/16
Public Works Committee (approved)	05/23/16
City Council (scheduled)	06/08/16



Agenda

**FINANCE COMMITTEE MEETING
CITY COUNCIL CHAMBERS
MAY 31, 2016 – 5:00 P.M.**

Fiscal Impact – Yes

CONSENT ITEMS IN PREPARATION FOR NEXT FISCAL YEAR 2016/17

17. Request for Approval of Amendment No. 1 to Professional Services Agreement – FY 2016/17 Tree Pruning and Removal Services (RFP #15/2/P) in the Total Amount of \$75,000; Coats Tree Services, Inc. (Richard Thompson)
18. Request for Approval of Grant Award and Agreement and Budget Increase in the Amount of \$133,395 – FY 2016/17 Juvenile Services through the Santa Fe Regional Juvenile Justice Board; State of New Mexico Children Youth and Families Department. (Richard DeMella)
19. Request for Approval of Amendment No. 1 to Professional Services Agreement in the Amount of \$57,843.38 – FY 2016/17 Elevator Maintenance Services at Sandoval Parking Garage and Santa Fe Community Convention Center; KONE, Inc. (Sara Smith)
20. Request for Approval of Amendment No. 2 to Professional Services Agreement – FY 2016/17 Advertising Services for Tourism Santa Fe in the Amount of \$1,260,000; Fuseideas, LLC. (Randy Randall)
21. Request for Approval of Amendment No. 2 to Professional Services Agreement – FY 2016/17 Website Services for Tourism Santa Fe in the Amount of \$140,000; StudioX, Inc. (Randy Randall)
22. Request for Approval of Amendment No. 2 to Professional Services Agreement – FY 2016/17 Public Relations Services for Tourism Santa Fe in the Amount of \$116,000; Lou Hammond & Associates. (Randy Randall)
23. Request for Approval of Amendment No. 1 to Professional Services Agreement – FY 2016/17 Brochure Display and Distribution Services for Tourism Santa Fe in the Amount of \$45,000; Certified Folder Display Services, Inc. (Randy Randall)

END OF CONSENT AGENDA

24. MATTERS FROM THE COMMITTEE
25. ADJOURN

Persons with disabilities in need of accommodations, contact the City Clerk's office at 955-6521.

**SUMMARY OF ACTION
FINANCE COMMITTEE MEETING
May 31, 2016**

<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		2-3
<u>APPROVAL OF MINUTES:</u>		
Special Finance Committee meeting – April 25, 2016	Approved	3
Special Finance Committee meeting – April 26, 2016	Approved	3
Special Finance Committee meeting– April 28, 2016	Approved	3
<u>INFORMATIONAL AGENDA</u>		
STATUS OF CITY OF SANTA FE CASH AND INVESTMENT PORTFOLIO AS OF MARCH 31, 2016	Information	4
<u>CONSENT CALENDAR DISCUSSION</u>		
REQUEST FOR APPROVAL OF CITY OF SANTA FE ANNUAL DEBT MANAGEMENT AND POST ISSUANCE POLICY	Approved	4-6
REQUEST FOR APPROVAL OF ANNUAL CITY OF SANTA FE INVESTMENT POLICY	Approved	7-8
REQUEST FOR APPROVAL OF BID NO. 16/32/B AND CONSTRUCTION AGREEMENT – REPLACEMENT AND REMOVAL OF DECORATIVE STREET LIGHTS IN THE AMOUNT OF \$167,773.62 BIXBY ELECTRIC, INC.	Approved	8-11
REQUEST FOR APPROVAL OF PRIORITIZATION LIST OF SMALL SIDEWALK PROJECTS FUNDED THROUGH 2014 CIP BOND IN THE AMOUNT OF \$500,000	Approved	11-13

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
<u>SOUTHSIDE TRANSIT CENTER – SITE WORK FOR BUS SHELTER INSTALLATION – CIP PROJECT #667</u>		
REQUEST FOR APPROVAL TO USE IMPACT FEES – CAPITAL IMPROVEMENT PLAN FUNDS TO COMPLETE SITE WORK CONSTRUCTION FOR BUS SHELTER INSTALLATION AT SOUTHSIDE TRANSIT CENTER IN THE AMOUNT OF \$1,144,585	Approved	13
REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT IN THE AMOUNT OF \$1,144,585.45 FROM IMPACT FEE FUND – ROADS TO TRANSIT BUS FUND	Approved	13
REQUEST FOR APPROVAL OF A RESOLUTION IN SUPPORT OF “EL GRITO,” AN ANNUAL CELEBRATION OF MEXICAN INDEPENDENCE DAY ON SEPTEMBER 16, 2016; AND WAIVING ALL ASSOCIATED COSTS	Approved	14-15
REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – FY 2016/17 ADVERTISING SERVICES FOR TOURISM SANTA FE IN THE AMOUNT OF \$1,260,000: FUSEIDEAS, LLC	Approved	15-18
REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – FY 2016/17 WEBSITE SERVICES FOR TOURISM SANTA FE IN THE AMOUNT OF \$140,000	Approved	18-19
REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – FY 2016/17 PUBLIC RELATIONS SERVICES FOR TOURISM SANTA FE IN THE AMOUNT OF \$116,000; LOU HAMMOND & ASSOCIATES *****	Approved	20
END OF CONSENT CALENDAR DISCUSSION *****		
MATTERS FROM THE COMMITTEE	Information/discussion	20
ADJOURN		20

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE
Monday, May 31, 2016**

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, May 31, 2016, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Carmichael A. Dominguez, Chair
Councilor Mike Harris
Councilor Peter N. Ives
Councilor Signe I. Lindell
Councilor Renee Villarreal

OTHERS ATTENDING:

Teresita Garcia, Finance Department
Yolanda Green, Finance Department
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 to these minutes by reference. The original Committee packet is on file in the Finance Department.

3. APPROVAL OF AGENDA

MOTION: Councilor Ives moved, seconded by Councilor Lindell, to approve the agenda, as presented.

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

4. APPROVAL OF CONSENT AGENDA

MOTION: Councilor Lindell 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

7. *[Removed for discussion by Councilor Harris]*

8. *[Removed for discussion by Councilor Ives]*

9. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – PROCUREMENT OF STREET LIGHTS FOR PARKING LOT POLES IN THE NORTH AND BACA RAILYARD DISTRICTS IN THE AMOUNT OF \$58,855; SANTA FE RAILYARD COMMUNITY CORPORATION. (ROBERT SIQUEIROS)

10. *[Removed for discussion by Councilor Lindell]*

11. *[Removed for discussion by Councilor Harris]*

12. REQUEST FOR APPROVAL OF AGREEMENT BETWEEN OWNER AND CONTRACTOR IN THE AMOUNT OF \$381,4984.83 AND DESIGN CONTINGENCY AMOUNT OF \$18,805.17 – SOUTHWEST ACTIVITY NODE (SWAN) PARK – PHASE 2 (RFP #16/29/P); SURROUNDING STUDIO, LLC. (MARY MacDONALD)

13. *[Removed for discussion by Councilor Harris]*

14. REQUEST FOR APPROVAL OF A RESOLUTION AMENDING TABLE 80 OF THE CITY OF SANTA FE *IMPACT FEE CAPITAL IMPROVEMENTS PLAN 2020*, REGARDING PLANNED MAJOR ROAD IMPROVEMENTS AND ADDING “SOUTHSIDE TRANSIT CENTER LOOP,” AS AN ELIGIBLE PROJECT TO RECEIVE “ROAD” IMPACT FEES (COUNCILORS RIVERA, VILLARREAL AND DOMINGUEZ). (LEANN VALDEZ). Committee Review: Public Works Committee (approved) 05/23/16; Transit Advisory Board (approved) 05/24/16; and City Council (scheduled) 06/08/16. Fiscal Impact: Yes.

15. REQUEST FOR APPROVAL OF A RESOLUTION 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 PROGRAMS (COUNCILORS TRUJILLO AND MAESTAS). (GILDA MONTANO). Committee Review: Public Utilities Committee (scheduled) 06/01/16; and City Council (scheduled) 06/08/16. Fiscal Impact: Yes.

16. *[Removed for discussion by Councilor Lindell]*

CONSENT ITEMS IN PREPARATION FOR NEXT FISCAL YEAR 2016/2017

17. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – FY 2016/17 TREE PRUNING AND REMOVAL SERVICES (RFP #15/2/P) IN THE TOTAL AMOUNT OF \$75,000; COATS TREE SERVICES, INC. (RICHARD THOMPSON)
18. REQUEST FOR APPROVAL OF GRANT AWARD AND AGREEMENT, AND BUDGET INCREASE IN THE AMOUNT OF \$133,395 – FY 2016/17 JUVENILE SERVICES THROUGH THE SANTA FE REGIONAL JUVENILE JUSTICE BOARD; STATE OF NEW MEXICO CHILDREN YOUTH AND FAMILIES DEPARTMENT. (RICHARD DeMELLA)
19. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$57,843.38 – FY 2016/17 ELEVATOR MAINTENANCE SERVICES AT SANDOVAL PARKING GARAGE AND SANTA FE COMMUNITY CONVENTION CENTER; KONE, INC. (SARA SMITH)
20. *[Removed for discussion by Councilor Harris]*
21. *[Removed for discussion by Councilor Harris]*
22. *[Removed for discussion by Councilor Harris]*
23. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – FY 2016/17 BROCHURE DISPLAY AND DISTRIBUTION SERVICES FOR TOURISM SANTA FE, IN THE AMOUNT OF \$45,000; CERTIFIED FOLDER DISPLAY SERVICES, INC. (RANDY RANDALL)

END OF CONSENT AGENDA

5. **APPROVAL OF MINUTES:**

**SPECIAL FINANCE COMMITTEE MEETING – APRIL 25, 2016;
SPECIAL FINANCE COMMITTEE MEETING – APRIL 26, 2016; AND
SPECIAL FINANCE COMMITTEE MEETING– APRIL 28, 2016.**

MOTION: Councilor Ives moved, seconded by Councilor Lindell, to approve the minutes of the Special Finance Committee meeting of April 25, 2016, the Special Finance Committee meeting of April 26, 2016 and the Special Finance Committee meeting of April 28, 2016, as presented.

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

INFORMATIONAL AGENDA

6. STATUS OF CITY OF SANTA FE CASH AND INVESTMENT PORTFOLIO AS OF MARCH 31, 2016. (HELENE HAUSMAN)

Helene Hausman presented information from her Memorandum of May 31, 2016, with attachments, to the Finance Committee, regarding March Cash & Investment Report. Please see this Memorandum for specifics of this presentation.

CONSENT CALENDAR DISCUSSION

7. REQUEST FOR APPROVAL OF CITY OF SANTA FE ANNUAL DEBT MANAGEMENT AND POST ISSUANCE POLICY. (HELENE HAUSMAN)

Councilor Harris said the Risk Analysis shows up in Ms. Hausman's cover Memo as well as the first page of the Investment Policy. He asked Ms. Hausman to talk about the risks and which one she is particularly concerned with and how she deals with it in her Post Issuance Compliance.

Ms. Hausman presented information from her Memorandum of May 31, 2016, with attachments, to the Finance Committee regarding review of amendments to, and annual approval of, Council approved Debt Management & Post Issuance Policy. Please see this Memorandum for specifics of this presentation.

Councilor Harris said everybody was very pleased with the bond rating we received recently, particularly from Standard & Poors. He asked what was the particular consideration for the AAA rating.

Ms. Hausman said she can say our first AAA rating was from Fitch the last time we issued bonds, 2009 A & B, and Standard & Poors gave us a AA. She said the criteria are slightly different. This time Standard & Poors gave us AAA and Fitch gave us a AA+, commenting these are both excellent ratings. She said our actions in paying down and restructuring water debt made them happy. She said anything that shows higher quality management they look at closely.

Councilor Harris said the discussion of debt limits under 9.1 and 9.2, primarily came from Mr. Rodriguez, so he will save those questions for him. He said 9.2 provides '*... shall limit all its debt to a level that is competitive with comparable cities in its rating class as reported by Standard & Poors and Fitch. This limit shall be evaluated on a per capita or other comparable basis, and includes revenue, debt, general obligation debt and enterprise debt.*' He said early on we had a briefing in the back of the Chambers and a sheet was handed out that contained different metrics. He said he used a factor that demonstrated that on a per capita basis, the debt that we carry is relatively high. He said he will talk with Mr. Rodriguez about this.

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

DISCUSSION: Councilor Ives, referring to Item #6 on page 2 of the Memorandum, said it provides '*...limiting debt to a level that is competitive with comparable cities...*' He asked what is meant by "competitive."

Ms. Hausman said she doesn't have a copy of the table, so she can't answer the question. She said, normally, it would be municipalities of comparable size with comparable ratings who have comparable kinds of debt.

Councilor Ives said there are different ways to interpret that.

Ms. Hausman said the question is valid and speaks to the question of procedures in terms of how we would apply this, and she believes that needs to be defined. She said Mr. Rodriguez would be very helpful in doing that.

Councilor Ives said we talked about a process in connection with the 2008 Bonds of redefining what is a capital expense, noting we had been using a threshold of \$100,000 versus \$5,000. He asked if those adjustments and recalculations have been made in connection with the Park Bond.

Ms. Hausman deferred the question to Ms. Garcia who has been working on that.

Ms. Garcia said she reviewed the IRS Audit to determine the use of the bonds. We are now closing those at the end of the year, and we capitalize in those amounts. The \$100,000 was a recommendation when we implemented GASB 34. The IRS now defines working capital as anything that is not capitalized, so we need to go back and recapitalize those toward the end of the year.

Councilor Ives said presumably, that might throw us into a safe harbor in terms of having anybody look at the question of the non-profit nature of the bonds.

Ms. Garcia said preliminarily, she analyzed each project "to determine if the funding of that project was just the G.O. Bond, 2008 and 2010, were only a portion of that project. And if there was additional funding for the project, then the whole project was capitalized, not just the funding source. And I was able to bring that down to almost 5% of working capital."

Councilor Villarreal said there is a section on page 3 of the Memo about making sure that we verify '*... private uses of facilities that are built with tax-exempt debt...*', and asked for an example of that.

Ms. Hausman said several situations came up in the last few months that raised questions. One had to do with a picture of Councilor Lindell and Randy Randall in a kitchen at the Convention Center considering a private use for that facility. She said she sent a message to the City Attorney asking if that had been looked at for private use, since bond money was involved in the construction of that facility.

Ms. Hausman continued, saying there were other situations that were on the front page of the newspaper, or on the Council agenda, and she sent an email to Ms. Brennan asking if this is being

considered for private use. She said the problem is we didn't have a procedure in place, but they're working on it. She said the IRS raised the question in the audit, so we know they have an eye on it, so we need to clarify our procedures. And once Mr. Rodriguez returns, we need to talk about projects that have been constructed and completed funded with bonds and we are still repaying the debt, with regard to potential private use. She said we need to decide who is responsible for evaluating whether the suggested private use meets the IRS requirements, or should be done in another format so it meets the private use requirement. She said this has come up several times recently, and we need to take a closer look at it. She said it is in policy, but there is no active procedure in place quite yet.

Councilor Villarreal asked if that means we would just have to disclose up front, at some point before funding sources are used. She asked what Ms. Hausman would propose as a solution.

Ms. Hausman said there are two possibilities. If it is a new bond issue, a new project, we build it into the process Mr. Rodriguez is working on with Budget, noting Mr. McDonald is helping to spearhead the CIP budget. So when someone submits a project for consideration there would be a line in there that asks if this meets private use requirements. She said we're still paying debt on a facility, but people have forgotten it was ever paid by bonds, and we're going to have to develop methodology to determine who says this meets IRS requirements, or it will if you do it a certain way, or no, it can't. She said the IRS regulations on private use don't make enough sense to her for her to make a decent interpretation of them. She really needs bond counsel and the City Attorney to weigh-in on that.

Ms. Garcia said, "With regards to the privatization of the IRS, there are certain regulations that will allow the privatization of tax exempt facilities, but we would have to determine that and get it approved before we can allow it. So it's not totally exempt, but we would have to go through our bond attorneys to make sure it meets the criteria of the tax exempt bonds. And since every bond issue has its own separate uses, then they would have to go through bond counsel."

Chair Dominguez asked, "So is that to be determined before...."

Ms. Garcia said yes.

Ms. Hausman said, "As a possibility, if something is proposed and you're looking at it, for example, the kitchen in the Convention Center, if you can file it away in the brain somewhere to raise the question, was this built with bond issue money, and has this been looked at. Because if it's not in the staff report, but it's come to you, you can help us be a gatekeeper as we come up with a process for doing it, because we don't have the process quite now. But it's a learning curve for us and we all need to learn it."

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

**8. REQUEST FOR APPROVAL OF ANNUAL CITY OF SANTA FE INVESTMENT POLICY.
(Helene Hausman)**

Councilor Ives said, as he understand it, when we invest funds, we have a requirement that the entity with whom we invest must have a reserve of 102 or 103%, and that has the effect of eliminating virtually all institutions within the City of Santa Fe *per se*, or at least it has been suggested to him. He asked if this is the case, and if there is any change we can make to our policy that would increase the availability of investment within financial institutions in the local community that would make sense.

Ms. Hausman said he is referring to collateral requirements. She said we have certain banks in town that will do investments with us only up to the FDIC limit of \$250,000. They don't want to go higher than that, and aren't equipped to handle collateral. We have other institutions that do collateral – Community Bank, First National Bank of Santa Fe and Wells-Fargo. She said we don't bank with Bank of America because we couldn't comply with its collateral agreement, noting that Bank really wasn't interested in local public funds. She approached U.S. Bank which isn't interested, and its rates were too low to be competitive. She met with the new Washington Federal Bank who was at first excited about it, and then decided it didn't want to do public funds in Santa Fe.

Ms. Hausman said it is possible, but unlikely, if we were to cut our requirements, it would attract additional banks. She said it is more a structural question than it is a question of our collateral level. She said there have been many changes in the Bank regulations with the Dodd-Frank Act and capital reserve requirements on the banks. She said the most recent example she got was, well collateral is getting too expensive because rates are going up. However, they were "up there before and they did it, so why now." She can't guarantee if we were to lessen our collateral requirement it would give any more opportunities in Santa Fe, noting it wouldn't with the banks she talked with.

Ms. Hausman said the 102% is based on GFOA recommended standards. It is also based on her direction from Council, and the investment policy being secured is her top priority. She said when we bid the Wells-Fargo Fiscal Agent Contract 3 years ago, she was still uncomfortable so she didn't propose we do the 50% fiscal agent requirement. She said she has a 102% requirement on Wells Fargo because they are still on the international monetary fund so they could fail, and if it they fail, and there is no indication of that, we would get every penny of our public funds back with the 102% requirement. She said nobody expects these things, and they happen out of the blue. She said Wells Fargo is a good, stable bank with a 4 Star rating, but that doesn't mean that things can't happen in the global economy. She said the State has a 50% requirement, and it's something this Council could decide to do, and if so, that is what she would do.

Councilor Ives said he's glad she is contacting the local financial institutions which is prudent and maintains a good relationship with those institutions. He said the inconsistency of response fascinates him. He will be interested in looking at it when we take up the contract next year and what everybody else has to say in terms of the financial market, given the feds projections or posturing on increasing interest rates to banks and what the net effect of that will be.

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

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

10. REQUEST FOR APPROVAL OF BIDE NO. 16/32/B AND CONSTRUCTION AGREEMENT – REPLACEMENT AND REMOVAL OF DECORATIVE STREET LIGHTS IN THE AMOUNT OF \$167,773.62 BIXBY ELECTRIC, INC. (RICK DEVINE)

Councilor Lindell said 16 lights are included in this request.

David Quintana said that is correct.

Councilor Lindell said she was unclear on this bid. One bid was received, but there were 4 items in the bid priced significantly higher than the Engineer's estimate. She asked Mr. Quintana for clarification.

Mr. Quintana said they received a bid from Bixby Electric, and the electrical components came in within the engineer's estimate, but the concrete and pavement replacement was significantly higher. He said staff decided to pull those items and do them through an on-call contract we have, and we will save significant funds, and should come in less by than \$30,000 by doing it that way.

Councilor Lindell said then it will be an additional \$30,000.

Mr. Quintana said it will be an additional \$30,000 for those items, yes, approximately.

Councilor Lindell said \$12,500 per light seems like a lot of money.

Mr. Quintana said it is a lot of money, and the reason this type of project is expensive is because it is in the Historic District, so decorative lights need to be placed. He said also, the electrical components in place may not be up to code. Additionally, because it is in the Historic District, there is the potential to find archaeological artifacts, and we are required under the contract to have an archaeologist on site during the pole replacements. He said that adds significant cost to the project.

Councilor Lindell said then we have to have an archaeologist on site for a replacement.

Mr. Quintana said yes. He said anytime there is excavation in a project in the Historic District, the State Historic Preservation Office [SHPO] and our Ordinance requires us to have an archaeologist on site in the event that we find any "treasure."

Councilor Lindell said she would love to find treasure at these costs. She asked how much was the engineer's estimate on this.

Mr. Quintana asked if she is speaking of the development of the engineer's estimate.

Councilor Lindell asked the cost for an engineer's estimate to tell us about what we should be paying for this.

Mr. Quintana said typically, an engineer's estimate would be part of the design documents, which would be about 10% of the expected construction cost. He said without having the actual contract, he can't say exactly how much we pay for the engineer's estimate, but it wouldn't have been a significant component of the project.

Councilor Lindell said it seems like a whole lot of money to replace 16 street lights. She said she can't support this request because she thinks it's too much money.

Chair Dominguez asked how can we can get the cost down.

Mr. Quintana said we could readvertise it, noting Bixby Electric is a contractor which is well known, and we use them throughout the City. He said, unfortunately, construction costs are higher in Santa Fe.

Councilor Lindell asked if any local contractor bid on the project.

Mr. Quintana said he can't say off the top of his head.

Councilor Lindell said it appears we had one bid, reiterating it seems like an awful lot of money for this type of project.

Councilor Ives said, regarding the requirements of SHPO and the Archaeological Review, what is involved in replacing one of these street lights. He said we're talking about the structures that are above ground. He asked if we are talking about digging new placement trenches for them.

Mr. Quintana said, "We would have to do some excavation, redo some foundations for these. We have to get into the electrical components. And so any time we have any minor excavation beyond the pavement or the concrete, there will be a requirement to do that type of work within the Historic District. It will add cost to the project."

Councilor Ives said it seems surprising to him, in terms of replacing the above ground fixtures, but understands what he is saying about some subterranean work. He asked how much of a cost component per fixture that is going to be.

Mr. Quintana said that component of the project is contingent to the completion of the project, so the costs are embedded, and he can't say exactly what that cost would be, commenting he doesn't know what an archaeologist charges. He said they would have to be there 8 hours a day for at least 30 days, not consecutively, but during the duration of the project.

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

DISCUSSION: Councilor Villarreal said we have discussed the structurally deficit issue. She asked if he could elaborate on that again, commenting she recalls an issue with corrosion of wiring, and asked if there are other factors or hazards we should know about, as the reason these were prioritized to be replaced.

Mr. Quintana said, "Yes, there were structural corrosion issues with the base of the lights, as well, and they prioritized the replacement of those which had been identified as the closest to falling down."

Councilor Villarreal asked the source of funding for the project.

Mr. Quintana said it is being funded from the 2013 bonds.

[STENOGRAPHER'S NOTE: There was a noise overlay in this part of the recording that made the discussion of much of Items #10 and #11 inaudible, and I had to rely on my notes.]

Councilor Villarreal said it is hard for her to know the costs, and to gauge if it is too costly and whether we need to rebid this item. She is in favor of moving forward with the replacement because of the corrosion and the hazards associated with that.

Councilor Harris said he looked at the bid breakdown of costs which seem to be typical for this kind of project. He said there are soft costs associated, such as the need for traffic control during the project. He said based on what he has seen and heard, he is in favor of moving forward.

Councilor Lindell said the break-out of costs and the bid is hugely over the engineer's estimates, noting the \$9,350 for traffic control, and reiterated this is something she cannot support.

Chair Dominguez asked Mr. Quintana his thoughts about the engineer's estimates.

Mr. Quintana said it seems to him that the engineer's estimates were a little low to start with.

Chair Dominguez asked what is the process when staff recognizes that the bid is significantly above the engineer's estimates.

Mr. Quintana said staff will look at the engineer's estimate, and decide whether or not to rebid. He reiterated that the engineer's estimates were too low, especially for work to be done in downtown Santa Fe. He said it is necessary to have pedestrian and traffic control.

Chair Dominguez said he doesn't know whether a bid is too high, commenting we assume that staff is doing their due diligence, and asked how we can be assured this is the case.

Mr. Quintana reiterated that for the most part the engineer's estimates were too low. He said, however, it is difficult to estimate costs for a project, especially in downtown Santa Fe, because of archaeological costs, for example, that don't have to be done on other projects not in an Historic District. He said it is difficult to find a comparable project, commenting that a lot of it is their best guess in that situation. He said similar projects in Albuquerque might be significantly less.

Responding to the Chair, Mr. Quintana said this is a specialized replacement, and there aren't many firms doing this kind of work. He said they followed City procurement procedures.

Robert Rodarte said the City procurement process was followed properly in this instance, and only one bid was received. He said if we rebid, we might not get any bids. He understands Bixby bid on the project because they already were doing work in the City at that time.

Chair Dominguez said he understands, commenting that we can't make people bid on City projects.

Councilor Ives said there is something in the Procurement Manual that a project can be rebid if there is 10% or more difference between the bid and the engineer's estimate.

Mr. Rodarte said there is the option to talk to the bidder, to work with them and see if they can make the bid more in line with the engineer's estimate, but if they can't come down, then we can rebid the project.

Councilor Harris said, given the staff time it would take to rebid, it's just not worth it. He said Bixby is a good, competitive company and provides very good services.

VOTE: The motion was approved on a voice vote, with Councilor Ives, Councilor Harris and Councilor Villarreal voting in favor of the motion and Councilor Lindell voting against.

11. REQUEST FOR APPROVAL OF PRIORITIZATION LIST OF SMALL SIDEWALK PROJECTS FUNDED THROUGH 2014 CIP BOND IN THE AMOUNT OF \$500,000. (JOHN ROMERO)

Responding to Councilor Harris, Mr. Quintana said the items are prioritized and we work through the list.

Councilor Harris said he doesn't disagree with the prioritization, he just wanted to know the process. He commented our money would go further if we only do one side.

Mr. Quintana said, "We wouldn't get a lot further and a lot more of these priorities ticked off if we only did one side or the other, and I think that would be determined as we move further along in the preliminary engineering of those projects. And we probably would come back with a recommendation of what we were going to do to Council as far as one side or both sides, and which side."

Councilor Harris asked the Chair if he expects these types of projects to come back to Finance, commenting he assumes that once it is authorized, staff would make the determination about how far they can stretch the money.

Chair Dominguez said this project probably will have come back for approval.

Councilor Harris said then we are being asked to approve, *'Request for approval of prioritization List of Small Sidewalk Projects Funded'* in the amount of \$500,000.

Chair Dominguez said we're not saying that Project #3 on the list is going to cost \$50,000, and that's only going to do one side and half of the other side. "We're just saying this is the list... the MPO has done a lot of work to identify as priorities. It's kind of like the same scenario we had with the Children & Youth Commission and Human Services. There's a whole process that is gone through, and we may disagree or agree with some of this, but we would have to apply some of the same process that, in this case, the MPO went through to come up with something on the list."

Councilor Harris said there has been a lot of process to get to this point. He said the definite portion is \$500,000, but he was trying to sort out how they approach the prioritization list, and how far they go with it when there are multiple options. He said let's throw it out and see what happens next.

Councilor Lindell said she is unclear, and asked if we are voting on the City Small Sidewalks Prioritization list, or are we voting on the MPO prioritization list.

Mr. Quintana's said we are voting on the City Small Sidewalk Prioritization list. The MPO's prioritization list "is what it is," and has been approved.

Councilor Lindell said she would have questions on the MPO Pedestrian Plan Prioritization List. She is familiar with several of those areas. She said a ranking of #1 under Safety means it's not really a priority. She would challenge anyone to walk on several of them and feel safe. She said she is fine with voting on the City's Sidewalk list.

Councilor Ives said on some of the top priorities there is a statement, '*Cost estimate does not take into account possible right-of-way acquisition. Right-of-way needs will be determined at time of project development.*' He said that seems to be a potential significant limitation in time and money, potentially involving litigation and other issues if we try to condemn right-of-way. He asked, how generally has this happened in the context of this, noting this is 2014 bond funds which we're supposed within 5 years after the bond is issued. He said this would seem to be an extended process, and asked what happens in that event.

Mr. Quintana said the fact that we have to spend that money more quickly would assist us in identifying which projects we want to put forward with the \$500,000. If it does require right-of-way it will add time, and it will add significant cost. He said the good thing about having a plan is that it allows us to seek federal participation for some programs, TAP funding, for example.

Councilor Ives said we have no estimates of costs and which projects might go forward. He said it is setting tentative priorities. He asked if the Committee would be interested in relooking at the list as determinations are made, and potentially reprioritizing based on what Mr. Quintana learns once they start the process.

Chair Dominguez said we need to recognize that some of these projects on the City's list also are part of the Santa Fe MPO Pedestrian Plan Prioritization list. He said the things considered by the MPO are proximity to area of critical concern, and part of the reason a project is on the City's list. He said, for example, the Old Taos Highway, however unsafe it might be for pedestrians, an argument could be made

that there are other locations in other places that have a higher proximity to area of critical concern. He thinks we need to take these things into consideration, but "it is what it is."

Mr. Quintana said every one of the projects on the City's list, is on the MPO Prioritization list, and tucked in there.

MOTION: Councilor Harris moved, seconded by Councilor Villarreal, to approve this request.

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

13. SOUTHSIDE TRANSIT CENTER – SITE WORK FOR BUS SHELTER INSTALLATION – CIP PROJECT #667. (LeANN VALDEZ)

- **REQUEST FOR APPROVAL TO USE IMPACT FEES – CAPITAL IMPROVEMENT PLAN FUNDS TO COMPLETE SITE WORK CONSTRUCTION FOR BUS SHELTER INSTALLATION AT SOUTHSIDE TRANSIT CENTER IN THE AMOUNT OF \$1,144,585.45.**
- **REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT IN THE AMOUNT OF \$1,144,585.45 FROM IMPACT FEE FUND – ROADS TO TRANSIT BUS FUND.**

[Councilor Harris's remarks here are inaudible because his microphone was not turned on]

Councilor Villarreal said these are good points, and she would like an answer for these in the future, but she doesn't know we can get to them today. She said he brought up specifically, where is the pedestrian walkway travel route, commenting that the bus signage is mandatory.

Councilor Harris said he thinks he is confusing the issue. He said #13 is specific to the Southside Transit Center. He said as he was reviewing this yesterday, he looked at the emails he referenced. One is for Sheridan and one is for Cerrillos and Second Street. He said, 'So, I don't think my questions really apply.'

Councilor Villarreal said she was reading them, and trying to figure out if they were looking at the same document, noting it is a Cerrillos Road and Second Street question. She said she has no questions, she was just trying to help her colleague.

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

DISCUSSION: Councilor Ives said he is unsure he has a copy of the Impact Fee Capital Improvements Plan 20/20, and asked staff to send a copy to him.

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

16. **REQUEST FOR APPROVAL OF A RESOLUTION IN SUPPORT OF "EL GRITO," AN ANNUAL CELEBRATION OF MEXICAN INDEPENDENCE DAY ON SEPTEMBER 16, 2016; AND WAIVING ALL ASSOCIATED COSTS. (MAYOR GONZALES, COUNCILORS IVES AND RIVERA). (XOCHITL CAMPOS BIGGS) Committee Review: Public Safety Committee (no action taken) 05/17/16; Parks & Open Space Advisory Commission (approved) 05/17/16; Public Works Committee (approved) 05/23/16; and City Council (scheduled) 06/08/16. Fiscal Impact: Yes.**

A copy of an information sheet, *El Grito*, prepared and distributed by staff, is incorporated herewith to these minutes as Exhibit "1."

Councilor Lindell said she doesn't object to the City doing this. However, what she does object to that the handout was in the back of room, and asked the reason the Committee couldn't have had it earlier.

Ms. Xochitl Campos Biggs said no, because she is going to review all of the material now, and she thought it would be easier for you to have it in front of you, noting she drafted it today in preparation for today's meeting.

Ms. Biggs presented information from Exhibit "1." Please see Exhibit "1," for specifics of this presentation. She noted the request was made by Mexican Consul Efren N. Leyva Acevedo.

MOTION: Councilor Lindell moved, seconded by Councilor Villarreal, to approve this request.

DISCUSSION: Councilor Lindell said she is concerned about the way the caption is written, that this would be an annual event with all fees waived. She has no problem with it since it is only for this year. She is concerned when the Governing Body makes commitments into perpetuity to waive fees and how that will affect future Councils. She said we have had to deal with some of that and it might not be what we would have done at this point in time.

Chair Dominguez asked the reason they don't want to hold it at the MRC, commenting it has been held there previously, noting it has more parking and space, and they can yell the loudest and longest "Grito" they want.

Ms. Briggs said she is just the messenger, so she doesn't know.

Chair Dominguez said he is curious, and he has no opposition to it.

Ms. Briggs said she understands they wanted to hold it on the Plaza, commenting she imagines it has something to do with it being the heart of Santa Fe, and the symbolism of the Plaza. She can distribute the letter from Consul Acevedo, which she is quoting verbatim.

Councilor Harris said we talked about fee waivers in the budget process, and as he recalls it was \$1.2 million for the current fiscal year. He said he doesn't know exactly how we got there, but probably incrementally. He asked if we agreed on a format or protocol or limit for fee waivers. He said in looking at

the minutes, he recalls there was a goal to cut the waivers in half to \$600,000, but we didn't say how we were going to get there.

Chair Dominguez said he doesn't want to "get into the weeds," too much on this. He said Councilor Harris is correct that we have a goal to achieve to meet the budget. He said the challenge is if we allow one, we should allow the next one, or if we deny one, will we deny them all. He said it speaks to the necessity to go through the strategic planning process so we can identify clearly our priorities in the community. He said once we start to say no, it gets very "dicey," and once we allow exceptions, everybody wants one. He said he thinks we have to go through a process to make it clear to the community and ourselves about what is a priority and important.

Councilor Harris understands the reason they want to be on the Plaza – it's more fun and a bit more meaningful, perhaps. He said it will be a shorter event on the Plaza. He said he just wanted to discuss this and point out that this is \$4,000.

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

20. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – FY 2016/17 ADVERTISING SERVICES FOR TOURISM SANTA FE IN THE AMOUNT OF \$1,260,000: FUSEIDEAS, LLC. (RANDY RANDALL)

Councilor Harris said there are two business line items, one is \$960,000 and the other \$300,000, for a total of \$1.260 million. He asked if both are associated with Lodgers' Tax funds.

Randy Randall, Director, Tourism Santa Fe Department, said everything he spends is associated with Lodgers' Tax.

Councilor Harris asked the distinction between the two numbers.

Mr. Randall said the \$960,000 comes out of the CVB component, and the \$300,000 comes out of the Community Convention Center component.

Councilor Harris said this is second year of this PSA.

Mr. Randall said it is the second full year.

Councilor Harris asked who reviews the work of this firm, commenting he knows nothing about this contract other than what he has read in the past in the newspaper. He said it is a lot of money – who reviews the work, how do we gauge effectiveness, how are the scope and fees calculated.

Mr. Randall said the review is done by their department, primarily himself, Cynthia Delgado, Marketing Director, and Joy Rice, Marketing Manager. He said for example, through the measurement of awareness, the visitation and engagement at the website, and the number of times people come to the

landing page. He said the primary measurement is done through the use of their website. He said all of the advertising is done to direct people to their website. He said, secondarily, they use Lodgers' Tax increases, the amount of GRTs and how it is impacted in the tourism-related area. He said the Lodgers' Tax is also a good measurement of the effectiveness of both the advertising and public relations.

Councilor Harris asked if there was controversy associated with this contract when it was first awarded 1 ½ years ago.

Mr. Randall said yes. It primarily was due to the fact that the firm wasn't from New Mexico. He doesn't think there as a controversy on the firm's qualification. It was to more questions about "why are we spending this amount of money outside of the State." He said the reality is that most of the money, \$950,000, is used for advertising buys that go outside the State, whether the firm is located here or in another place. He said about \$300,000 is spent outside of the State.

Councilor Harris asked how much direction is provided by Mr. Randall and staff, or if they seem to be hitting the mark, you just let them run with it.

Mr. Randall said they try to do that. He said they have weekly phone conversations with them. He said, for example, tomorrow afternoon, they will have a presentation by the firm via Skype, to review the plan for next year. He said he gets involved in the results reviews every 2-3 months. He said they look at what's being done, what's approved, and then we tweak it and make modifications based on success. He said we aren't seeing results from one particular media buy, we'll shift to another. He said 60% of the money is spent in digital advertising, and is very flexible, and can be changed at will. He said \$100,000 or about 10%, is print media, which books much further out and there is much less flexibility.

Councilor Harris asked if he has identified any needed areas of improvement.

Mr. Randall said we spend a lot of time with this contract, noting it is the largest contract, and the second most important contract, even though it is the largest. He said there is the issue of being able to manage the contract without using too much of their agency time. He said they measure the value of the contract based on how many hours they put into it. He said we were demanding double the time in the contract, and have been working how we can be more efficient in our interaction. He has suggested they not bring forth a complete campaign initially, but that they work with us as we develop it, so we don't have them put 50 hours into a project and we say we want something else.

Councilor Lindell asked, regarding Items #20, 21 and 22, if it is reasonable to have a report on the year's activities.

Mr. Randall asked if that is a report on the past year's activity.

Councilor Lindell said yes. She said this tells what the request is, but it doesn't tell us what we got for our money.

Mr. Randall said he can do that, noting they reported in written form on the advertising contract to the Council in December 2015. They also do a quarterly report containing that information which he thought had been distributed to Council, if not he will provide that. He said on #22, the earned media value is how they evaluate public relations, noting in 2015 the value was slightly more than \$25 million of earned media relations. He said it is worth more than an ad would be, but using the advertising rate, we got \$25 million of earned media value. 3 years ago, interestingly with the same contractor and a third party management of the public relations, we received \$5 million in earned media value. It has increased exponentially, and this year we're 20% ahead of pace on last year, noting they have a goal of another \$25 million, but we don't have The Bachelor which earned \$3.5 million.

Mr. Randall continued saying, the Margarita Trail announced a month prior to Cinco de Mayo, has already earned the same amount as the Bachelor. He said it was picked up by *The York Times*, *The L.A. Times*, noting a one-page article in the *New York Times* is worth \$1.5 million. He said *The Chicago Tribune* just did a two-day visit to do a piece on the Margarita Trail, and we're expecting a really strong article from that.

Mr. Randall continued, saying our goals on the awareness side are at least 10% over the prior number, which were set for a 10% improvement and we hit 66 million. On website sessions the goal was 932,000, we hit 1.1 million, up 17%. The landing page visits were set at 35,000 and they were 84,000, up 134%. He will be glad to put together an improvement and evaluation matrix for the Council, a one page document. He said they usually do those reports by the calendar year, but can do them by the fiscal year if you would like.

Mr. Randall continued, saying the website services are harder to measure, because they don't have that kind of metric for website services. He said it is basically if it is working and if they are responsive. He said the contract is \$140,000, but the contract demands they sell at least \$60,000 in advertising, which reduces the net cost to \$80,000, but they budget the whole amount in expenses. He noted they will hit close to \$75,000 in advertising and the goal for the next fiscal year is to exceed \$100,000, commenting he thinks we definitely can do that. He noted previously they were spending \$190,000 for website services.

Chair Dominguez asked how much, in real dollars, we receive in our economy for this investment. He said, for example on Item #20, what do we get for those dollars. He knows there is an increase in Lodgers' Tax, and GRT.

Mr. Randall said the hard part is that it is impossible to know what it would have been if we had not advertised. He said a classic example is Colorado. About 12 years ago, Colorado made the decision to eliminate State advertising, and saw its overall tourism reduced about 40%. It took them 6 years to catch up where they were, spending double the amount they had been spending in advertising. He said, "Does advertising work. I have to say it does. But if the question were asked if we double the amount of advertising, how much return do you get. The State proves it gets about a \$7 gross revenue return on a dollar spent in advertising."

Chair Dominguez asked if there is an ability to measure that at the local level.

Mr. Randall said we could do that, noting they spend \$250,000 for an annual study, so we would be spending 25% of our advertising dollar to measure the effectiveness, and we would have that much less advertising. He said he thinks we have to make the basic assumption that as the State is going, so is Santa Fe, when we look at our Lodgers' Tax.

Chair Dominguez said it would be good to have that information in whatever you produce for the Governing Body. He said it is difficult to talk to the public when they say, we like tourists, but come and spend your money and then go home – whatever the bumpers say. He said if the Governing Body had some of those metrics to talk about, it might be helpful, especially as it pertains to dollars. He said the last budget exercise was rough, and it's not going to get easier.

Mr. Randall said he will put that together, but he first would like to close out the fiscal year. He can bring it back the latter part of July. He will distribute a written report, and will be glad to do any discussion.

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

DISCUSSION: Councilor Villarreal said there is a way track the number of hits on the website.

Mr. Randall said that is correct. We can measure the number of visits, the number of pages visited, noting the website is well over 1,000 pages deep, so it is a huge site. He said to try to simplify it becomes difficult because if you leave anyone out you are criticized. The event page alone is huge. He said they measure the number of pages they go to, the depth of site they go, how long they spend on site, which parts they go to the most. He said there are a lot of analytics that he doesn't get into as much as Ms. Delgado does, noting she really focuses on the website. He said they will bring that information forward as well.

Responding to Councilor Villarreal, Mr. Randall said the booking engine isn't very vibrant on the website, and we really measure where people leave our site and go to a hotel site as more important than booking on that site. So it's not the place to go.

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

21. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – FY 2016/17 WEBSITE SERVICES FOR TOURISM SANTA FE IN THE AMOUNT OF \$140,000.

Councilor Harris said he has the same comment for #21 and #22. These are standard PSAs, with the same requirements, part of which is for professional liability coverage, errors and omissions. He said in looking at the certificate for Studio X, as well as Lou Hammond, neither shows that coverage. He asked if this is an oversight, or if the value of the contract was such that they decided they didn't need it. He said certainly Fuseideas has that coverage.

Mr. Randall said he doesn't know answer, but if it is required by the contract, he will see they get it.

Chair Dominguez asked Mr. Randall if he is happy with these contracts.

Mr. Randall said absolutely. He said with the amount of website we have, with an additional person, they can be more reactive at the same or lower cost by doing it in-house. He said you have to have the public relations presence in New York. He said in terms of advertising, "you need to be the size of Disney to have your in-house agency." He said, regarding web management, particularly the technical side, he thinks we can do internal. He said, "It bothers me that we're spending that amount of money for web."

Councilor Harris said Studio X is the only Santa Fe based firm, and Mr. Randall said that is correct.

Councilor Harris said he is familiar with the firm and its services, and thinks we should be supporting our small businesses.

Responding to the Chair, Mr. Randall said he likes working with Studio X, and if they were afar, it would be far more difficult to be as responsive as we are.

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

DISCUSSION: Councilor Ives said, regarding Professional Liability, it is difficult to assess the real impact, other than through the mechanisms you identified, so that may be the reason it's not there, but he is unsure.

Councilor Harris said, in terms of public relations, he thinks a great deal of damage could be done to the City's reputation by professional failures on the part of the firm. He said, "The bridge may not collapse, but certain other things can become a little bit catastrophic, I think."

Mr. Randall said in public relations, we run the risk of something happening that could do that. He said measuring how well the P.R. firm responds to a local catastrophe is where it gets a little soft. He said they don't create the catastrophe, but they do respond to it.

Councilor Harris said there could be issues if the response is lackadaisical or non-responsive.

Mr. Randall said if the contract calls for that insurance, it should be there, and he will investigate that.

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

22. REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT – FY 2016/17 PUBLIC RELATIONS SERVICES FOR TOURISM SANTA FE IN THE AMOUNT OF \$116,000; LOU HAMMOND & ASSOCIATES. (RANDY RANDALL)

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

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

END OF CONSENT CALENDAR DISCUSSION

24. MATTERS FROM THE COMMITTEE


Councilor Lindell reminded the Committee members that on Thursday at 6:00 p.m., on the Plaza, there will be an event focusing on Mothers Against Violence, specific to gun violence. She said she will be attending, as well as Councilor Villarreal. She said it would be great if we could have a good showing for this event.

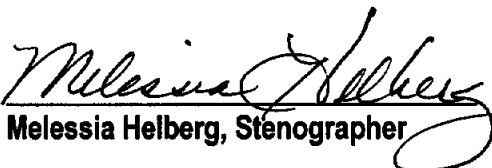
25. ADJOURN

There was no further business to come before the Committee, and the meeting was adjourned at approximately 7:00 p.m.


Carmichael A. Dominguez, Chair

Reviewed by:


Oscar S. Rodriguez, Finance Director
Department of Finance


Melessia Helberg, Stenographer

El Grito

- a. A resolution in support of "El Grito," an annual celebration of Mexican Independence Day on September 16, 2016; and waiving all associated fees totaling to approximately \$3922.
(Gonzales, Ives and Rivera)
 - a. Where will it be celebrated and why?
 - i. In celebration of Mexican Independence Day on September 16. This will be celebrated on the plaza on September 16, 2016
 - ii. It had previously been at Ragle Park
 1. A benefit to having it at the Plaza will be having it in a central location, away from neighborhoods where previously the sounds and lights had been a concern in the evening.
 - b. Is this a one-time event?
 - i. This ordinance covers this year, so yes, it is a one-time event at the Plaza though it is a recurring, annual event in Santa Fe, previously held at Ragle Park.
 - ii. It is likely next year there will be another
 - c. What is the estimated crowd size?
 - i. Between 2500 and 3000 is estimated based on previous events though it is hard to say – last year the turnout was reportedly low.
 - ii. This number is not bigger than what the plaza sees for the bandstand finale at the end of the summer.
 - d. Cost for PD?
 - i. \$1000 to \$1700 depending on crowd size. PD estimates nine personnel will be needed. Previous costs below.
 - ii. "In the past the Mexican Independence Day celebration has been at Ragle Park. In 2014 and 2015, there were \$1,879 in costs for staffing the event with 9 personnel (Patrol, PCR and PSA). This was a six (6) hour event."
 - e. Cost for Fire?
 - i. Fire estimates cost at \$470
 - f. Food trucks and vendors?
 - i. No arts and crafts – they have never been there before
 - ii. Food trucks in food truck spaces.
 - g. Why?
 - i. This event and its relocation as requested by the Consul of Mexico, Efren N. Leyva Acevedo
 - ii. The goal of this event is to be inclusive of our fellow community members who celebrate this event and to bring a celebration to the heart of Santa Fe when previously it's been held elsewhere.

Exhibit "1"