

City of Santa Fe, NM
Regular Committee
Tuesday, September 05, 2017
05:00 PM – Finance Committee
Council Chambers

CITY CLERK'S OFFICE

DATE 8/31/17 TIME 10:33a

SERVED BY Carolynn Roibal

RECEIVED BY [Signature]

AGENDA

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. APPROVAL OF CONSENT AGENDA

5. APPROVAL OF MINUTES

6. CONSENT AGENDA

a) Request for Approval to Award RFP# 17/45/P and Approval of Professional Services Agreement in the Amount of \$245,800 Exclusive of NMGR for Classification and Compensation Study; Springsted Inc. (Lynette Trujillo)

Item 6a.pdf

b) Request for Approval to Award RFP# 17/58/P and Approval of Professional Services Agreement in the Amount of \$24,000 for Educational Re-engagement Specialist; YouthWorks! (Richard DeMella)

Item 6b

c) Request for Approval to Award RFP# 17/58/P and Approval of Professional Service Agreement in the Amount of \$57,165 for Intensive Community Monitoring Services; YouthWorks! (Richard DeMella)

item 6c

d) Request for Approval to Procure Fire Equipment and Supplies in Excess of \$50,000 Under the Public Procurement Authority Master Price Agreement (Contract #00000170); LN Curtis and Sons. (Jan Snyder)

Item 6d.pdf

e) Request for Approval to Procure a New Light Rescue Vehicle 2018 SVI/Dodge 5500 using the BID Process and HGAC Cooperative Purchasing Agreement in the Amount of \$262,262.00; AAA FirePro in Clovis, New Mexico. (Jan Snyder)

Item 6e.pdf

f) Request for Approval of a Memorandum of Agreement in the Amount of \$150,000 for Support of the Santa Fe Film Office FY2018; Santa Fe County. (Randy Randall)

Item 6f.pdf

g) Request for Approval of Amendment No. 3 to Professional Services Agreement in the Amount of \$49,332.69 Plus GRT for Maintenance and Repairs on the Convention Center's HVAC Units for October 1, 2017 through June 30, 2018; TRANE U.S. Inc. (Randy Randall)

Item 6g.pdf

h) Request for Approval of Resolution No. 2017-_____. A Resolution Stating the Official Intent of The City of Santa Fe, New Mexico to Reimburse Itself From Proceeds of Tax Exempt Bonds to be Issued in the Future for Certain Capital Expenditures Relating to Construction of Street Improvement Projects. (Mayor Gonzales and Councilor Ives) (Bradley Fluetsch)

Fiscal Impact: None

Committee Review:

Public Works Committee

09/11/17

City Council

09/13/17

Item 6h.pdf

i) Request for Approval of Resolution No. 2017-_____. A Resolution in Opposition to the Nuclear Weapons Agenda of the Current Administration; Calling on the Congressional Delegation to Condemn the Rhetoric and Agenda; and Supporting the Restricting First Use of Nuclear Weapons Act of 2017. (Councilor Villarreal) (Jesse Guillen)

Fiscal Impact: None

Committee Review:

City Council 08/30/2017

Item 6i

j) Request for Approval of Ordinance No. 2017-_____. An Ordinance Authorizing the Issuance and Sale of the City of Santa Fe, New Mexico Gasoline Tax / Subordinate Lien Gross Receipts Tax Improvement Revenue Bonds, Series 2017 in an Aggregate Principal Amount Not to Exceed \$13,500,000 for the Purpose of Defraying the Cost of Constructing, Reconstructing, Resurfacing, Maintaining, Acquiring Rights of Way, Repairing and Otherwise Improving Municipal Buildings, Alleys, Streets, Public Roads and Bridges or any Combination of the Foregoing Purposes; Providing That the Bonds Will be Payable and Collectible From Gasoline Tax Revenues and Certain Gross Receipts Tax Revenues Distributed to the City; Delegating Authority to the City Finance Director to Approve the Final Principal Amount, Interest Rates and Other Details of the Bonds Within the Parameters Set Forth in This Authorizing Ordinance; Delegating Authority to the City Finance Director to Execute and Deliver a Bond Purchase Agreement for the Sale of the Bonds to the New Mexico Finance Authority; Providing for the Collection of Certain Gross Receipts Tax Revenues; Approving Certain Other Agreements and Documents in Connection With the Bonds; Ratifying Action Previously Taken in Connection With the Bonds; Repealing all Ordinances in Conflict Herewith; and Related Matters. (Mayor Gonzales) (Bradley Fluetsch)

Fiscal Impact: Expenditures: FY 17/18 = \$1,480,000 and for FY 18/19 = 1.3 million; Revenue from Bond proceeds = \$11.7 M

Committee Review:

Public Works Committee

09/11/17

City Council (request to publish)

09/13/17

City Council (public hearing)

10/11/17

Item 6j.pdf

k) Request for Approval of Resolution No. _____. A Resolution Authorizing and Approving Submission of a Completed Application for Financial Assistance and Project Approval to the New Mexico Finance Authority for Street Projects. (Mayor Gonzales and Councilor Ives) (Bradley Fluetsch)

Fiscal Impact: None

Committee Review:

Public Works Committee

09/11/17

City Council

09/13/17

Item 6k.pdf

l) Request for Approval to Purchase 26 Police Vehicles with Required Equipment for FY 17/18 Under Cooperative Education Services Agreement, State Price Agreements and Federal Government Price Agreements; Don Chalmers Ford, MHQ, MPH, Grants & Technology Veterans, LLC, Digital Ally and Motorola. (Deputy Chief Padilla)

Item 6l.pdf

m) Request for Approval to Purchase 30 Replacement Computer Toughbook Tablets for FY 17/18; Grants & Technology Veterans, LLC. (Deputy Chief Padilla)

Item 6m.pdf

7. DISCUSSION

a) Genoveva Chavez Community Center Performance Audit Cash Handling Presentation (Liza Kerr)

Committee Review:

City Council 09/13/2017

Item 7a.pdf

b) Presentation and Discussion of Internal Audit Department's Annual Report. (Liza Kerr)

Committee Review:

City Council 09/13/2017

Item 7b.pdf

8. MATTERS FROM THE COMMITTEE

9. MATTERS FROM STAFF

10. EXECUTIVE SESSION

11. ADJOURN

**SUMMARY OF ACTION
FINANCE COMMITTEE
CITY COUNCIL CHAMBERS
TUESDAY, SEPTEMBER 5, 2017, 5:00 PM**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER		1
ROLL CALL	QUORUM	1
APPROVAL OF AGENDA	APPROVED	1
APPROVAL OF CONSENT AGENDA	APPROVED/AMENDED	1-2
APPROVAL OF MINUTES	NONE	2
CONSENT AGENDA LISTING		2-3
<u>CONSENT AGENDA DISCUSSION</u>		
REQUEST FOR APPROVAL TO AWARD RFP# 17/45/P AND APPROVAL OF PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$245,800 EXCLUSIVE OF NMGR T FOR CLASSIFICATION AND COMPENSATION STUDY; SPRINGSTED, INC.	APPROVED	3-7
REQUEST FOR APPROVAL TO AWARD RFP# 17/58/P AND APPROVAL OF PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$24,000 FOR EDUCATIONAL RE-ENGAGEMENT SPECIALIST; YOUTHWORKS!	APPROVED	7-9
REQUEST FOR APPROVAL TO AWARD RFP# 17/58/P AND APPROVAL OF PROFESSIONAL SERVICE AGREEMENT IN THE AMOUNT OF \$57,165 FOR INTENSIVE COMMUNITY MONITORING SERVICES; YOUTHWORKS!	APPROVED	9-10

REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$49,332.60 PLUS GRT FOR MAINTENANCE AND REPAIRS ON THE CONVENTION CENTER'S HVAC UNITS FOR OCTOBER 1, 2017 THROUGH JUNE 30, 2018; TRANE U.S. INC.	APPROVED	10-11
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REQUEST FOR APPROVAL OF RESOLUTION NO 2017-_____. A RESOLUTION STATING THE OFFICIAL INTENT OF THE CITY OF SANTA FE, NEW MEXICO TO REIMBURSE ITSELF FROM PROCEEDS OF TAX EXEMPT BONDS TO BE ISSUED IN THE FUTURE FOR CERTAIN CAPITAL EXPENDITURES RELATING TO CONSTRUCTION OF STREET IMPROVEMENT PROJECTS.	APPROVED	11-12
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REQUEST FOR APPROVAL OF RESOLUTION NO. 2017_____. A RESOLUTION IN OPPOSITION TO THE NUCLEAR WEAPONS AGENDA OF THE CURRENT ADMINISTRATION; CALLING ON THE CONGRESSIONAL DELEGATION TO CONDEMN THE RHETORIC AND AGENDA; AND SUPPORTING THE RESTRICTING FIRST USE OF NUCLEAR WEAPONS ACT OF 2017.	POSTPONED	12-15
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REQUEST FOR APPROVAL OF ORDINANCE NO 2017-_____. AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF SANTA FE, NEW MEXICO GASOLINE TAX/SUBORDINATE LIEN GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2017 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$13,500,000 FOR THE PURPOSE OF DEFRAYING THE COST OF CONSTRUCTING, RECONSTRUCTING, RESURFACING, MAINTAINING, ACQUIRING RIGHTS OF WAY, REPAIRING AND	APPROVED	15-16
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OTHERWISE IMPROVING MUNICIPAL BUILDINGS, ALLEYS, STREETS, PUBLIC ROADS AND BRIDGES OR ANY COMBINATION OF THE FOREGOING PURPOSES; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE FROM GASOLINE TAX REVENUES AND CERTAIN GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY; DELEGATING AUTHORITY TO THE CITY FINANCE DIRECTOR TO APPROVE THE FINAL PRINCIPAL AMOUNT, INTEREST RATES AND OTHER DETAILS OF THE BONDS WITHIN THE PARAMETERS SET FORTH IN THIS AUTHORIZING ORDINANCE; DELEGATING AUTHORITY TO THE CITY FINANCE DIRECTOR TO EXECUTE AND DELIVER A BOND PURCHASE AGREEMENT FOR THE SALE OF THE BONDS TO THE NEW MEXICO FINANCE AUTHORITY; PROVIDING FOR THE COLLECTION OF CERTAIN GROSS RECEIPTS TAX REVENUES; APPROVING CERTAIN OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION WITH THE BONDS; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION WITH THE BONDS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND RELATED MATTERS.

REQUEST FOR APPROVAL TO PURCHASE 26 POLICE VEHICLES WITH REQUIRED EQUIPMENT FOR FY 17/18 UNDER COOPERATIVE EDUCATION SERVICES AGREEMENT, STATE PRICE AGREEMENTS AND FEDERAL GOVERNMENT PRICE AGREEMENTS; DON CHALMERS FORD, MHQ, MPH, GRANTS AND TECHNOLOGY VETERANS, LLC., DIGITAL ALLY AND MOTOROLA.

APPROVED

15-17

REQUEST FOR APPROVAL TO PURCHASE 30 REPLACEMENT COMPUTER TOUGHBOOK TABLETS FOR FY 17/18; GRANTS AND TECHNOLOGY VETERANS, LLC.

APPROVED

17-18

OTHER DISCUSSION

**GENOVEVA CHAVEZ COMMUNITY
CENTER PERFORMANCE AUDIT
CASH HANDLING PRESENTATION.**

INFORMATION/DISCUSSION 18-23

**PRESENTATION AND DISCUSSION
OF INTERNAL AUDIT DEPARTMENT'S
ANNUAL REPORT.**

INFORMATION/DISCUSSION 23-25

MATTERS FROM THE COMMITTEE

INFORMATION/DISCUSSION 25

MATTERS FROM STAFF

NONE 25

EXECUTIVE SESSION

NONE 25

ADJOURN

ADJOURNED 25

**FINANCE COMMITTEE
CITY COUNCIL CHAMBERS
TUESDAY, SEPTEMBER 5, 2017, 5:00 PM**

1. CALL TO ORDER

The meeting of the Finance Committee was called to order by Councilor Carmichael A. Dominguez, Chair, at 5:00 pm, on Tuesday, September 5, 2017, at the City Council Chambers, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT

Carmichael A. Dominguez, Chair
Councilor Michael Harris
Councilor Signe Lindell
Councilor Peter Ives
Councilor Renee Villarreal

MEMBERS ABSENT

OTHERS PRESENT

Becky Casper, Fiscal Administrator, Finance Department
Marie Lee, Budget Officer, Finance Department
Christina Keyes, Treasury Officer, Finance Department
Elizabeth Martin for Fran Lucero, Stenographer

3. APPROVAL OF AGENDA

MOTION A motion was made by Councilor Ives, seconded by Councilor Lindell, to approve the agenda as presented.

VOTE The motion passed unanimously by voice vote.

4. APPROVAL OF CONSENT AGENDA

Councilor Harris asked to pull items A, B, C, G, I and L for discussion.

Councilor Lindell asked to pull item H in addition to the items previously pulled for discussion

Councilor Villarreal asked to add items J and M for discussion.

MOTION A motion was made by Councilor Villarreal, seconded by Councilor Ives, to approve the consent agenda as amended.

VOTE The motion was approved unanimously by voice vote.

5. APPROVAL OF MINUTES

There were no minutes for approval.

6. CONSENT AGENDA

- A. This item was pulled for discussion by Councilor Harris.
- B. This item was pulled for discussion by Councilor Harris.
- C. This item was pulled for discussion by Councilor Harris.
- D. REQUEST FOR APPROVAL TO PROCURE FIRE EQUIPMENT AND SUPPLIES IN EXCESS OF \$50,000 UNDER THE PUBLIC PROCUREMENT AUTHORITY MASTER PRICE AGREEMENT (CONTRACT #00000170); LN CURTIS AND SONS.

Approved on Consent.

- E. REQUEST FOR APPROVAL TO PROCURE A NEW LIGHT RESCUE VEHICLE 2918 SVI/DODGE 5500 USING THE BID PROCESS AND HGAC COOPERATIVE PURCHASING AGREEMENT IN THE AMOUNT OF \$262,262.00; AAA FIREPRO IN CLOVIS, NEW MEXICO.

Approved on Consent.

- F. REQUEST FOR APPROVAL OF A MEMORANDUM OF AGREEMENT IN THE AMOUNT OF \$150,000 FOR SUPPORT OF THE SANTA FE FILM OFFICE FY2018; SANTA FE COUNTY.

Approved on Consent.

- G. This item was pulled for discussion by Councilor Harris.
- H. This item was pulled for discussion by Councilor Lindell.

- I. This item was pulled for discussion by Councilor Harris.
- J. This item was pulled for discussion by Councilor Villarreal.
- K. REQUEST FOR APPROVAL OF RESOLUTION NO _____. A
RESOLUTION AUTHORIZING AND APPROVING SUBMISSION OF A
COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE AND
PROJECT APPROVAL TO THE NEW MEXICO FINANCE AUTHORITY
FOR STREET PROJECTS.

Approved on Consent.

- L. This item was pulled for discussion by Councilor Harris.
- M. This item was pulled for discussion by Councilor Villarreal.

CONSENT CALENDAR DISCUSSION

- A. REQUEST FOR APPROVAL TO AWARD RFP# 17/45/P AND APPROVAL OF
PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$245,800
EXCLUSIVE OF NMGRF FOR CLASSIFICATION AND COMPENSATION
STUDY; SPRINGSTED, INC.

Councilor Harris asked Ms. Trujillo does the study itself include a consideration of right sizing various departments by looking at the scope of work, who is doing it and are they short handed or do they have too many employees.

Ms. Trujillo, Human Resources Director, said it does to a certain degree. They won't look at each position, but they will look at the classifications and let us know if they can be consolidated and if they are correctly described. They will also look at the pay plan to see if it needs to be adjusted per the market. As far as right sizing we have to look at that and they will consult with us.

Councilor Harris asked if it will be part of the overall discussion.

Ms. Trujillo said yes.

Councilor Harris asked will there be any discussion of merit pay.

Ms. Trujillo said no.

Councilor Villarreal said her question was about right sizing. Her other issue is will the study look at pay scale as it relates to gender equity.

Ms. Trujillo said yes per Councilor Lindell's request. It is part of the scope of work.

Councilor Villarreal asked will they look at the classification and who is in that position.

Ms. Trujillo said it will not necessarily be who is in the position, male or female, but it will look to see if the pay is in line with the experience and education and if it is in line with others in that pay class.

Councilor Lindell asked did we have an original budget amount for this.

Ms. Trujillo said yes, \$150,000. The bid came in higher and they are doing additional tasks such as a Train the Trainer session so that we can carry on this plan and studies in the future. This company came in higher but provided more services.

Councilor Lindell asked where is the money coming from.

Ms. Trujillo said the cost will be spread among departments based on the number of positions they have.

Ms. Lee, Budget Officer, said we are identifying those funds and will let you know when we have completed that effort.

Councilor Ives said thank you for bringing this forward. This gives us a chance to true up our job classifications. It is timely and good that we are doing this now.

Chair Dominguez said this will be paid for by City departments. How is this not considered an unfunded mandate.

Ms. Lee said we are identifying sources throughout all departments who have a part in the survey, including all the enterprise funds. This will not require a budget adjustment. It will be under \$50,000 for each department.

Chair Dominguez said we set a budget and approved it with all the expenses that the department was supposed to have. Now we are adding an additional expense to that. How much and from where.

Ms. Lee said the City Manger and the Finance Director apologize for not having this in the budget originally. It will be an even amount depending on the number of personnel.

Chair Dominguez asked so a department that has 5 employees could pay more than a department with 25 employees.

Ms. Lee said we have 60 divisions divided by \$250,000 is \$4,167 each. We will look at that. We may prorate it based on the number of positions.

Ms. Lee said actually what we may do is take funds from lodgers tax and utilities.

Chair Dominguez said that is different from what we are trying to accomplish with this. He is concerned about equity.

Ms. Trujillo said from her understanding they will look at how many positions each department has. Also some departments have some money left in certain categories and the budget office is looking at that to get the money there as well.

Chair Dominguez said so we are going to penalize a department or division for doing good in managing their budget with this unfunded mandate.

Ms. Trujillo said it is not a penalty. This will assist them in putting these people in the right classifications and with the right pay. Overall for the City is looking at a positive approach. In the long run it will assist them.

Chair Dominguez said he had some concern about this Comp and Class Study from the very beginning. This is unorganized, we don't know where the money is coming from or what the impact will be. That is where it is now. We should do this on a regular basis. This lack of detail and really of an understanding of how this will be funded raises a concern to him again. He was reluctant in the first place.

Councilor Harris said he agrees. This evening we have heard a couple of different responses. He talked to Mr. Johnson and got another response. This was not built into the budget. He heard that this is contradicted by language in the AFSCME contract that we just approved. We heard several different ways that this would be funded just now. There needs to be a very clear understanding of where the money is coming from before the Council meeting. This is a worthy exercise but it needs to be understood what we are getting into, and how we are going to pay for it.

Councilor Ives said as we considered the Resolution last year to move forward with this everyone recognized the need for this. The last time the City did this was in 2011, but it was not a full course in scope. For a full study we have to look back to 2008 or 2009. We have had a lot of change and have significant change now with shift to enterprise entities. The Governing Body was clear that we wanted to move forward with this. He would like to ask that the finances be clarified by the time it gets to Council. It sounds like a number of possibilities have been discussed. We passed the budget with the understanding that it was in there.

Councilor Lindell said you said the original budget was \$150,000 and now it is \$100,000 more. Was the \$150,000 budgeted.

Ms. Trujillo said she put it in her budget, but it was not submitted. To clarify it will be by head count per department and that includes all the enterprise funds. It will be done by the number of people and split out that way.

Chair Dominguez said you said you put in your budget but it was not submitted with it in there. It looks like it falls on the Finance Department. What is the explanation for that.

Ms. Lee said we do have \$200,000 identified in the utilities customer fund.

Chair Dominguez said we are talking about funds for this. She said she had it in her budget.

Ms. Lee said she is not certain that it was submitted. We are working now to identify sources to pay for this study.

Chair Dominguez said this is troublesome for a couple of reasons. Wherever the miscommunication was the Governing Body was clear about what it wanted as Councilor Ives said. That is the first concern. These are the basic kinds of things that are communicated every day that can get you in a lot of trouble. There is media here tonight and they will jump on this. We already have departments and divisions that are under staffed. Those getting in trouble with the audit he thinks are understaffed. Now we are going to take more money from their budget. The whole idea was equity and we are starting out in an inequitable position mandating this unfunded. We are going to take money from them to fix the mistake made and hopefully at the end it come sound good. He does think a Comp and Class Study needs to be done. Those mistakes will take us in a deep hole very quickly and it is the Governing Body who has to take the shots in the paper. It is fair for us to ask the tough questions. These sorts of things need to not happen any more.

Ms. Casper asked may she call Christine Keys up to give more clarity on behalf of Mr. Johnson.

Ms. Keys said on Mr. Johnson's behalf the funding will come from line items we have historically underspent from and from consulting lines. We are treating this the same as internal services. In the future all of Human Resource's budget will be spread among all departments.

Chair Dominguez said that begs the question of how did we get there in the first place.

MOTION A motion was made by Councilor Ives to approve this item with 2 staff requests. The first one is to solidify the funding sources and the basis for that. The second is we approved a Resolution moving this forward and it

was included in some portion of the budget but for some reason it did not make it. Provide us with an explanation so we can avoid this in the future, identify the source of the problems and steps we will put in place to assure this does not happen again. The motion was seconded by Councilor Lindell.

VOTE The motion passed unanimously by voice vote.

B. REQUEST FOR APPROVAL TO AWARD RFP# 17/58/P AND APPROVAL OF PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF \$24,000 FOR EDUCATIONAL RE-ENGAGEMENT SPECIALIST; YOUTHWORKS!

Councilor Harris said he wanted to discuss this 2 weeks ago but no one from the department was here. He wants to understand this. This is a \$130,000 grant and tonight we are considering 2 parts. The whole \$130,000 has a 40% match for this part of \$24,000. How long has this grant been in place and has it always been with our relationship with Youthworks.

Mr. DeMella, Youth and Family Services, Juvenile Justice Program, said this has been an ongoing process for 15 years, 2 years with Youthworks. The Juvenile Justice Board looks at programs in the area for alternatives to detention. This is one.

Councilor Harris said let's focus on the re-engagement. This is the 2nd year with Youthworks. They have an extensive scope of work. What evaluation did they receive last year.

Mr. DeMella said the Board goes over the evaluation annually. We take kids in detention or in a residential treatment center. They have not gone to school in 6 years. Youthworks has alternative educational settings, that is why we use their services. Last year it was a new program and they had to give back some funding. Working with the JPO and others we had 19 kids in the program last year.

Councilor Harris said he understands the program. He knows the various programs under Chris Sanchez. He is out ahead with his metrics. What are you doing to measure Youthworks progress in this program. There needs to be some sort of relationship showing progress.

Mr. DeMella said we follow State guidelines. We are all working on uniformity in our division. We look at line items as to what kid got what kind of service. We are a data collection point for the State. That tells us how the money is spent and where. As far as outcomes after the kid leaves the program we don't have the funding going and we don't track progress. We will be working with Chris Sanchez on that. We are working on risk and uniformity.

Councilor Harris said that is what he needs to hear. Under Chris Sanchez's department we have not heard anything about this new one in terms of outcomes. He understands it is hard to measure. He saw the attachment forms that the State sent about data collection. Is this year 2 of a contract with Youthworks for these services.

Mr. DeMella said yes it is.

Councilor Villarreal said the second item is where her concerns are about the outcomes piece and the Community Advisory Board. Who is on that Board now.

Mr. DeMella said it is the Juvenile Justice Board. Ted Lovato, the Chief JPO, the public defender, teen court, the previous person who ran the department and others.

Councilor Villarreal asked so mostly agency people who work in the Juvenile Justice system.

Mr. DeMella said yes.

Councilor Villarreal asked how do they intersect with Youthworks. What is their roll.

Mr. DeMella said we have monthly meetings where Youthworks comes and explains issues. We are also working with the JPO and Santa Fe Public Schools, County detention and health entities. It is addressed at that time.

Councilor Villarreal said so the Board is involved with various issues.

Mr. DeMella said yes and these are the guys who select and award the contracts.

Councilor Ives said what you are hearing, in part, is the shift of the emphasis in our budget process to look at results based accountability. He hopes as you bring these things forward the answers to the questions as to how much, how well and is anyone better off, will be available as we work to see positive effects. You have a very rich environment with all the participants in the process. Is anyone better off. If we are talking about getting kids who have dropped out of the school system back into education we are getting acknowledgment in that as the measure of success. Embrace that by showing the successes from this program when we evaluate the allocation of the funds. Think of it as an opportunity.

Mr. DeMella said \$24,000 it is a drop in the bucket. There are so many social issues in our community. So many moving parts. Substance abuse, mental health and poverty. We do the best we can. It is difficult to change the world. We are all singing the same song.

MOTION A motion was made by Councilor Ives, seconded by Councilor Lindell, to approve this request.

VOTE The motion passed unanimously by voice vote.

C. REQUEST FOR APPROVAL TO AWARD RFP# 17/58/P AND APPROVAL OF PROFESSIONAL SERVICE AGREEMENT IN THE AMOUNT OF \$57,165 FOR INTENSIVE COMMUNITY MONITORING SERVICES; YOUTHWORKS!

Councilor Harris said he has the same questions and comments as he had on the first piece. What are the outcomes. He mentioned to Mr. Johnson in regard to this portion of the contract that he did not see a certificate of insurance for Youthworks.

Mr. DeMella said he can produce that.

Councilor Harris asked you have seen it. Make sure it is attached to the package when it goes to Council.

Mr. DeMella said no problem.

Councilor Harris said he appreciates Councilor Villarreal's line of questions. She confirmed that the Board has a large part in the selection process to get to Youthworks. How long has this program been in place.

Mr. DeMella said 15 years.

Councilor Harris asked how long with Youthworks.

Mr. DeMella said 1 ½ a years. Mary Louise Romero did this before.

Councilor Harris said she set the standard. How would you rate Youthworks.

Mr. DeMella said they do it a different way. Ms. Romero did work above and beyond. With Youthworks they have 2 people doing it and they do it in a different way. They are one of 22 sites we have statewide. They are all different by community.

Councilor Harris said so Youthworks will be different. Youthworks comes across our radar in many ways. At some point he would like to get more information on Youthworks and all the things they do and how the City supports them. Next year he would like to get an evaluation of their work. He will be interested to see what you have to say.

Councilor Villarreal said it pains her to hear that Mary Louise Romero is not part of

this program. She always provided the cultural component for the youth.

Mr. DeMella said she went to Communities in Schools and is working there. She has a great reputation for working with kids.

Councilor Villarreal said all the work that this is trying to achieve is about justice and she would like that more emphasized. She has complete confidence in Youthworks. They have a cultural piece too. She wishes them luck. How do you and Chris Sanchez intersect with this contract.

Mr. DeMella said they report back to us. We are working with other entities as well and getting involved with the kid and the kid's family as well. A lot of issues come out of the home. The Board works with that. We also do site visits. This year we will have 3 programs. Last we had year 5. This is what the State is now giving us. The Board oversees the contract.

Chair Dominguez said good job Mr. DeMella. Thank you for all the work you do. Yes it is a drop in the bucket compared to the resources our young people need. This community needs to realize that. There is a population out there that really needs help.

Mr. DeMella said one of the things Chris Sanchez has done is to open up services. We can now take a kid and put them in other programs that the City is funding. The job center is going to open soon. We need services from people rather than just funding. What Mr. Sanchez is doing will be a home run.

MOTION A motion was made by Councilor Ives, seconded by Councilor Villarreal, to approve this request.

VOTE The motion passed unanimously by voice vote.

**G. REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO
PROFESSIONAL SERVICES AGREEMENT IN THE AMOUNT OF
\$49,332.60 PLUS GRT FOR MAINTENANCE AND REPAIRS ON THE
CONVENTION CENTER'S HVAC UNITS FOR OCTOBER 1, 2017
THROUGH JUNE 30, 2018; TRANE U.S. INC.**

Councilor Harris said this is an ongoing contract for service to the HVAC units. His question has to do with the fact that he has seen a list of things anticipated to be done for the Convention Center above and beyond routine maintenance in preparation for the National Governor's Conference. What is your process to address those improvements.

Mr. Randall, Tourism Director, said those will add up to about \$700,000. We are in the bid process for contracts for those at this time. We are taking in one by one on a weekly basis.

Councilor Harris said some of them are networking issues and audio/visual issues. Were those improvements generated prior to knowing about the National Governor's Conference coming here. Are they being coordinated with the State to make sure we have the infrastructure they are looking for.

Mr. Randall said there were a couple of things that would have been nice to have, but we are focused on the things we have to have. Things we need to provide essential services. We are not coordinating with the State at this time. We sent some people to Providence. We have been advised that the State is taking the lead, but we need to ensure that the facilities we have are in good working condition.

Councilor Harris said this is scheduled for next July so he is very glad you are getting out ahead of it. The State is the lead but there are some specialized systems and connections that they are looking for so it would be good to work with the State as well.

MOTION A motion was made by Councilor Harris, seconded by Councilor Ives, to approve the request.

VOTE The motion passed unanimously by voice vote.

H. REQUEST FOR APPROVAL OF RESOLUTION NO 2017-_____. A RESOLUTION STATING THE OFFICIAL INTENT OF THE CITY OF SANTA FE, NEW MEXICO TO REIMBURSE ITSELF FROM PROCEEDS OF TAX EXEMPT BONDS TO BE ISSUED IN THE FUTURE FOR CERTAIN CAPITAL EXPENDITURES RELATING TO CONSTRUCTION OF STREET IMPROVEMENT PROJECTS.

Councilor Lindell asked for a general explanation.

Mr. Fluetsch, Department of Finance, Treasury, said the Statute allows generation of funds prior to the issuance of bonds if we are going to issue a bond within 2 years. It allows that when we do issue the bond we can pay ourselves back with the proceeds. In this case we can get \$2.5 million to \$3 million of road work done before winter. We can pay ourselves back what we spend this Fall with bond proceeds.

Councilor Villarreal asked how is this item different from item J.

Mr. Fluetsch said item J is the bond resolution itself. This gives us ability to anticipate and spend now while we get the bond proposal put out. One authorizes us to

issue bonds and the other allows us to spend the money now and get paid back with bond proceeds.

Chair Dominguez asked is there any risk at all.

Mr. Fluetsch said no. If we were to spend money now and we didn't issue the bonds within 3 years we would not be able to use the bond proceeds to pay ourselves back.

Councilor Harris said he understands the intent. What are the categories you expect to spend in and how much.

Mr. Fluetsch said the road folks will spend it on non utility road repair. There are a certain amount of projects that we will pave over, but we will not get into utilities. They would like to get that done this Fall before Winter.

Councilor Harris asked which of those projects roughly did you want to address this Fall that are non utility related and how much money will be spent for each.

Mr. Catanack, Public Works, PE Division Director, handed out a chart showing the projects and costs. That chart is herewith incorporated into these minutes as Exhibit "1".

Mr. Catanack said he sent a request to all the utility companies to assess their needs so that we could determine which projects have no utility needs. We have a small window for these projects. We are approaching the end of the construction season. He anticipates, from this list, that Rodeo Road and Paseo de Peralta from Cerrillos down to the river can be done. He has gotten good responses from the utility companies. These roads do not, so far, have utility issues. It just depends on how quickly the procurement process goes. These are roads that impact a majority of people, not minor roads.

Councilor Harris he approves of the approach financially and on a project basis. He appreciates this. When we talked this morning he did not make the connection with this list. You have gone to the trouble of identifying projects and checking with utility companies. He is in favor of using the bond income stream. This is a great approach.

MOTION A motion was made by Councilor Harris, seconded by Councilor Ives, to approve this Resolution.

VOTE The motion passed unanimously by voice vote.

**I. REQUEST FOR APPROVAL OF RESOLUTION NO. 2017_____. A
RESOLUTION IN OPPOSITION TO THE NUCLEAR WEAPONS**

AGENDA OF THE CURRENT ADMINISTRATION; CALLING ON THE CONGRESSIONAL DELEGATION TO CONDEMN THE RHETORIC AND AGENDA; AND SUPPORTING THE RESTRICTING FIRST USE OF NUCLEAR WEAPONS ACT OF 2017.

Councilor Harris said we looked at this Resolution once before. The improvements that have been made are part of the packet. We started to clean things up. In this Resolution we address the record of safety issues at Los Alamos Labs as well as support the recent Legislation sponsored by Congressman Ted Lieu entitled the Restricting First Use of Nuclear Weapons Act of 2017. The fact that we are starting to focus on one particular piece of Federal Legislation is important. It is particularly important given all that is going on in the world. Incredibly serious issues have been in place since the 1950s. The objection he has to the way it stands is that it continues to contribute to the partisanship and rancor that goes on in the public conversation. We did change the Trump administration to the current administration. That is not enough. It does not acknowledge that under the previous administration, President Obama gave remarks on February 2, 2011 to the Senate that reads in part, "the intention is to modernize our nuclear stockpile and to maintain the United States rocket motor industrial base". What the current administration is doing does not tell the whole story. These discussions have been going on for a long time. It does not address the difficulties in trying to address solutions. It should be pared down to address the horrors of nuclear war. Quite frankly without the partisan language it should go to all members of the New Mexico Congressional Delegation. It is that important. To dip down into the normal language used these days is not even close. He opposes it as written. He did propose to Councilor Villarreal the striking of certain sections and she got back to him and is not willing to do that. He cannot vote for this as it is written now.

Councilor Ives said he shares some of Councilor Harris' concerns about the measure. He is fully in support of Representative Ted Lieu's measure to restrict the first use of nuclear weapons. He agrees that the rhetoric coming from the current administration is worrisome to put it mildly. There is a lot in here that he does not understand in the context of that. An example is the Whereas statements that speak of Los Alamos as a "primary designer and producer of the nation's nuclear stockpile and plutonium pits, puts all of the city's residents and those of northern New Mexico at risk" and so on. Los Alamos plays a role in the economic health of Northern New Mexico. We have to be precise when we make these statements. Under the treaty obligations there are existing war heads. That is an important distinction. It says the project is at a cost of a trillion dollars. There was a GAO report to Congress in 2016 that the cost would be \$297.6 billion over 4 years.

Councilor Ives said if we are going to make these statements about Los Alamos Labs there needs to be a counter balance on their significance to the economy of Northern New Mexico and the contributions they make to science. One of the Whereas statements says, "nuclear weapons testing has caused irreparable harm to communities

and the natural environment". Again he is not aware of any proposal to bring back testing at Los Alamos Labs. The only testing of such weapons at this time appears to be North Korea conducting their testing. He certainly does not contest that testing of those type of weapons has caused harm in the past. That is the past and he is not aware of any testing at this time. He doesn't want to down play the significance of the increased rhetoric and the unease the current administration gives him. He supports the Resolution expressing support of Congressman Lieu's measure but he would love to see it more limited to that. In the Further Resolves it says, "the Governing Body calls on Senator Tom Udall, Senator Martin Heinrich and Congressman Ben Ray Lujan to publically reject the current nuclear agenda and demands they take action to address the growing threat". That is a broad swath of policy and he does not think that is a fair statement. Also in the Further Resolves it says that, "the Governing Body stands against the current administration's misguided agenda in regards to nuclear weapons, including greatly expanding the nuclear weapons arsenal of the United States". We know, in fact, that our Senators and Congressmen have been proponents of plutonium production at Los Alamos. As recently as 2 weeks ago at Los Alamos they were producing 20 triggers a year and they are proposing to increase that to 30 to 50 next year. It is part of the modernization of the nuclear stockpile. It is not, in his belief, an increase in nuclear weapons. If we could understand those triggers better and the super computer they are using to develop some of the modernization of the nuclear stockpile that would be helpful. It makes him feel good that they are working to ensure that the stockpile is stable. That does not mean we have to stop trying to get rid of nuclear weapons. He just does not know what the current nuclear agenda means. Those are some of his problems with it.

Councilor Villarreal said we have the wrong version of the Resolution in our agenda so we had to give everyone the updated version. We have citations for some of the things you were concerned about. We can work together to get those clarified and get the wording so it is comfortable but still going to the point of this Resolution which is letting our Congressional Delegation, and she agrees it should go to everyone, know that we are looking to support the Act. She does not feel this is partisan. She wants to focus on the Act, but she does not feel this is partisan. We have unnecessary comfits that may arise. She would like to ask Councilor Ives to see if we can work on another iteration of this to get those pieces comfortable. Councilor Harris as well. She wants to make sure we get the right language but not water the Resolution down.

MOTION A motion was made by Councilor Villarreal, seconded by Councilor Lindell, to postpone the Resolution until the next Finance Committee meeting on September 18th.

Councilor Harris said he would like to provide the reference to the rest of the committee of the suggested language that he proposed to Councilor Villarreal and the language he wanted to see struck. On page 2, strike lines 19-25. On page 3 strike lines 8,9 and 10. On page 6 strike lines 6 through 14. He did not get to the point of crafting another Be It Resolved that speaks to all of our Congressional Delegation. He would

help to craft something that deals with all our Congressmen and focuses on restricted use. That is what he suggested be removed. Councilor Villarreal said she could not support that, but he wanted to let everyone know his thoughts.

Chair Dominguez said he stands behind the intent of this and he will not reiterate what everyone else has said. He thinks that most of Whereases are factual statements. He wants to remind everyone we do not have to do Congress' job for them tonight or the next time this comes up. We just need to be clear on the intent and move this along. He appreciates the discussion and the opportunity to work together to get this to better place.

VOTE The motion passed unanimously by voice vote.

Chair Dominguez asked Mr. Guillen, Legislative Liaison, to work with members of the Committee on this and get it all together for the next meeting.

- J. REQUEST FOR APPROVAL OF ORDINANCE NO 2017- _____. AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF SANTA FE, NEW MEXICO GASOLINE TAX/SUBORDINATE LIEN GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2017 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$13,500,000 FOR THE PURPOSE OF DEFRAYING THE COST OF CONSTRUCTING, RECONSTRUCTING, RESURFACING, MAINTAINING, ACQUIRING RIGHTS OF WAY, REPAIRING AND OTHERWISE IMPROVING MUNICIPAL BUILDINGS, ALLEYS, STREETS, PUBLIC ROADS AND BRIDGES OR ANY COMBINATION OF THE FOREGOING PURPOSES; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE FROM GASOLINE TAX REVENUES AND CERTAIN GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY; DELEGATING AUTHORITY TO THE CITY FINANCE DIRECTOR TO APPROVE THE FINAL PRINCIPAL AMOUNT, INTEREST RATES AND OTHER DETAILS OF THE BONDS WITHIN THE PARAMETERS SET FORTH IN THIS AUTHORIZING ORDINANCE; DELEGATING AUTHORITY TO THE CITY FINANCE DIRECTOR TO EXECUTE AND DELIVER A BOND PURCHASE AGREEMENT FOR THE SALE OF THE BONDS TO THE NEW MEXICO FINANCE AUTHORITY; PROVIDING FOR THE COLLECTION OF CERTAIN GROSS RECEIPTS TAX REVENUES; APPROVING CERTAIN OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION WITH THE BONDS; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION WITH THE BONDS; REPEALING ALL ORDINANCES IN CONFLICT HERewith; AND RELATED MATTERS.**

Councilor Villarreal said she is good since we covered item H. She has no further questions.

MOTION A motion was made by Councilor Villarreal, seconded by Councilor Lindell, to approve this item.

VOTE The motion passed unanimously by voice vote.

L. REQUEST FOR APPROVAL TO PURCHASE 26 POLICE VEHICLES WITH REQUIRED EQUIPMENT FOR FY 17/18 UNDER COOPERATIVE EDUCATION SERVICES AGREEMENT, STATE PRICE AGREEMENTS AND FEDERAL GOVERNMENT PRICE AGREEMENTS; DON CHALMERS FORD, MHQ, MPH, GRANTS AND TECHNOLOGY VETERANS, LLC. , DIGITAL ALLY AND MOTOROLA.

Councilor Harris said he had a question on page 2 that they answered immediately before the meeting. All sources for monies are clearly identified.

Councilor Harris said his question is about the budget amount for this year. Regarding this proposed purchase, how does that compare to the budgeted amount.

Deputy Police Chief Padilla said we have been consistent at \$1.3 million. Last year we spent \$1,242,000. This year the difference is \$1,218.16. Last year we purchased 30 vehicles and this year we purchased 26 vehicles. There are variations from year to year based on our fleet and needs. We are keeping consistent. This is what we budgeted for. This is the money you approved a few months ago.

Councilor Harris said thank you for the explanation. What is the look of these vehicles. Are we staying with black and white.

Deputy Chief Padilla said we are staying with black. We have found that the white is peeling. Decals will be applied.

Councilor Lindell asked why do we always have to, for example, on Police vehicles have to go with Explorers. Couldn't the vehicle be a smaller one that cost less money.

Deputy Chief Padilla said the reason for these vehicles is that they tow our speed trailers around and other trailers. They carry gear in them for motorcades or escorts. These are for Public Safety Aids. They have heavy duty radar, braces, suspension and alternators, special lighting and a docking station. We explored Escorts but they are not built for the daily grind. They don't have enough oomph.

Councilor Lindell asked do other Police Departments use Escapes.

Deputy Chief Padilla said not that he knows of.

Councilor Lindell said Explorers are big vehicles. She is just trying to find some place to save a little money. She has asked before about hybrid vehicles for police use that are being used in other departments. She would like to see us moving toward some of this. She understands that it is the policy of the City that vehicles can travel home and back. A lot of people are offended that we have to have such large vehicles on the road that they take home. She is looking forward to the day when this request comes forward that we have hybrids and smaller vehicles and some commuter fleet that is not these huge vehicles on the road all th time. It is frustrating, but she understand that is our policy at this point.

Councilor Ives said he echos some of what Councilor Lindell said. City Council passed a Resolution that we look at that. As manufactures become better at creating more power in hybrids hopefully we look at the possibility of using those.

Deputy Chief Padilla said we have conducted our research. We are transitioning administrators and detectives to other types of vehicles. For this purpose we need the type of vehicle that can handle this. Ford is looking at creating a Ford Taurus hybrid in late 2018. Maybe in fiscal year 19/20 when we could look at those kinds of vehicles.

Councilor Ives said that would be fabulous.

Chair Dominguez said this is not a new issue. This administration has moved further along than previous administrations. As long as we continue to work to move in that direction when appropriate.

MOTION A motion was made by Councilor Harris, seconded by Councilor Ives, to approve this request.

VOTE The motion passed unanimously by voice vote.

**M. REQUEST FOR APPROVAL TO PURCHASE 30 REPLACEMENT
COMPUTER TOUGHBOOK TABLETS FOR FY 17/18; GRANTS AND
TECHNOLOGY VETERANS, LLC.**

Councilor Villarreal asked what were we using and what will happen with the old tablets.

Deputy Chief Padilla said in the past, for the last 10 years, we have been obtaining these via grants. That funding is no longer available. The current tablets that can be

used will be transitioned over to Safety Aids and Animal Services Officers. If they are unserviceable they will be managed by the IT department and sent off for auction.

Councilor Villarreal asked how does the auction work.

Deputy Chief Padilla said they are auctioned at our regular annual auction where we auction off cars and other equipment. If they are unusable they are wiped clean and they go into the E waste program.

Ms. Luetgen, IT Director, said for general City computers when they are no longer reparable we cannibalize them for parts. If not we have programs to donate them to the Boys and Girls Club. When we do that we put some inexpensive software and an operating system on it for them.

MOTION A motion was made by Councilor Ives, seconded by Councilor Villarreal, to approve this item.

VOTE The motion passed unanimously by voice vote.

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End of consent calendar discussion
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7. OTHER DISCUSSION

Chair Dominguez said we will do these together.

A. GENOVEVA CHAVEZ COMMUNITY CENTER PERFORMANCE AUDIT CASH HANDLING PRESENTATION.

Ms. Kerr, City Internal Auditor, said in your packet is a summary of key issues. She reviewed the information.

The following questions and discussion occurred during the presentation:

Chair Dominguez asked do we have enough people on staff to be able to segregate duties.

Ms. Kerr said on page 24 she addressed that and included a section on the findings in the report that were cause by inappropriate use of staff. They have 5 cashiers and all 5 are doing every duty. They are not reviewed by anyone. The idea of segregation of duties is having 3 doing cashier duties, 1 accounts receivable and one who does the monitoring and reviewing so you can take the staff you have and segregate duties.

Chair Dominguez said that is assuming that no one is calling in sick and all positions are filled. It does not work if we don't have enough FTEs. We don't, but that is the reality on the ground every day.

Ms. Kerr said in the situation where you have fewer staff you have to have mitigating controls in place for monitoring and detection. None of that is happening at the Genoveva Chavez Center. Those controls are done at a management level.

Mr. Carter said what you have at Genoveva is Account Technicians at the front desk who take on all the responsibilities except making the deposits. Sometimes things get crazy when someone calls in sick or we are down in staff numbers.

Mr. Carter said deposits are done daily. This past week 2 staff members were out and when a surprise check was done there were deposits that had been sitting there for 2 days. What we did is have the Manager go out and do the deposits. In the future we need a backup plan for when those folks are out.

Councilor Ives said on segregation of duties one of the things he finds troubling are the agreements with vendors. We have procurement process with agreements that go out from the City. To hear reports that there is no standardization for approval of agreements is troubling. Were people there exempt from the procurement process.

Ms. Kerr said they were doing the best they could given the guidance they had. The next page is a summary of all the different ways they entered into these agreements. E mail requests, and others. There is no uniformity. This list is just what she ran across. It is not all inclusive. This is just what is going through the front end.

Mr. Carter said a lot of this regarding the procurement has just come to the knowledge of most of us. All of our contracts have to now go through Finance and Legal before the City Manager will sign off on them. A lot of these barter systems went through the City Manager. We need to document more so we are doing a better job on documenting what we are doing. For example library passes that were approved and given out without any tracking. We need to approve our record keeping and create new policies.

Councilor Ives said he is glad to hear it is getting focus and attention. It scares me to hear that we were not paying attention to the procurement process because some people were not aware of it.

Councilor Villarreal said when she read the vendor section it made her think why we even have these agreements to begin with. Are we planning to evaluate these agreements. Can you even tell us what kind of advertising falls into that category.

Ms. Kerr said she tried to include summaries of the contracts at the end.

Mr. Carter said basically one of the things we discovered is point for point for the New Mexican. We do just around \$30,000 to \$40,000 in trade in advertising with them. We just negotiated this. We have better accounting now. We did the same thing with Hutton radio spots.

Councilor Villarreal asked in both cases what kind of advertising is it.

Mr. Carter said it is publicizing many things from special events to summer programs. Once every 2 weeks there was an ad in the sports section that listed events going on in all of our facilities. We promoted the Easter Egg Hunt event and other events. MRC uses this service for special promotions at the golf course.

Councilor Villarreal asked are we not covering community meeting notices for public meetings such as on the Master Plan.

Mr. Carter said we separate that and Matt Ross handles it with PSAs. The Master Plan has a budget for that.

Councilor Villarreal asked that can't cross over.

Mr. Carter said no. There is a blanket purchase for \$100,000 for the City to deal directly with the New Mexican to reduce some cost and passes.

Councilor Villarreal said as long as we are getting a trade that is equal in value. Without us tracking it how would we know. She does not understand what we are doing to make sure these agreements make sense. Library passes. Did we eliminate that.

Mr. Carter said we have reevaluated that. Again, this is one of the things that we have to be able to reflect at the point of sale.

Councilor Villarreal asked what about the Builders Association. What do we get in return.

Ms. Kerr said on page 78 is the exchange of services.

Mr. Carter said with them the in-kind services are listed in 1B. They are using the GCC name and logo on their promotion pieces for events. That is the value as well as for any digital or print on their publications.

Councilor Villarreal said she is still confused why we even have that one. Is it for that one event only. Sometimes she wonders why we have certain things that may have complicated our internal processes. We need to have approvals at the point of sale and track what we are collecting. Maybe at some point we don't give some of these passes.

Mr. Carter said we will be cutting back and reviewing these kind of things. As this

process goes forward these will be one area we review more stringently.

Councilor Villarreal said the shelter one makes sense for kids that have no place to shower.

Chair Dominguez said that is what happens here. We can't get a straight answer. There is a lot of finger pointing going on. When we are talking about staffing issues his concern is not if we have enough staff, it is if there is support for the people we have and is it enough.

Ms. Kerr said she does not feel the staff is being supported.

Chair Dominguez said we can't keep changing the game on cash policies from one Director to the next. It is not fair to staff. This is not anything new but when you have a set of eyes looking at it, it becomes more exposed. This needs to be looked at from one end of the spectrum to the other.

Ms. Kerr said one of the findings is to create a Citywide policy.

Chair Dominguez said a policy like that has to be realistic with what happens at the site. He wants to make it clear that there is a lot of work that needs to be done throughout the City. The Chavez Center always gets a spotlight on them.

Mr. Carter said one of the things we need to keep in mind when creating a new cash handling policy is that is that there will be memorandums to it for each location.

Chair Dominguez said what he is interested in is what is the fiscal impact of this. It is easy to dig down find things wrong, but what is it going to cost. We have made investments in it financially. What is the fiscal impact.

Councilor Ives said in the first few pages of this report reference is made to a contract with Parks and Recreation that they are letting for financial accounting services. Did he understand that correctly. We have been hearing for 3 to 4 months that we were developing a cash handling policy and now the implementation date is another 3 to 4 months out. Why is that so challenging.

Ms. Keyes said the cash handling policy for the City is something the Finance Department has been working on since February. The report for the GCC came out and showed us some of the issues the policy can hopefully prevent. We hope to have an initial draft for the Finance meeting on the 18th. The unique nature of each site requires sub sections for each site. There will be an over arching policy and then various sub sections. We anticipate the final policy in December with full implementation at the beginning of January.

Councilor Ives said he is curious about a process that creates separate systems,

for each facility. He will look forward to seeing the rational for that. Best practices should drive all systems but he will look forward to being educated and hopefully pleased.

Ms. Keyes said we will work hard to take that into consideration. We are working with Wells Fargo as well.

Councilor Harris said he has listened to this discussion and has some issues. One thing he found remarkable is that he found lots of issues in the way the facility is operating, not the least of which is the various passes. In the statement on page 45 regarding the Hutton gift certificates it says they said the only internal control they had was trust. That is a generous word in the way things have been handled. It is incompetence. He has not had a lot to say about this because the findings are significant and the solutions are complex. He agrees with Councilor Ives that there has to be some kind of standard approach. For Mr. Carter when it says on page 9, finding 1, "the Parks and Recreation Director along with the Recreation Complex Manager shall provide guidance", that is soft language given what is going on. Has a training program been established. How far along are you with that. What is the status.

Mr. Carter said approximately 2 years ago he established a cash handling policy for the recreational facilities. That is what will be worked on in the future. GCC takes in a lot more cash where the others might see less cash. We have started to implement an internal control as well as doing surprise cash counts. Staff will review the policy so they are aware of the amount of money that has to be removed and dropped into the safe.

Councilor Harris said so you do have some things you have worked on. How many demerits does a person get if they are responsible for handling cash and they don't follow the procedure and they put the City at risk.

Mr. Carter said we follow what the personnel manual says which is first there is a verbal warning, second a written reprimand, third suspension and the final thing is firing. These are AFSCME employees.

Chair Dominguez said the history behind the free passes comes from the fact that at one time the GCC was intended to be run as an enterprise and have the ability to barter and trade. Throughout the years the various administrations have gotten in the way. The Governing Body has not given the GCC the true authority to be held accountable. He is just wondering if, organizational speaking, we should bring the GCC into the general fund and take any concept of autonomy out the door. They have to follow the same rules and we have to stop giving them expectations that they cannot meet.

Mr. Carter said his professional opinion is when you build a facility this size and include an aquatic center and ice arena you will never make back the money unless you quadruple the memberships. The aquatic area and the ice arena sucks so much out. His recommendation is to yes put it back into the general fund.

Chair Dominguez said that was Oscar's statement as well. He said it was too big of a center for the size of the City. He wonders if some of those things would have fixed some of these things. Historically they compete against each other. The entrepreneurial spirit on one side and the other side was whatever the general fund let them do. Positions dedicated to the enterprise were taken over to the general fund site. Positions key to the enterprise. Maybe the Governing Body and the administration has failed that center in so many ways. This is the first time anyone has had the guts to make a recommendation to move it over. There is a lot of work to be done. He doesn't know if we can even move it over due to the debt they have. It needs to become one or another.

Chair Dominguez said lets move on to the item B.

**B. PRESENTATION AND DISCUSSION OF INTERNAL AUDIT
DEPARTMENT'S ANNUAL REPORT.**

Ms. Kerr said this is the annual audit report she is required to submit 60 days from year end.

Councilor Ives said on page 5 there is a summary of open findings. He is worried about the deep dark distant past on the number of years of the audits we have done and the number of the open findings that are still to be dealt with. He would think that after the parking audit of 2011 we should have established how long it is appropriate to have audit findings open until they are resolved. That is our job to see that they are closing them out. Can you shed any light on why there are so many that are so old still remaining as open findings.

Ms. Kerr said this report was prepared closer to the first of the month. She has been trying to get some closure on the lodgers tax findings. Now there are only 6 open findings so we have seen improvement on that. The findings that remain open for the lodgers tax have to do with entities not responding when documentation was requested for an audit. This has been bumped up to Legal and we are waiting for a recommendation as to how to deal with the entities that won't deal with an audit.

Chair Dominguez asked are these external entities.

Ms. Kerr said yes.

Councilor Ives asked what kind of entities.

Mr. Kerr said the auditor asks for the entity to provide back up information to compare with the amount remitted for his test cases in the audit.

Councilor Ives asked what mechanisms do we have to incentivize this.

Ms. Kerr said there are not really any consequences at this time to the lodgers if they don't do that. The City is looking at some things like liens or going to court. They have not come up with anything definitive yet.

Councilor Ives said if possible he would like to ask you to follow up on the findings and to propose things the City might do. All these businesses need annual business licenses. Maybe something can be done through the allocation of these types of privileges for conducting business through the City when they fail to comply with audit requests. It seems insane to have findings open for years and years when we should be able to craft a mechanism to let folks know we are serious when we ask for this information. He would welcome your thoughts in the form of what can be done to put more teeth in there. He would love to work with you on that. Within 30 days bring something like that forward for consideration by the Governing Body.

Ms. Kerr said she can reach out to the Legal department. This might be outside of her authority to suggest an Ordinance change, but she can work with Legal and ask them to look at an Ordinance change. She will reach out to them and work with someone on staff to come up with something. We need something with teeth. The reason you are seeing findings open for 2013 is that the auditors show those as a repeat finding. They are carried over from years ago. She is a one person shop. She can't do internal audits every year. She made a commitment this year to see what findings she can clear up.

Councilor Ives said it would be helpful to have some sort of policy that says if a finding is open for 2 years it gets heightened scrutiny and we bring someone in to tell us why it is not resolved. He sees her as a catalyst in establishing an audit policy that establishes a time frame for the resolution of findings. That seems reasonable.

Ms. Kerr said the data center did a follow up audit. There were 26 findings in 2013. It cleared all but 8. Those carried forward. Some of this stuff takes a very long time to do.

Councilor Ives said he does not disagree, but none the less it is important to revisit those after a period of time.

Councilor Harris said he would like to reinforce much of what Councilor Ives said. On page 2 under item D it gives attention to who is to deal with the findings. It is not entirely you. You said you wanted to work with the City Attorney's office.

Ms. Kerr said if you look at the chart on the next page it outlines her audit plan. It includes some time in clearing up the findings, but she got diverted with some other things. There is a time constraint issue. She spent the last 6 weeks or so focused on this area.

Councilor Lindell said thanks for all your work on this. It has been complete and very helpful.

Councilor Ives said on page 4 it was reported that one of your audits received a 2016 award. Congratulations.

Ms. Kerr said thank you.

Councilor Villarreal said it says it will be formally presented.

Ms. Kerr said it was presented on May 22nd.

Councilor Villarreal asked did we do a press release.

Ms. Kerr said we did not do one.

Chair Dominguez asked the for the next steps are you mandated to take the annual report to the Governing Body.

Ms. Kerr said she is mandated to take the annual report to the Governing Body via the Finance Committee. We have always given it to the Governing Body. It is up to you guys.

Chair Dominguez said we will work with the administration on that. As far as we are concerned you have complied. Thank you for your work on this. It is a lot of work and is not easy work.

8. MATTERS FROM THE COMMITTEE

Chair Dominguez thanked the Finance staff for being here.

9. MATTERS FROM STAFF

None.

10. EXECUTIVE SESSION

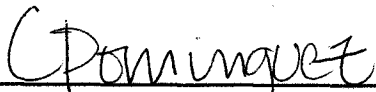
None.

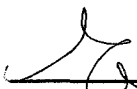
11. ADJOURN

There being no further issues before the committee the meeting adjourned at 9:55pm.

Reviewed by:

- 
Adam Johnson, Finance Director

- 
Carmichael Dominguez, Chair


Elizabeth Martin, Stenographer

PROPOSED 11 MILLION DOLLAR BOND - Street Maintenance Projects as of 7/27/17

Roadway	From	To	Square Yards
Aqua Fria	Camino Solano	St. Francis Dr.	30,990.88
Aqua Fria (East Aqua Fria Village Limit to Siler Rd)	East Aqua Fria Village Limit	Siler Rd	3,911.11
Avenida De Las Campanas	Siringo Rd.	Rodeo Rd.	18,000.00
Calle Lorca (San Mateo to St Michaels)	San Mateo	St Michaels Dr.	3,200.00
Camino Entrada	Entire Length		33,333.30
Galisteo Street (Zia Rd to Rodeo Rd)	Zia Rd.	Rodeo Rd.	16,977.78
Johnson Street	Entire Length		2,394.56
Old Pecos Trail	St. Michaels Dr.	Calle Medico	13,000.00
Paseo De Peralta (Cerrillos Rd. to Old Santa Fe Trail)	St. Francis Dr.	Old Santa Fe Trail	16,996.10
Paseo De Peralta (Old Santa Fe Trail to Alameda St)	Old Santa Fe Trail	East Alameda St	13,981.33
Rodeo Road (Cerrillos Rd to Richards Ave)	Cerrillos Rd	Richards Ave	19,200.00
Rodeo Road (Richards Ave to Camino Carlos Rey)	Richards Ave	Camino Carlos Rey	37,688.89
Rufina Street (Siler Rd. to Zafarano Dr)	Siler Rd.	Zafarano Dr	25,909.98
Siler Rd.	Cerrillos Rd	Aqua Fria St.	18,100.00
Upper Canyon Road	Camino Cabra	Cerro Gordo Road	15,000.00
Zia Road West (Old Arroyo Chamiso Rd to Old Pecos Trail)	Old Arroyo Chamiso Rd	Old Pecos Trail	9,557.33
Total Estimated Square Yards -->			278,241.07

Estimated Cost Breakdown - Street Maintenance Projects

Pavement Items (estimated costs include placement, material, traffic control, mobilization, trucking, etc., pertaining to pavement)

Total Repave Square Yards	Estimated Square Yards	Cost per Square Yard	Cost
	278,241.07	\$25.00	\$6,956,026.84
Lane Miles (1 mile long by 12' wide) ---->	39.52	SUBTOTAL - PAVEMENT ITEMS	\$6,956,026.84

Miscellaneous Items

ADA Design and Improvements
Replacement of traffic signal loops
Misc. Maintenance
Replacement of pavement markings
Replacement of damaged concrete items (curb & gutter, damaged slabs, etc.,)

SUB TOTAL MISCELLANEOUS ITEMS

Estimated Amount	Cost
Estimated @ 22% of Pavement Items	\$1,530,325.91
Estimated @ 4% of Pavement Items	\$278,241.07
Estimated @ 8% of Pavement Items	\$556,482.15
Estimated @ 4% of Pavement Items	\$278,241.07
Estimated @ 8% of Pavement Items	\$556,482.15
	<u>\$3,199,772.35</u>

SUB TOTAL - PAVEMENT ITEMS
SUB TOTAL MISCELLANEOUS ITEMS

Total Before Tax	
	\$6,956,026.84
	<u>\$3,199,772.35</u>
	\$10,155,799.19

NMGRT (8.3125 %)

	0.083125	
		<u>\$844,200.81</u>

Total Estimated Cost > \$11,000,000