

CITY CLERK'S OFFICE

City of Santa Fe, NM DATE 10/13/17 TIME 4:20pm
Regular Committee SERVED BY Carolynn Rabal
Monday, October 16, 2017 RECEIVED BY [Signature]
05:00 PM – Finance Committee
Council Chambers

AGENDA

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. APPROVAL OF CONSENT AGENDA

5. APPROVAL OF MINUTES

a) Regular Finance Committee Meeting - September 18, 2017

Item 5a

b) Regular Finance Committee Meeting - October 2, 2017

Item 5b

6. CONSENT AGENDA

a) Request for Approval of the 2018 Finance Committee Meeting Dates (Adam Johnson)

Item 6a

b) Request for Approval of Professional Services Agreement in the Amount of \$5,000 for Towing Services for Santa Fe Trails; Anaya's Wrecker Service. (Lois Amador)

Item 6b

c) Request for Approval for City Manager to Execute Online License Agreement; Google Transit. (Keith Wilson)

Item 6c

d) Request for Approval of Amendment No. 1 to Professional Services Agreement in the Amount of \$119,632.76, Plus NMGR, for Construction Management Services; Louis Berger Group, Inc. (Leroy Pacheco)

Item 6d

e) Request for Approval to Purchase Water Service Connection Equipment, Water Meters and Supplies for the Transmission and Distribution Section under New Mexico State Price Agreements 60-000-15-00030, 60-000-16-00067 and 50-000-1500052; Baker Utility Supply Corp., Albuquerque Winnelson, HD Supply Waterworks AKA Core main LTD, Ferguson Water Works and Water Meters of New Mexico. (Mike Moya)

Item 6e

f) Request for Approval to Purchase Replacement Carpet and Tile for the Main Water Division Building on San Mateo in the Total Amount of \$62,580.39 under State Price Agreement 60-000-16-00065; Coronado Paint and Decorating. (Stephanie Lopez)

Item 6f

g) Request for Approval to Purchase Repairs and Equipment for the Wastewater Management Division in the Total Amount of \$50,000, Exclusive of NMGR; Pete's Equipment Repair, Inc.. (Jerry Tapia)

Item 6g

h) Request for Approval to Purchase Two (2) Utility Vehicles in the Total Amount of \$79,492 under State Price Agreement 70-000-16-0002; Brad Francis Automotive Group (Necasio Lovato)

Item 6h

i) Request for Concept Approval for the Sale of Real Estate within the Gonzales Road Right-of-Way Containing Approximately 1,070 Square Feet Adjoining the Westerly Boundary of 657 Gonzales Road by Wayne S. Hyatt, an Individual, and Margaret J. Vick, Trustee of the Margaret J. Vick Revocable Trust u/t/a Dated June 12, 2007 (Matthew O'Reilly)

Item 6i

j) Request for Approval to Purchase Software Support and Maintenance for Police Department and Land Use Department in the Total Amount of \$139,857.60; Superion previously known as SunGard Public Sector. (Bogi Malecki)

Item 6j

k) Request for Approval to Purchase Software Maintenance Agreement in the Total Amount of \$20,489.96 under New Mexico State Price Agreement 60-000-16-000-39AA; Environmental Systems Research Institute, Inc. (Bogi Malecki)

Item 6k

l) Request for Approval of New Mexico Department of Transportation Grant SAF-18-03 in the Amount of \$75,297 and Required City Match in the Amount of \$75,297 and Corresponding Budget Amendment Resolution for the Mil and Overlay of Runway 2/20 at the Santa Fe Municipal Airport. (Cameron Humphres)

Item 6l

m) Request for the Approval of the Following Grants, Required City Match and Corresponding Budget Amendment Resolution In the Total Amount of \$2,262,660 for the Rehabilitation of Taxiway D at the Santa Fe Municipal Airport. (Cameron Humphres)

1) Federal Aviation Administration (FAA) Grant 3-35-0037-048 - \$2,121,244

2) New Mexico Department of Transportation (NMDOT) Grant SAF 18-01 - \$70,708

3) Required City Match - \$70,708

Item 6m

n) Request for Approval to Award RFB# '18/01/B and Approval of Professional Services Agreement in the Amount of \$3,927,025.10, Exclusive of NMGR; Mountain States Construction. (Cameron Humphres)

Item 6n

o) Request for Approval of the Following Task Orders in the Total Amount of \$439,862, Inclusive of NMGR, for Services Related to Construction Administration and Oversight at the Santa Fe Municipal Airport; KSA Engineers, Inc. (Cameron Humphres)

1) Task Order No. 11 - \$247,116

2) Task Order No. 12 - \$192,746

Item 6o

p) A Resolution Authorizing the Renaming of the "Santa Fe Municipal Airport" to the "Santa Fe Regional Airport". (Mayor Gonzales, Councilors Maestas, Lindell, Ives and Harris) (Cameron Humphres)

Committee Review

Public Works Committee (approved)

10/10/17

City Council

10/25/17

Fiscal Impact: None

Item 6p

q) A Resolution Rescinding Resolution 2017-37, and Increasing the Operating Mill Levy Property Tax Within the Municipal Boundaries of the City of Santa Fe to Maintain the Current Level of Property Tax Revenue. (Councilor Dominguez) (Bradley Fluetsch)

Committee Review

Public Works Committee (approved) 10/10/17
City Council 10/25/17

Fiscal Impact: Expenditures = \$1.5 mil; Revenues = \$1.5 mil

While the allocation property tax revenue change from Debt Service to Operating, the total amount of property tax levied will remain the same. This resolution corrects Resolution 2017-37 which has inaccurate rates stated.

Item 6q

r) An Ordinance Relating to Independently Sponsored Campaign Communications and Reporting; Amending Subsection 9-2.6 to Make Changes to Independently Sponsored Campaign Communications and Reporting. (Councilor Dominguez) (Kelley Brennan)

Committee Review

Ethics and Campaign Review Board 10/12/17
City Council (request to publish) 11/08/17
City Council (public hearing) 12/13/17

Fiscal Impact: None

Item 6r

s) A Resolution Establishing a Municipal Drug Strategy Task Force to Develop New Approaches to Problems Related to Both Drug Addiction and Policy Responses to it by Collaborating, Studying, Gathering Input from the Santa Fe Community and Issue-Experts, and Proposing Recommendations for a Coordinated Drug Strategy Rooted in Public Health and Safety. (Mayor Gonzales, Councilors Lindell, Villarreal, Maestas, Ives and Rivera) (Chris Sanchez)

Committee Review

Public Safety Committee (approved) 09/19/17
Public Works Committee (approved) 09/25/17
City Council 10/25/17

Fiscal Impact: \$2,000 for stenographer to be funded out of General Fund

Item 6s

7. PUBLIC HEARING

a) Request for Approval of a Resolution Acknowledging the Importance of the College of Santa Fe and the Santa Fe University of Art and Design to the History of Santa Fe; Recognizing the Significance of the Location of the University Campus in the Geographic and Demographic Center of Santa Fe and its Connection to the Recently-Created Midtown LINC Overlay District; Acknowledging the City's Investment in the University Property; Calling for a Renewed Vision for the Property Integrating a Forward-Looking Educational Use With Other Community-Centered Uses Built on the City's Existing Strengths and Capacity; and for the City of Santa Fe to Act as the Catalyst for Change Embodying the Common Values of the City. (Councilors Harris and Lindell) (Matthew Brown)

Committee Review

Economic Development Advisory Committee 10/18/17
Public Works Committee 10/23/17
City Council 10/25/17

Fiscal Impact: None
 Item 7a

8. DISCUSSION

a) Discussion and Presentation: Quarterly Financial Performance Report as of June 30, 2017. (Informational Only)(Adam Johnson)

Item 8a

b) Discussion and Presentation: Cash Handling Policy Draft. (informational Only)(Christina Keyes)

Item 8b

9. MATTERS FROM THE COMMITTEE

10. MATTERS FROM STAFF

11. EXECUTIVE SESSION

12. ADJOURN

**SUMMARY INDEX FOR
CITY OF SANTA FE
FINANCE COMMITTEE
October 16, 2017**

ITEM	ACTION	PAGE
1. Call to Order	Convened at 5:00 p.m.	1
2. Roll Call	Quorum Present	1
3. Approval of Agenda	Approved as presented	1
4. Approval of Consent Agenda	Approved as amended	2
5. Approval of Minutes		
a. September 18, 2017	Approved as submitted	2
b. October 2, 2017	Approved - typos noted	2
6. CONSENT AGENDA LISTING	Approved without discussion	2-3
a. 2018 Finance Committee Meeting Dates		
e. Water Service Connection Equipment		
h. Two Utility Vehicles from Brad Francis		
i. Gonzales Road ROW Sale		
l. DOT Grant Acceptance		
m. Taxiway Rehabilitation Grant/Match		
o. Airport Construction Administration - KSA		
p. Airport renaming: Santa Fe Regional Airport		
q. Operating Mill Levy Increase		
s. Drug Strategy Task Force Resolution		
CONSENT AGENDA DISCUSSION		
c. Online License Agreement - Google Transit	Approved	4-5
d. PSA Amendment 1 for Construction Management Services - Louis Berger Group, Inc.	Approved	5-7
f. Replacement Carpet & Tile at Main Water Division Building	Approved	7
g. Wastewater Division Repairs & Equipment	Approved	8
j. Police & Land Use Software Support	Approved	8-9
k. Software Maintenance Agreement	Approved	9-10
n. PSA - Mountain States Construction	Approved	10
r. Campaign Communications and Reporting Amending Ordinance § 9-2.6	Approved	10-13
7. Public Hearing: CSF, SFUAD Property	Approved	13-19
8. DISCUSSION		
a. Quarterly Financial Performance Report	Discussion	19-21

b. Cash Handling Policy Draft	Discussion	21-23
9. MATTERS FROM THE COMMITTEE	None	23
10. MATTERS FROM STAFF	None	23
11. EXECUTIVE SESSION	None	23
12. ADJOURNMENT	Adjourned at 8:06	23

**CITY OF SANTA FE, NEW MEXICO
FINANCE COMMITTEE
Monday, October 16, 2017, 5:00 PM
City Council Chambers**

1. CALL TO ORDER

A regular meeting of the Finance Committee was called to order by Councilor Carmichael Dominguez, Chair at 5:00 pm in the City Council Chambers. A quorum was present as reflected in roll call.

2. ROLL CALL

Members Present

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

Others Present:

Adam Johnson, Finance Director
Christina Keyes, Treasurer
Jesse Guillen, City Attorney's Office

3. APPROVAL OF AGENDA

Mr. Johnson asked to remove item 6-b from the agenda.

Councilor Ives moved to approve the Agenda as amended, removing item b. Councilor Harris seconded the motion and it passed by unanimous voice vote.

4. APPROVAL OF CONSENT AGENDA

Councilor Ives requested discussion on item c.

Councilor Villarreal requested discussion on Item r.

Councilor Harris requested discussion on items d, f, g, j, k, and n.

Chair Dominguez asked to be listed as a co-sponsor on item s.

Councilor Lindell moved to approve the Consent Agenda as amended. Councilor Harris seconded the motion and it passed by unanimous voice vote.

5. APPROVAL OF MINUTES

a) Regular Finance Committee Meeting - September 18, 2017

Councilor Ives moved to approve the September 18, 2017 minutes as submitted. Councilor Lindell seconded the motion and it passed by unanimous voice vote.

b) Regular Finance Committee Meeting - October 2, 2017

Councilor Villarreal pointed out that there are quite a few typos in both minutes and asked Staff to check on that.

Councilor Ives moved to approve the October 2, 2017 with many typos noted. Councilor Villarreal seconded the motion and it passed by unanimous voice vote.

6. CONSENT AGENDA LISTING

a) Request for Approval of the 2018 Finance Committee Meeting Dates (Adam Johnson)

~~b) Request for Approval of Professional Services Agreement in the Amount of \$5,000 for Towing Services for Santa Fe Trails; Anaya's Wrecker Service. (Lois Amador)~~

e) Request for Approval to Purchase Water Service Connection Equipment, Water Meters and Supplies for the Transmission and Distribution Section under New Mexico State Price Agreements 60-000-15-00030, 60-000-16-00067 and 50-000-1500052; Baker Utility Supply Corp., Albuquerque Winnelson, HD Supply Waterworks AKA Core main LTD, Ferguson Water Works and Water Meters of New Mexico. (Mike Moya)

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- l) **Request for Approval of New Mexico Department of Transportation Grant SAF-18-03 in the Amount of \$75,297 and Required City Match in the Amount of \$75,297 and Corresponding Budget Amendment Resolution for the Mill and Overlay of Runway 2/20 at the Santa Fe Municipal Airport. (Cameron Humphres)**
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 - 3) **Required City Match - \$70,708**
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 - 1) **Task Order No. 11 - \$247,116**
 - 2) **Task Order No. 12 - \$192,746**
- p) **A Resolution Authorizing the Renaming of the "Santa Fe Municipal Airport" to the "Santa Fe Regional Airport". (Mayor Gonzales, Councilors Maestas, Lindell, Ives and Harris) (Cameron Humphres)**

Committee Review

Public Works Committee (approved)	10/10/17
City Council	10/25/17
Fiscal Impact:	None

- q) **A Resolution Rescinding Resolution 2017-37, and Increasing the Operating Mill Levy Property Tax Within the Municipal Boundaries of the City of Santa Fe to Maintain the Current Level of Property Tax Revenue. (Councilor Dominguez) (Bradley Fluetsch)**

Committee Review

Public Works Committee (approved)	10/10/17
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Fiscal Impact:	Expenditures = \$1.5 mil; Revenues = \$1.5 mil

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and Safety. (Mayor Gonzales, Councilors Lindell, Villarreal, Maestas, Ives and Rivera) (Chris Sanchez)

Committee Review

Public Safety Committee (approved)	09/19/17
Public Works Committee (approved)	09/25/17
City Council (scheduled)	10/25/17

Fiscal Impact: \$2,000 for stenographer to be funded out of General Fund

All items listed above were approved under Approval of Consent Agenda.

CONSENT AGENDA DISCUSSION

c) Request for Approval for City Manager to Execute Online License Agreement; Google Transit. (Keith Wilson)

Councilor Ives said it is great to see the City moving toward an open data construct. He asked Mr. Wilson to explain what is involved and hear any update on legal issues

Mr. Wilson said they use Google Maps for the transit routes and schedules so when someone wants to plan a trip they can plan it. It would come up with options to get from point A to point B. It is a little late for the City. Rio Metro, Railrunner, Albuquerque-Ride, Park and Ride, and NCRTD are already available and people could plan travel from the airport on public transportation. Most people use Google Maps for their destination. Google Transit is very similar and relies on the City Staff to provide the data and the license agreement commits us to keep it up to date. At first, it is a static service, although Google does have the option for real time. We are working to be able to feed up real time so people would know the bus is coming in two minutes.

Councilor Ives asked if the service will be unavailable during transfer to the new platform.

Mr. Wilson said no. It is building up a memory now to judge traffic, etc. The new tool will hopefully attract more people.

Councilor Ives was glad to hear it. Many other cities are moving to the open platform.

Councilor Ives asked Marcos Martinez if the legal issues are resolved.

Mr. Martínez said the legal issues were primarily that Google will not negotiate the law provisions and is a reasonable exception on the choice of law provision that locates the venue for any legal challenge in New Mexico. The reason is that we will have access to Google Transit and all of their search resulting information. There is no monetary compensation for those services and any dispute would have to be resolved in California. The only choice would be to terminate the license agreement. He wanted to make sure the Council affirms that minimal level of risk is acceptable for the benefit of being part of Google Transit.

Councilor Ives agreed. Having had experience in data licenses. He knew it sometimes changes quickly and no one wants to be liable for that. But it will be a boon to our people in their travel.

Mr. Martinez agreed.

MOTION: Councilor Ives moved to approve the request for the City Manager to execute the online license agreement for Google Transit. Councilor Villarreal seconded the motion.

Chair Dominguez asked if this is an annual license agreement.

Mr. Martinez clarified that it is perpetual until terminated.

VOTE: The motion passed unanimously on a voice vote.

d) Request for Approval of Amendment No. 1 to Professional Services Agreement in the Amount of \$119,632.76, Plus NMGR, for Construction Management Services; Louis Berger Group, Inc. (Leroy Pacheco)

Councilor Harris thanked Mr. Pacheco for providing the information he requested. He was trying to get to the total project costs and it goes well beyond this project for contingency, etc. The City's contribution so far is \$2,266,417. The Study Phase was \$65,527; Construction to date was \$1,580,463, design costs were \$620,427 that the City absorbed. After this, assuming it will move forward, so at the Governing Body session, he wanted to be able to say that these are the real numbers. Between the Federal and State governments, for construction - \$3,665,772 and for the study portion, \$271,518 for a total of \$3,937,290.

That takes it to over \$6 million for this project and people need to understand that. His intent was for the Council to make good decisions on spending money. He asked Mr. Pacheco to talk about change orders #8 and #9.

Mr. Pacheco said #8 was for the added landscaping and #9 was for additional fencing on the right-of-way agreement with New Mexico School for the Deaf at their northern border. More fence was needed than was in the bid.

Councilor Harris held up the spreadsheet that went out [Attached as Exhibit 1]. The numbers are the same and the colored version is what he was looking at. Change Order #8 had 61 hours for landscaping and 771 hours for the fencing at \$11,178. He didn't see how that could be justified.

Mr. Pacheco said the man hours he was looking at was the total man/hours to date on the whole contract. The next page has the organization chart for construction management services. The Louis Berger Group is managing the \$4.3 million project and the city's reimbursement requests. So it is much more complicated. The vital contract did exceed the bid but only at the City's request for winter suspension and added landscaping and DOT agreed to extend our terms to March 30, 2018 so it is much more complicated than he had explained two weeks ago. Berger is doing an excellent job and that includes five subcontractors, including testing and the tracker compliance software. So it is more than the two change orders.

Councilor Harris noted they are dumping hours into change order #9 which is not a good idea. The other subcontractors didn't request additional money for the suspension. Only Berger did and he had a problem with that. His latest hours #9 was 707 hours.

Mr. Pacheco said Mr. Rotto (from Berger) clarified just now that the number is a typo. In these two change orders, the hours in #8 are actually #9 and those hours must rough federal approval. It is an understandable error on their behalf.

Councilor Harris said clerical errors are acceptable.

Chair Dominguez suggested Mr. Johnson could help with it. The old trick is to have many change orders to get more for the contract. He asked Mr. Johnson when the City should get suspicious with too many change orders.

Mr. Johnson said without relying on challenges of construction management, the fund balances have been approved. It appears the changes are within those balances. The challenge is in the receivables and seeking reimbursements and that can put us in a difficult situation when we float out the cash and haven't received reimbursements.

Chair Dominguez asked for that status.

Mr. Pacheco said this is a contract for construction costs over \$4.2 million, excluding the City-approved landscaping change order. The others are less than \$50,000.

Chair Dominguez asked if that was average.

Mr. Pacheco said it is exceptional and a testament to great construction management and relations with many subcontractors. 70% is complete and the change order value is low so it is excellent. All the data is there. The change orders have been within control and all has gone well.

Chair Dominguez commented that it is a lot of money and was debated for years. He asked what the red flags are that we should look for with these big projects and third parties to work with.

Mr. Pacheco responded that, because of the amounts, we've been audited several times. Some are going on now. We have to be accountable and ready to answer these questions. It is part of the process and those man/hours are needed to produce this project.

Chair Dominguez observed that Mr. Rotto is present. He saw him listed three different times on the chart - Design, construction management and LCP Tracker and asked if he charges the City separately for each of those tasks.

Mr. Rotto said his hours are very small compared with the construction manager and they do not charge separately for each of those functions and his rate is the same for all roles he plays.

Mr. Pacheco said the rate is in the packet. NMDOT participated in the selection and all of that is in the contract and in the packet.

Councilor Harris said after his review he saw that the rates are consistent with the industry and he had no problem with the billing rates. Exhibit A-1 is the scope of work and the rates are shown there.

Chair Dominguez couldn't give an opinion but it is a big, expensive and complicated project. But we must start answering the questions that have come out to the public recently. Councilor Harris is on the right track to dig down deeper and Staff should expect that as well as the third-party contractors. Not understanding them precisely is why we've gotten the news recently.

Councilor Harris said even though the various contracts were not pulled for the airport, he had discussed them with Mr. Schiavo about them and the City must anticipate design, construction, GRT and all needs to be budgeted in anticipation.

Mr. Pacheco agreed and they have kept close track of it.

Mr. Rotto said that with all the parts being over and under, the result is about \$28,000 over right now.

Councilor Harris noted mediated items in amendment #1 and asked if any are still unresolved.

Mr. Rotto said they are all resolved to best of our knowledge.

Chair Dominguez explained his concern was about this company or contract but the discomfort that came when the Park Bond work had many change orders coming about. Change orders made him nervous and he didn't know what they could do to be assured that the process is working properly and the public is getting information they need.

Councilor Harris agreed that the amount is a very low percentage overall, but amendment #1 is a 25% amendment. We just need a more disciplined approach for any of them.

MOTION: Councilor Harris moved to approve the request and work on the numbers. Councilor Ives seconded the motion and it passed by unanimous voice vote.

- f) Request for Approval to Purchase Replacement Carpet and Tile for the Main Water Division Building on San Mateo in the Total Amount of \$62,580.39 under State Price Agreement 60-000-16-00065; Coronado Paint and Decorating. (Stephanie López)**

Councilor Harris questions the \$68 sales tax item listed.

Ms. López said he couldn't reach him to clarify that.

Councilor Harris said it will be far more than \$68.

MOTION: Councilor Harris moved to approve the request. Councilor Ives seconded the motion and it passed by unanimous voice vote.

g) Request for Approval to Purchase Repairs and Equipment for the Wastewater Management Division in the Total Amount of \$50,000, Exclusive of NMGR; Pete's Equipment Repair, Inc. (Jerry Tapia)

Councilor Harris commented to Mr. Tapia that there appeared to be a clerical error in the names of the contractor in the memo to Mr. Rodarte. The action requested is for Cummins Inc. to be approved. But it should be for equipment.

Ms. López said in the Public Utility Packet, she noticed a couple of items and surmised that somehow, when they got to the mail room, they got mixed up.

Councilor Harris clarified that it is in the same memo under item and issue where it says equipment repair. He thought it is a clerical error.

Mr. Tapia agreed. It should be Pete's Equipment for action requested. On September 1 it was a request for exemption for Pete's Equipment as a sole source vendor. He figures he didn't move Cummins out.

Mr. Johnson said that is definitely what is requested tonight and he would make sure it is corrected for Council.

MOTION: Councilor Harris moved to approve the request (as corrected). Councilor Ives seconded the motion and it passed by unanimous voice vote.

Councilor Harris asked to talk about both item j and item k together.

j) Request for Approval to Purchase Software Support and Maintenance for Police Department and Land Use Department in the Total Amount of \$139,857.60; Superion previously known as SunGard Public Sector. (Bogi Malecki)

In Item k, the PSA, is language he had never seen before - the contractor shall maintain liability insurance; Cyber First professional liability insurance. On the last page under certificate of insurance, it shows \$2 million. That seems that is the case in Item k. They have the required coverage and it is pretty deep.

Mr. Malecki said that more than covers the value for the data security for GIS.

Councilor Harris was satisfied and went back to Item j, which is a larger contract at \$138,000 and includes police and fire records as well as permits and planning zoning in the Land Use Department.

Mr. Malecki said it is all critical data.

Councilor Harris said the two items don't have quite the same language but standard language. It is the first time he saw Cyber First for the coverage by both companies. Superion did not provide professional coverage nor cyber security coverage.

Mr. Malecki explained that Superior software is in-house. We have installed it and manage it on two systems. ITT has responsibility for the security, data back-up, and redundancy for the Land Use data. Data for the police and fire reside on the county mainframe and managed by County and ITT. Unlike the other vendor, that data is living in the Cloud and we agreed on the appropriate level of security - Those on our systems fall to the City.

Councilor Harris appreciated the distinction. He has been asked about the whole issue of appropriate insurance for 18 months. How do we get to ESRI and the Cloud? Superior is just paying for the license.

Mr. Malecki said they are working for standard policies for all services, in-house or Cloud. There is no policy written to cover that because many have unique features and it is difficult to come up with a standard procedure. They want to establish a policy for that.

Councilor Harris asked if they do tests to evaluate security.

Mr. Malecki agreed, although there is no standard for that. Last year, the security firm used Rick Sense to evaluate all data bases including these in j and k. A number of findings were identified in checking for things like passwords. The critical findings were addressed immediately. That testing has not been done it this year yet. A number of those findings last year were significant and took months for IT to address them. It is not a yearly or bi-yearly process to his knowledge.

MOTION: Councilor Harris moved to approve Item j. Councilor Ives seconded the motion and it passed by unanimous voice vote. Councilor Villarreal was chairing the meeting at this time.

k) Request for Approval to Purchase Software Maintenance Agreement in the Total Amount of \$20,489.96 under New Mexico State Price Agreement 60-000-16-000-39AA; Environmental Systems Research Institute, Inc. (Bogi Malecki)

MOTION: Councilor Harris moved to approve the request. Councilor Ives seconded the motion.

Councilor Ives considered ESRI a world leader on cyber security issues. He asked about the coverage in this industry which he thought was relatively new.

Mr. Malecki said with the advent of the Cloud and host services and some high-level breaches, it is essential for institutions and ESRI to insure data is not compromised. He was happy to say that this is part of the contract because the City's GIS data is becoming more and more important for the public to make sure it is accurate and available. This is becoming more of a standard need in hosting services and in more critical on-site services with interaction.

Councilor Ives agreed and asked if Traveler's Insurance is providing it/
Mr. Malecki thought so.

Councilor Ives asked for a copy of the policy coverage to review and Mr. Malecki agreed to provide it.

VOTE: The motion passed by unanimous voice vote.

Chair Dominguez resumed chairing.

n) Request for Approval to Award RFB# '18/01/B and Approval of Professional Services Agreement in the Amount of \$3,927,025.10, Exclusive of NMGR; Mountain States Construction. (Cameron Humphres)

Councilor Harris announced that Mr. Humphres submitted a letter of resignation and would only be here for another week. There was a good Airport Advisory meeting last week. Things are in very good shape in terms of Master Plan. This award is for the main runway 220 and the taxiway. It is very interesting what is going on. He wished Mr. Humphres well as he moves on and thanked him for his good work here.

Councilor Harris will work with Mr. Schiavo, who also attends the Airport Committee meetings. This award is just one large element and represents a good start. We must be disciplined in how we work through it. The proposed construction is about \$1 million under the engineer's estimate and to our credit.

There is an issue in the construction contract on page six where, in the draft, shows 7.5% for GRT. He asked where the KSA office is located.

Mr. Humphres said it is in Albuquerque.

Councilor Harris reminded the Committee that for construction projects, the applicable GRT rate is where the work is being done so it needs to be 8.3215% in the contract.

Mr. Humphres was happy to suggest making that change tonight and use that rate to calculate the correct numbers before going to Council. Since the bid was exclusive of GRT, that change can be made. He agreed to amend the memo with that corrected amount.

MOTION: Councilor Harris moved to approve the request. Councilor Ives seconded the motion and it passed by unanimous voice vote.

Chair Dominguez thanked Mr. Humphres for his service to the City.

r) An Ordinance Relating to Independently Sponsored Campaign Communications and Reporting; Amending Subsection 9-2.6 to Make Changes to Independently Sponsored Campaign Communications and Reporting. (Councilor Dominguez) (Kelley Brennan)

Committee Review

Ethics and Campaign Review Board	10/12/17
City Council (request to publish)	11/08/17
City Council (public hearing)	12/13/17
Fiscal Impact:	None

Chair Dominguez pointed out that there is a matter of principle and we have homeless hungry people. He asked Ms. Brennan to simplify this as much as possible.

Councilor Villarreal asked Ms. Brennan to do a quick summary so the members know what we are allowed to talk about.

Ms. Brennan said there are two cases in the 10th Circuit to find limits. A \$3,500 limit is not sufficient. But the Santa Fe limit is \$250. So if this went to the Tenth Circuit, the City would likely not prevail. We can suggest another limit that might be defeasible. There was a Florida case in 2013 with the \$3,500 rule so-called. That was in 2016 in the Tenth Circuit and a request was made to the Supreme Court to solve the discrepancy. So our limit is sufficiently below the trigger determined by the court.

Councilor Villarreal surmised it would be rewritten and come up with an appropriate amount.

Ms. Brennan agreed - with a different amount. It is being litigated now so she would ask for executive session.

Councilor Villarreal said it looks bad if you don't understand the litigation. It is challenging that we have to do this but disclosure is important.

Ms. Brennan clarified that we are not abandoning the principle but examining it with the election coming up.

Councilor Villarreal added that they are only looking at ballot propositions.

Ms. Brennan agreed. It is coming up for Council discussion. There is a risk of being assessed the fees and costs of the other party.

Councilor Villarreal didn't know how to support it tonight.

Councilor Ives said the City is facing precedent from the Tenth Circuit and the local courts will have to abide them until the Circuit changes its mind or the Supreme Court acts.

Councilor Ives Didn't see the Supreme Court overturning this and he didn't like it but we are bound to abide by the law and avoid any litigation that we are not likely to win.

MOTION: Councilor Ives moved to recommend the ordinance amendment to the Governing Body. Councilor Lindell seconded the motion for discussion.

Councilor Lindell asked if we have any option. She asked Ms. Brennan to say more about another number she had in mind.

Ms. Brennan said Colorado adopted a \$5,000 limit that has not been challenged yet.

Councilor Lindell would be far more comfortable in changing the dollar amount. She asked if it was decided to change it for a ballot proposition.

Ms. Brennan said it could be any number above \$3,500 and has not been tested but if it was not high enough, it might result in additional litigation. If an amendment were not passed or if a number was

selected that was above 3500 but not sufficient, with the numbers of people that would be required to report, it might add plaintiffs to the list.

Councilor Lindell asked how long the \$5,000 in Colorado stood.

Ms. Brennan did not know. The case most recent was 2016 so she believed \$3,500 was rejected then.

Councilor Lindell commented it presents a dilemma for us. She would support it to get to Council for more discussion. None of us feel enthusiastic.

Ms. Brennan appreciated that. Without support here, it would not be heard at Council.

Chair Dominguez said he wanted more transparency to implement the things we believe in. There are lots of changes with public financing. He asked if Ms. Brennan would have more information by Wednesday at the Council meeting and should postpone it tonight. He asked if the ECRB was okay with that.

Ms. Brennan said regarding litigation, that it is on a necessary track and Councilors should be prepared for full discussion and they can discuss in executive session what the choices are.

Chair Dominguez asked if they need to hire outside counsel.

Ms. Brennan said no. We are comfortable with this litigation but it is hard to tell in the future if there is piling on with same limitation.

It is unlikely that the \$5,000 limit now in effect in Colorado will be tested before and we can discuss why that is practical or another amount.

Chair Dominguez reasoned that there will be litigation either way.

Ms. Brennan thought adopting this would eliminate litigation but there might be litigation in the Tenth Circuit or other circuits. She had no idea when it might get resolved. The Supreme Court has not chosen to reconcile the different limits.

Chair Dominguez wondered what it would mean to your work load and money to defend ourselves on the limit we ultimately propose. There is a lot of angst in it but he would hate for the Governing Body to not approve something. To not approve it and then have to spend a lot of money on it makes it tough.

Ms. Brennan reminded the Committee that if the \$3,500 limit is firm in the tenth circuit, Santa Fe still is at \$250.

Chair Dominguez surmised that it could buy us time and have a little more to go on when we set our limit.

Ms. Brennan agreed.

VOTE: The motion passed by majority vote with Councilors Maestas, Trujillo and Rivera voting in favor and Councilor Villarreal abstaining.

7. PUBLIC HEARING

- a) **Request for Approval of a Resolution Acknowledging the Importance of the College of Santa Fe and the Santa Fe University of Art and Design to the History of Santa Fe; Recognizing the Significance of the Location of the University Campus in the Geographic and Demographic Center of Santa Fe and its Connection to the Recently-Created Midtown LINC Overlay District; Acknowledging the City's Investment in the University Property; Calling for a Renewed Vision for the Property Integrating a Forward-Looking Educational Use With Other Community-Centered Uses Built on the City's Existing Strengths and Capacity; and for the City of Santa Fe to Act as the Catalyst for Change Embodying the Common Values of the City. (Councilors Harris and Lindell) (Matthew Brown)**

Committee Review

Economic Development Advisory Committee	10/18/17
Public Works Committee (scheduled)	10/23/17
City Council (scheduled)	10/25/17

Fiscal Impact: None

Chair Dominguez allotted two minutes for each speaker.

MR. SCOTT JARRETT said he is the last man standing in music at SFAUD; the last full-time music faculty member. They are working on a potential proposal to change one building into a private music school. Several buildings on the campus are purpose-built and there is a full-featured recording studio there and students involved in it and all the faculty members would like to do it. We'd like to know what we need to do. It stands aside and is newest building and has a drive to it and would not impinge on uses for the remainder of the property. So with Council working with the teachers to create a new Santa Fe Music School, it could provide things not currently offered. There is a cadre of faculty and administrators working on it as a new school in Santa Fe.

MS. CHERYL ODOM said because of the amount of secrecy and rumors, she expected the worst. And this is a good start. She appreciated the hard work. Thanks for giving the Brothers their due here. These men are incredible in founding this property. This is a real opportunity to engage the community in the conversation and feel positive about the direction. Because the land was bought with taxes, it is the people of Santa Fe who own the property and the people should have a say in it. Because of a lack of details, she hoped this is just the first step. She spent 29 years on that campus and still didn't know the amazing assets scattered around it. There is an abundance of performance space, a dark room, studios, gallery space. It is a rich thing the City can use to benefit the citizens. She had feared we would just see blocks of apartments. She is now very hopeful and looking forward to a Master Plan before anything gets torn down and asked that because of the arts nature of the assets that the Council engage the local art community. She is a theater person and attached to that building, but there are people from Art, Film, etc. Let it be a beginning. Thank you.

MR. RICK MARTÍNEZ said he has been advocating for a true Master Plan for this property since the City bought it. He hoped, with this resolution, Council would do that. Without such a plan, anybody with

money can come in and do it. We don't know where anything will be. Let's try to get a Master Plan - Do it like Railyard did it. Without a Master Plan it is just show me the money

MR. NATE DOWNEY said, in addition to the art and theater and film we should try to have, affordable housing should also be included. Homeless people have grown in Santa Fe and that would be an excellent place for people who are sleeping on the street. We had success at GCCC with solar panels and part of the 2040 sustainable plan is to have a solar farm and shading for parking there and contribute to sustainability goals. Probably the most creative idea is to look at the food situation and what Santa Fe Community College has done with aquaponics growing things with very little water and teach people a worthwhile trade. It is training for jobs to provide food and work with the Community College. If you look just at existing buildings, there is potential for 4 million gallons off those roofs in a year and with parking and roads over 6 million gallons harvested. And then seven tennis courts at almost half million gallons so close to 11 million gallons of water there.

MS. VALERIE BRUCKER wanted to see consolidation of city services and singled out the library prior to selection of the analysis of library needs and city services as a more general overview.

MS. ANN ALBRECHT said she is wearing two hats. One is her library hat and many of you have heard me speak about. I don't know why we don't have another 40 years lease for \$40 with School Board - I was impressed by looking at the library while walking through but it is just a shell and would take lots of money to make as a community library and asked you to think reasonable about use of assets. My second hat is mental health. Pam Hyde gave a talk to the County Health Planning Commission last week. It is clear from her statement that for mental health in this community, we need more housing - maybe fix up the dorms and in the co-housing idea with kitchens and places for teachers and fire persons and for homeless and mentally disabled people. This is a huge task. I couldn't believe the size and all of those World War 2 buildings still there. We should not rush into anything.

MS. SUBY BOWDEN said thanks for bringing this information forward. I have three items. One, the description talks about uses but does not define process. She asked that the Committee speak to what they already know about the process in order to meet the issues raised and assure us a Master Plan instead of just first come, first served. Secondly, this immediately abuts the State Library, Archives and Records which is the largest library system in the City. So, I question putting in a city library right next door and instead, we should look at the alternate location for a public library where we don't have one now. Most don't know the difference. Thirdly, - regarding the housing - you are aware of the one door project in town which is essentially different from simply housing but a health care program for those with long term health crises whether PSDT or addiction, etc. It is very different from those who just lost their jobs or working hard to build up to having a house. It takes a campus approach for long term health care.

MR. JOHN OTTER said this is an opportunity for this property type of development needed for survival of humans here. That means a change in our economic system, taking effective steps to rebuild local economy. Such initiatives bring markets and businesses down to a scale that allows efficiency and transparency. They provide more meaningful livelihoods and greater financial security both for individuals and society. The idea is to model the type of localized economy that will hopefully be the future of mankind in terms of villages - a city full of villages where localized economy reduces traveling necessity and reduction of carbon dioxide, etc. On this property, that concept needs to be related to resources available in that vicinity shopping center, etc. An opportunity there for perhaps local markets, etc. as a possible option on this property.

MS. KAREN HELDMEYER, said the Committee has gotten ideas tonight and purpose-built buildings. You should think about the money put in them to do what they were meant to do. You would have more people and ideas if this had been on the web site. It was not possible to find it through the agenda as it was not available on the web site and I got calls on it this weekend. It is subset of a larger fear - that a small coterie at City Hall will make a decision and ram it through. That is something you, as elected officials, need to think about. A lot was triggered by plans for Yucca and Zia and is being shoved through. The campus there is bigger so more things can be put in it. The process needs to be thought about.

MR. KENNETH PIN said now that the assets have fallen into our lap, how do we proceed? We should go back and look at the railyard process and the positive and negative things that came from it and lessons learned. Several people mentioned existing buildings. You should look at what they are. Theater, tennis courts. I assume you don't want to demolish any of them. Also think about not to rush into any of them. Process is important. I'd like to see a Master Plan developed and try to figure out how to juggle it with bond payments.

MR. JASON GOODYEAR said I teach at SFAUD and SFCC and my family are teachers. I see a school and like reading about the interest in maintaining an educational presence there. It is important to have a school there and listening to the great ideas and several mentioned purpose-built buildings. I walk through those places and I can see those buildings and their purpose. Let's create a list of documents of what is there.

A teacher will tell you what they do there. That is a definition of assets beyond the financial on what it actually is. Any teacher will invite you and tell you. We all want you to understand what actually happens there before a decision is made.

There were no other speakers from the public regarding this case and the public hearing portion was closed.

Chair Dominguez thanked everyone for coming and speaking on this. This is just the beginning and all the questions from the Governing Body and the public to get the community engaged and starting to hear from folks is helpful.

Chair Dominguez said he has been through things like the Northwest Quadrant, Railyard, and others. There are things very well intended. The process isn't as clean or simple as it can be and can pose lots of problems. This is just one tiny step in providing transparency. He looks for governance and exploring different models that could exist. Funding is obviously an issue. I guess we could house homeless somewhere on the property. There are lots of opportunity for good things to happen on that property. I'd like to see what we need to preserve. We need to be clear about it at the beginning and get into things like we did at the Railyard. I don't minimize the amount of work it will take. Policymaking is not easy and I appreciate it. But we need to discuss it. This should have enough time for us and the public to do it right.

Councilor Harris said, to follow up on that, the intention of writing this resolution was to acknowledge the way we started in looking for a full-on higher education program and we could make the same contractual arrangement that would not get us where we wanted to be. It is, by design, vague in many ways. We would have been slammed harder if we said it is x, y, and z. I want to develop a consensus in the Governing Body to not tie us to anything. The obvious elements are education as the anchor but it goes

well beyond an institution of higher learning. There are programs at SFCC, innovation academies etc. where a lot of things could be done in education, work force development and housing. The discussion needs to go beyond low-income housing. The film industry has been a real presence. Greer Garson studio is a great production facility in very good shape. The last element is with city services. As to the library, the language in whereas statement is for a 21st Century library and possible consolidation of city services on the property. That should be an obvious discussion. Consider using the library to replace La Farge and there is a lot in this document that provide the background. The eleven "be it resolved" list is fairly substantive and everything that I've heard. I appreciate Mr. Otter's philosophical statement and this resolution didn't anticipate that. But to develop a village or innovation district with people learning and living - that is a village. I think personally, we are headed to a version of that.

Thanks for your patience. There have been a lot of rumors out there. I don't understand Nate Downey's piece in Sunday's paper about shopping and Bruce Kraznow made the biggest mistake regarding low income housing. He thought the focus should be on work force housing. There have been misperceptions. Suby Bowden talked about process and that is the type of discussion to happen in the larger Governing Body. Time is of the essence. We have financial obligations that are substantial and need to pay attention to them. I see this as an investment 8 years ago and we need to carry it forward.

Right now, it is at a premium and we need to keep it moving. I appreciate Chair Dominguez putting this in public session and it will be heard again at Economic Development Advisory Committee on Wednesday at 11:00. Public Works will also be taking public comments. We first need a consensus on the general statement.

Councilor Lindell agreed that the Staff has put a huge amount into this project. It is somewhat vague but gives direction and commitment of the tremendous opportunity here. She was first worried about it. We have 64 acres here in a centralized location and also a sizable payment on it every year. Thankfully, it is a good investment and as Councilor Harris said, the initial thought was another university to come take it over. It didn't take too long to figure out that universities are much different today than when she went to school and the whole model is much different. The use will be diverse. This resolution talks about lots of possibilities and every one of them is worth exploring and positive. At this point, it is a tremendous opportunity for us and her absolute belief is that we will turn the 64 acres into something much more dynamic and useful to the City while maintaining the education focus and other foci. She was excited although the process is daunting. We have a payment to make every year so the process needs to get moving.

Councilor Villarreal thanked the public for sharing their thoughts. It is an important area to Santa Fe and it is her neighborhood. There are a lot of great ideas and appreciate the past and present faculty members for being here. It is different from looking from the outside.

There were some statements about a list of assets and she believed that was done thoroughly. It is a requirement and asked for comment from Mr. O'Reilly.

Mr. O'Reilly said regarding assets, it is clear that staff sees this property as one huge asset with lots of different components. He has been in every building there 4-5 times with faculty and appraisers. The appraisal process was rigorous and some are in very good shape and others not and he was very aware how it was used and in the year, has been thinking about it. He spoke with many faculty and administration to find out what they were used for and what was in there. It is truly amazing what is there. So many things

- theater, etc. amazing facility. He felt like he knew all of them intimately Staff has a very good handle on the real estate aspect.

Councilor Villarreal said some type of Master Plan could be utilized. She asked if Staff has thought about how to do that.

Councilor Harris said for a couple of months we've had a working group and one exercise we went through was to ask Mr. O'Reilly to take the resolution as it was shaping up and to identify some zones that potentially could fit together. It was extremely conceptual with the road connections, the network connections with other neighborhoods, were all in the working group. He personally didn't have an appetite for a formal Master Plan like the Northwest Quadrant or Railyard. That was his opinion but it is for the Governing Body to come to consensus. It should not be a very lengthy Master Plan process. He and Councilor Villarreal attended an event on Sunday afternoon for a North Guadalupe project and he talked with some of the individuals there and attended it to see if, in a larger scale, that could be replicated for SFAUD. But that is after reaching consensus on a resolution and how it can be amended. Any number of things were mentioned and nothing was settled how it might shake out.

Councilor Villarreal said the need and importance for her is not just work force housing but housing for limited income folks. The nonprofit partners do a good job there and we could partner with the through tax credits. Integrated housing is important and looking at people on the verge of homelessness. She looked forward to the process as it makes sense to Council.

Councilor Ives went back to the fact that there is a lease still in place and not terminated. So it is a bit of a guessing game. We have a sense what is likely but has not happened yet. So we initiate a process where we think it will go and the financial implications for the property debt. It would be helpful to understand that as we move it forward. What we can do there in light of what we must pay and he would like that included in what we see here because it will drive what is going forward. It is \$2 million every year in the bonds on the property. So there are future public hearings and will be part of Public Works next Monday. We will try to define it better, whether it is a Master Plan or something else. It should include design elements with public participation.

There are tremendous assets and types that play into the conception of expansion of Santa Fe economy in creative class and the uses that result. Certainly the resolution covers that kind of thinking and is very positive.

Regarding the library, he would be curious to see the results of the library study. He was not considering removal of La Farge. A good first step is to agree on process and define that better, moving forward. He appreciated the comments and engagement tonight and it helps to know what we need to be doing.

Chair Dominguez said the first thing we need to work on is to make sure it gets its own page on the web site, Mr. Johnson. There is work that needs to be done for that page and update it every day or week when something changes. In terms of the assets, he thought it would be best to memorialize those assets in this resolution to know what we want and what we don't want. We want to preserve Greer Garson or not the barracks, etc. It would be part of a legal document with maps that would be beneficial to some organization and for the public to know what is there besides bricks and mortar.

Mr. O'Reilly agreed. As Staff thought about keeping a university use there, the faculty and students are an asset there. The people that work there and put their life into it. The comments on purpose built buildings is spot on. They are excellent and in great shape and should go into the thinking.

Art work remains with the City, even under the current lease agreement. It is an option in the current lease but not the artwork and pottery. Those remain with the City.

Chair Dominguez asked Councilor Harris if he objected to memorializing those assets in the resolution to make sure the public knows what the City owns and doesn't own

Councilor Harris thought it was a fine idea. The list includes the buildings and rating of them. Greer Garson has average for most of it except the HVAC and flooring which is fair. The City could post that list and make a determination. Mr. Downey mentioned the tennis courts and the old ones are shot. The barracks are a nuisance. There was a fire there. The State owns most of them and the City owns a few. A fuller catalogue of more valuable things like the photography collection, pottery collection, etc. All of that will stay with the property. Right?

Mr. O'Reilly said they have had conversations with Laureate on furnishings and equipment that they own. We hope the University would leave those things there for the future.

Councilor Harris agreed. Those are things we need to sort through and identify what will remain with the City.

Chair Dominguez clarified that he was not talking about making those decisions tonight but referencing that list or catalogue. It is the public that owns it. We just need to think about it.

Councilor Harris agreed to help to capture that as an amendment. We will get there.

Chair Dominguez felt that process is important and wanted to work with Councilor Harris on it. If not done right, it can become an issue, not that we would expect to get it right the first time but he would work with him on language to be more specific on the direction to give the City Manager - directing the City Manager to develop a process with Governing Body participation that considers the foregoing decision. If it is too detailed, it becomes an issue. For him, the trick is to make sure the direction to Staff is clear as possible so there is no confusion about it. The rest of it is great and captures the spirit of what we are trying to do.

Councilor Harris appreciated all that Chair Dominguez said but he did not address expanding on the process to all of the Governing Body; just the initial language on governance. This is a key element that should come out of a discussion over the next month and then it will take time to get it in place.

MOTION: Councilor Villarreal moved to approve the request. Councilor Ives seconded the motion and it passed by unanimous voice vote.

8. DISCUSSION

**a) Discussion and Presentation: Quarterly Financial Performance Report as of June 30, 2017.
(Informational Only) (Adam Johnson)**

Mr. Johnson clarified that this is the same report he brought forth two meetings before and the cycle is a little dated. There is good information in this report, but given the recent events, to be skeptical of the report and the data used for these reports. We look forward to see audited financial statements at the end of December.

Performance of the GRT ended in neutral. The last quarter was 3 percent for all funds overall. A challenge was the lack of a report from TRD which they didn't even feel comfortable publishing by sector.

The other nuance from the first quarter of the fiscal year is that the fourth quarter was slowest for GRT. It is a slow season for Santa Fe between the ski season and the tourist season. So we look forward to see if the growth comes back. DFA is upgrading their system and the first quarter will be late to us. They are still in compliance but we are not used to that timing. We hope to have the November meeting as the target for that last quarter report.

The all-funds summary is on page 7 and does show a positive end and the City did well on the expenditures size. It took hard work to maintain that balance so we are not in a negative aspect. It was not as positive as we hoped.

Mr. Hopkins was not able to be here. Mr. Johnson said he intends to bring it on a quarterly basis. Starting on page 10, he provided expenditures by major categories and hoped this format will be useful to understand where we are on those specific line items.

The biggest highlight is the section on page 14 on performance of investments.

Chair Dominguez thanked him. This is good information.

Councilor Villarreal thanked him for the information. It helps us understand where we are. The outstanding budget is confusing, especially the percentage on page 7 on certain revenue items compared with budget. We did we not meet the revenue budget like franchise fees, licenses, and permit fees.

Mr. Johnson said permit fees are new revenues in construction - best explanation is hopefully just timing with those that are in the pipeline and didn't yet close. We don't have a great way to track it but with new software, it will give that information. They currently use an annual system to determine what they think is coming in. The parking fees information has come in and he will have to follow up on the franchise tax data.

Councilor Villarreal mentioned federal grants and asked if it is just that we haven't received them.

Mr. Johnson suggested it more likely was related to the idea that we would put multi-year grants all in and then the amount spent against them.

Councilor Villarreal said okay. She asked about the debt service principal.

Mr. Johnson said a lot of refunding makes it in excess and he would follow up on why they don't match.

Councilor Villarreal asked particularly about parking why they are not meeting budget. And as an enterprise fund, why it is not separate. She had not seen anything recently on parking. She wanted more details from Parking on that.

In the General Fund budget she asked what the miscellaneous revenues on page 9 are at 22%.

Mr. Johnson said he would have to follow up on that.

Councilor Villarreal asked why anticipated community services, fire and police are higher.

Mr. Johnson said the overage for public safety is related to use of overtime. Community Services is at 102% - about \$15,000 higher. The Public Works overage is related to the retirement of the Public Works Director and where he had been paid from two separate departments. He agreed to get the information to her timely.

Councilor Harris said when he first got this he questioned how reliable it is. "I guess I had a revelation about what was to come." He would appreciate the final numbers. He had other questions and asked which staff person would be best to answer those questions.

Mr. Johnson explained the reality is that the entire department is spread thin with the new installation so he asked that those questions be sent to him or Mr. Hopkins questions on investments to Mr. Fluetsch and Ms. Keyes.

Chair Dominguez asked that Mr. Johnson be included in the correspondence with Staff.

Councilor Harris asked Mr. Fluetsch for clarification - On page 7 is All Funds, amended budget of \$124,972 and the interim ending of \$133,555. He asked how the beginning and ending balances relate to the portfolio he was involved in.

Mr. Johnson said ideally, the ending balance at any given time, reflects all the cash in the investments. In this data set, what is in the General Fund at any one time lives in subledgers that unfortunately don't talk to the General Ledger. So we are managing our investments through our investment account as well as the Bloomberg terminal and through software in which all of those calculations are residing and for his data presentation. Right now, they are running about 165.

Councilor Harris said he was not asking to reconcile it but thought we should see all fund balances that correlate to the portfolio.

Mr. Johnson agreed they should correlate either to cash or investments.

Mr. Fluetsch added that in addition to the 160 million in portfolio, there is also, whether GRT has been paid or not, somewhere from \$25 to \$40 million in the checking account.

Chair Dominguez said in looking at the revenue side at other fees and services and that doesn't include Land Use on page 7. He asked if there is a way to parse out Land Use and go even deeper for the Verde Fund information.

Mr. Johnson said the majority would be on the license and permits line about a third down with about \$3.4 million. There is other revenue but the majority is Land Use. He agreed to follow up on that.

Chair Dominguez knew a lot of what we did was dependent upon Land Use and in particular, he was interested in the Verde Fund and how it is represented in this information.

b) Discussion and Presentation: Cash Handling Policy Draft. (Informational Only) (Christina Keyes)

Mr. Johnson said this policy was brought up two meetings ago and tonight are not so late. This is still in draft form for the first time in a decade of not having a comprehensive cash policy in place and it uses best practices. There were numerous internal discussions and have a thorough policy. The City has various modes and locations for cash handling. Some places use cash registers and hand-written receipts and others use other practices. This gives guidance in a consistent way across the City. There are significant technological changes coming and they need a chance to work with the Staff and finalize the policy and start to have Department Directors implement it and work closely for an addendum to be attached to this policy.

It is made available to Governing Body and the public for input. We are making progress and ultimately will ask the City Manager to adopt an administrative manual no later than the end of December. Most of it is straightforward like what a bank or grocery store would have.

Chair Dominguez assumed, whether enterprise or not, it doesn't make a difference or for the number of employees.

Mr. Johnson said they definitely should have at least one employee for the policy.

Chair Dominguez said the City provides resources for them to get the job done. We don't want a policy so rigorous that they can't implement it and have to have work arounds. They should have at least two people in cash handling.

Councilor Ives asked if this policy addresses the McCard report so we have responded totally and appropriately.

Mr. Johnson said by and large, it does with regard to other training.

Councilor Ives would like that analysis whenever Mr. Johnson has a chance to do it. That is what we are being judged on. Not addressing those doesn't explain why they are not significant.

Mr. Johnson said he would confirm it.

Councilor Villarreal asked if this is all new language or a compilation that existed before.

Mr. Johnson said it is entirely new.

Councilor Harris didn't find that it addressed large sums that show up maybe at the Utility Division. That is problematic for a lot of reasons and Ms. Keyes assured him that it would be addressed.

Mr. Johnson agreed. Part is just the amount of cash we handle. We are looking at technological based ways to use something other than cash. Albuquerque no longer takes cash or minimizes the places that take cash.

Councilor Lindell said this is a good document and she appreciated the work in this. There is one more piece to it and that is to make sure that people are properly trained in this policy on a schedule and we know what that schedule is. This could be one of the best policy statements ever produced here but it won't be enough without proper training and insisting that it is followed. We have to implement it.

Chair Dominguez said we need to be prepared for discussion on the audit to have those discussions.

9. MATTERS FROM THE COMMITTEE

There were no matters from the Committee.

10. MATTERS FROM STAFF

There were no matters from Staff.

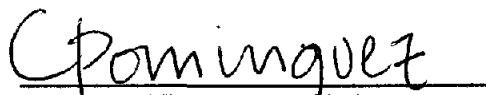
11. EXECUTIVE SESSION

An executive session was not needed.

12. ADJOURN

The meeting was adjourned at 8:06 p.m.

Approved by:


Carmichael Dominguez, Chair

Submitted by:


Carl Boaz, for Frances Lucero