



Agenda

**PUBLIC UTILITIES COMMITTEE
MEETING
WEDNESDAY, OCTOBER 3, 2018
City Hall
City Council Chambers
Regular Meeting – 5:00pm**

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES FROM THE SEPTEMBER 5, 2018 PUC MEETING

INFORMATIONAL ITEMS

6. Status of Past Due “Refuse and Sewer Only” Accounts over \$5,000.00. (Caryn Fiorina, Utility Billing Division Director, cyfiorina@santafenm.gov, 955-4364)
7. Discussion and possible action regarding siting and closing Recycling Drop-Off Site locations and establishing a procedure for siting and closing determinations. (Shirlene Sitton, Environmental Services Division Director, sesitton@santafenm.gov, 955-2209)

CONSENT – ACTION CALENDAR

8. Monthly Update of Capital Improvements Projects. (Shannon Jones, Public Utilities Department Director, sajones@santafenm.gov, 955-4267)
9. Update on Current Water Supply Status and Drought, Monsoon and Storage. (Nick Schiavo, Source of Supply Operations Manager, naschiavo@santafenm.gov, 955-4376)
10. Environmental Services Division Monthly Update. (Shirlene Sitton, Environmental Services Division Director, sesitton@santafenm.gov, 955-2209)

RECEIVED AT THE CITY CLERK’S OFFICE

DATE: 09/25/2018
TIME: 1:27 PM

11. Request for approval of the 2019 Public Utilities Committee Meeting Calendar. (Stephanie Lopez, Public Utilities Department Office Manager, salopez@santafenm.gov, 955-4233)

Public Utilities Committee – 10/3/2018
City Council – 11/8/2018

12. Request for approval of Change Order No. 4 to the PSA # 16-0341 with AUI, Inc. for the final project closeout tax adjustment for the Hospital Tank Project for the amount of \$11,862.44. (Kristin Johansen, Engineer, kgjohansen@santafenm.gov, 955-4279)

Public Utilities Committee – 10/3/2018
Finance Committee – 10/15/2018
City Council – 10/31/2018

13. Request for approval of procurement of Water Service Connection Equipment - State Price Agreements 60-000-15-00030 and 60-000-16-00067 and Water Meters and Supplies – State Price Agreement 50-000-1500052: Vendors: Baker Utility Supply Corp., Core & Main LTD, Ferguson Water Works. (Mike Moya, Transmission & Distribution Section Manager, mrmoya@santafenm.gov, 955-4243)

Public Utilities Committee - 10/3/2018
Finance Committee – 10/15/2018
City Council – 10/31/2018

14. Request for approval of a Professional Services Agreement with Service Line Warranties of America; Utility Service Partners for to use the City of Santa Fe Logo on warranty services correspondence. (Shannon Jones, Public Utilities Department Director, sajones@santafenm.gov, 955-4267)

Public Utilities Committee – 10/3/2018
Finance Committee – 10/15/2018
City Council – 10/31/2018

15. Request for approval of Amendment No. 1 to the original PSA Item # 18-0624 with Yukon & Associates for T&D Instrumentation PRV Sites for the amount of \$5,000.00 each fiscal year beginning FY 2018/2019 for four (4) years for a total of \$20,000.00 exclusive of NMGR. (Mike Moya, Transmission & Distribution Section Manager, mrmoya@santafenm.gov, 955-4243)

Public Utilities Committee – 10/3/2018
Finance Committee – 10/15/2018
City Council – 10/31/2018

DISCUSSION AND ACTION

16. Request for approval of credit adjustment for Oilstop for the amount of \$69,266.33. (Caryn Fiorina, Utility Billing Division Director, cyfiorina@santafenm.gov, 955-4364)cyfiorina@santafenm.gov, 955-4364.

Public Utilities Committee – 10/3/2018

Finance Committee – 10/15/2018

City Council – 10/31/2018

17. Request for approval of Bill No. 2018-_____. An ordinance concerning the Municipal Wastewater Utility System of the City of Santa Fe, New Mexico (the “System”); providing for the issuance of the City’s net system improvement bonds, Series 2018, in an aggregate principal amount not to exceed \$15,000,000 for the extension, enlargement, betterment, repair and other improvement of the system; providing that the bonds shall be payable solely out of the net revenues derived from the operation of the system; providing for the acquisition of a reserve fund insurance policy in connection with the debt service reserve fund established in connection with the bonds; providing for the disposition of the revenues derived from the operation of the system; providing the form, terms and conditions of the bonds, the method of paying the principal of and interest on the bonds and the security therefor; prescribing other details concerning the system revenues, bonds and the System, including but not limited to covenants and agreements in connection therewith and with future financing therefor; approving forms of a preliminary official statement and a continuing disclosure undertaking in connection with the bonds; delegating authority to the Mayor, City Manager, and Finance Director of the City to determine the exact principal amounts, maturity dates, interest rates, prices, redemption features and other final terms of the bonds pursuant to a final terms certificate; ratifying action previously taken in connection therewith; and repealing all ordinances in conflict herewith. (Councilor Rivera) (Brad Fluetsch, bjfluetsch@ci.santa-fe.nm.us, 955-6885)

Public Utilities Committee – 10/3/2018

Public Works Committee – 10/9/2018

City Council (Request to Publish) – 10/10/2018

Finance Committee – 10/15/2018

City Council (Public Hearing) – 11/14/2018

MATTERS FROM THE PUBLIC

MATTERS FROM THE CITY ATTORNEY

MATTERS FROM STAFF

MATTERS FROM THE COMMITTEE

NEXT MEETING: Wednesday, November 7, 2018 at City Council Chambers

ADJOURN

PERSONS WITH DISABILITIES IN NEED OF ACCOMODATIONS, CONTACT THE CITY CLERK'S OFFICE AT 505-955-6520, FIVE (5) WORKING DAYS PRIOR TO THE MEETING DATE.

**SUMMARY OF ACTION
PUBLIC UTILITIES COMMITTEE
CITY HALL, CITY COUNCIL CHAMBERS
WEDNESDAY, OCTOBER 3, 2018, 5:00 PM**

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REQUEST FOR APPROVAL OF CREDIT ADJUSTMENT FOR OILSTOP FOR THE	APPROVED	14

AMOUNT OF \$69,266.33.

**REQUEST FOR APPROVAL OF BILL
NO. 2018 - _____ - AN ORDINANCE
CONCERNING THE MUNICIPAL
WASTEWATER UTILITY SYSTEM OF
THE CITY OF SANTA FE, NEW MEXICO
(THE "SYSTEM"); PROVIDING FOR THE
ISSUANCE OF THE CITY'S NET SYSTEM
IMPROVEMENT BONDS, SERIES 2018,
IN AN AGGREGATE PRINCIPAL AMOUNT
NOT TO EXCEED \$15,000,000 FOR THE
EXTENSION, ENLARGEMENT,
BETTERMENT, REPAIR AND OTHER
IMPROVEMENT OF THE SYSTEM;
PROVIDING THAT THE BONDS SHALL
BE PAYABLE SOLELY OUT OF THE NET
REVENUES DERIVED FROM THE OPERATION
OF THE SYSTEM; PROVIDING FOR THE
ACQUISITION OF A RESERVE FUND
INSURANCE POLICY IN CONNECTION
WITH THE DEBT SERVICE RESERVE
FUND ESTABLISHED IN CONNECTION
WITH THE BONDS; PROVIDING THE FORM,
TERMS AND CONDITIONS OF THE BONDS,
THE METHOD OF PAYING THE PRINCIPAL
OF AND INTEREST ON THE BONDS AND
THE SECURITY THEREFOR; PRESCRIBING
OTHER DETAILS CONCERNING THE SYSTEM
REVENUES, BONDS AND THE SYSTEM,
INCLUDING BU NOT LIMITED TO COVENANTS
AND AGREEMENTS IN CONNECTION
THEREWITH AND WITH FUTURE FINANCING
THEREFOR; APPROVING FORMS OF A
PRELIMINARY OFFICIAL STATEMENT AND A
CONTINUING DISCLOSURE UNDERTAKING IN
CONNECTION WITH THE BONDS;
DELEGATING AUTHORITY TO THE MAYOR,
CITY MANAGER, AND FINANCE DIRECTOR OF
THE CITY TO DETERMINE THE EXACT PRINCIPAL
AMOUNTS, MATURITY DATES, INTEREST
RATES, PRICES, REDEMPTION FEATURES
AND OTHER FINAL TERMS OF THE BONDS
PURSUANT TO A FINAL TERMS CERTIFICATE;
RATIFYING ACTION PREVIOUSLY TAKEN IN**

APPROVED

15-17

**CONNECTION THEREWITH; AND REPEALING ALL
ORDINANCES IN CONFLICT HEREWITH.**

18.	MATTERS FROM THE PUBLIC	NONE	17
19.	MATTERS FROM THE CITY ATTORNEY	NONE	17
20.	MATTERS FROM STAFF	NONE	17
21.	MATTERS FROM THE COMMITTEE	NONE	17
22.	NEXT MEETING	NOVEMBER 7, 2018	17
23.	ADJOURN	ADJOURNED	17

**PUBLIC UTILITIES COMMITTEE
CITY HALL, CITY COUNCIL CHAMBERS
WEDNESDAY, OCTOBER 3, 2018, 5:00 PM**

1. CALL TO ORDER

The meeting of the Public Utilities Committee was called to order at 5:00 pm by Chairman Councilor Christopher Rivera, at City Hall, City Council Chambers, on Wednesday, October 3, 2018, Santa Fe, New Mexico.

2. ROLL CALL

Members Present:

Councilor Christopher Rivera, Chair
Councilor Renee Villarreal
Councilor JoAnne Vigil Coppler
Councilor Carol Romero-Wirth

Members Absent:

Councilor Peter Ives (Excused)

Others Present:

Councilor Signe I. Lindell
Shannon Jones, Wastewater Management Division
Stephanie López, Public Utilities Department
Marcos Martínez, Assistant City Attorney
Carl Boaz for Elizabeth Martin, Stenographer

NOTE: All items in the Committee packet for all agenda items are incorporated herewith to these minutes by reference. The original Committee packet is on file in the Public Utilities Department.

3. APPROVAL OF AGENDA

MOTION: Councilor Villarreal moved, seconded by Councilor Romero-Wirth, to approve the agenda as published.

VOTE: The motion was approved on a voice vote with Councilors Rivera, Romero-Wirth, Vigil Coppler and Villarreal voting in favor of the motion and none voting against.

4. APPROVAL OF CONSENT CALENDAR

Councilor Villarreal pulled item 14 for discussion.

Councilor Romero-Wirth pulled item 12 for discussion

MOTION: Councilor Villarreal moved, seconded by Councilor Vigil Coppler, to approve the Consent Calendar as amended.

VOTE: The motion was approved on a voice vote with Councilors Rivera, Romero-Wirth, Vigil Coppler and Villarreal voting in favor of the motion and none voting against.

**5. APPROVAL OF MINUTES
SEPTEMBER 5, 2018**

MOTION: Councilor Villarreal moved, seconded by Councilor Vigil Coppler, to approve the minutes of September 5, 2018 as presented.

VOTE: The motion was approved on a voice vote with Councilors Rivera, Romero-Wirth, Vigil Coppler and Villarreal voting in favor of the motion and none voting against.

INFORMATIONAL ITEMS

6. STATUS OF PAST DUE "REFUSE AND SEWER ONLY" ACCOUNTS OVER \$5,000.00. Caryn Fiorina, Utility Billing Division Director

Ms. Fiorina took a few minutes to talk about accomplishments and acknowledge her staff for all their hard work.

Ms. Fiorina said we have redesigned our forms such as the Eye On Water program; the on-line bill paying system and the voice response system so that they are more user friendly. We are doing service training for all our staff on billing and the billing system; Standard Operating Procedures training for all sections; we have established outreach for title companies; we are working in City Centers with the elderly to understand their bills; we are partnering with schools, providing help to the low income population and for children we are participating in the school supply drive with backpacks and supplies which were funded by employee donations. We have sent our delinquent accounts to Virtuoso (collection agency); investigations also has our accounts with undocumented sewer connections and we are working to correct them.

Ms. Fiorina said we began with accounts with balances of \$5,000 or more in our past due program. To date we have collected \$144,000 and still have 34

accounts. We are working with City Finance to bring the Parks accounts current. We may pursue possible legal action and possible foreclosure on the liens we have out. We also may give another amnesty program.

Ms. Fiorina described the attorney collection program they have entered into.

Councilor Villarreal said thank you for the information and all the hard work of staff. She is curious about a consulting attorney. Is that a typical set up where the attorney receives a percentage of the collection.

Ms. Fiorina said yes, we pay Virtuoso about 28%.

Mr. Martinez said in this instance, the City would enter into a contract for a contingency fee in lieu of a flat fee. We are paying a little more than usual. 25% is typical for contingency fees.

Councilor Romero-Wirth asked that is typical for contingency, but is it still that high for collections.

Mr. Martinez said he thought they would be paid on an hourly rate. He was not aware of a different amount. He did not think they could get a collection attorney at a lower rate. He will do some homework on that because he does not want the City to pay more than the norm.

Councilor Villarreal said 25% seemed high to her.

Councilor Vigil Coppler asked if we moved toward foreclosure, do we know that the homes have mortgages.

Ms. Fiorina said we don't know if they have mortgages. Government liens have priority over the mortgage.

Mr. Martinez agreed.

Councilor Vigil Coppler said being in the real estate business, they won't look favorably on those with liens. At some place, the mortgage company should be notified.

Ms. Fiorina said we could do the research to see if they do have a mortgage company and if not, turn it over to the collection attorney. The owner usually sells it before it gets to that point. If we did foreclose, how would the City handle those properties.

Councilor Vigil Coppler said she thought the mortgage company would take it over. We would already have turned the water off, right.

Ms. Fiorina said right. They don't have running water. For some of them, it looks like people are still living there and we are picking up the trash.

Councilor Romero-Wirth asked how many accounts are there.

Ms. Fiorina said we have 34 accounts that have not contacted us.

Councilor Villarreal asked do we have an indigent fund to support such people.

Ms. Fiorina said the City offers a low cost credit, but they have to be current to do that. When they contact us, we tell them everything needed to qualify and we provide a long list of assistance programs to them.

Councilor Romero-Wirth asked do we let them know before they are falling behind about the indigent fund so that when their account is current they know the places to look for help.

Ms. Fiorina said she will look at that.

Councilor Lindell thanked the folks at Billing and Water. She knows this represented more work, but this group took it on and put together a very serious program. I appreciate the way you went about it.

Chair Rivera thanked them for a great job and asked how many letters were hand delivered.

Ms. Fiorina said we started with 123 accounts and hand delivered 114 letters. The goal is to try to contact them. Several of the people really wanted to do something and asked if we could hold on to the property if they came up with part of the money owed. Maybe 90% contacted us. Some just don't have enough money to pay it.

Chair Rivera said most people want to keep their property, but just cannot come up with enough money. On the agenda, it is listed as information, but your report requested action. He asked Marcos if action could be taken on it.

Mr. Martinez said because of the way it was noticed, a general recommendation would be sufficient, but not formal action with a vote. You could give guidance to Caryn, but a contract would required formal action.

Councilor Romero-Wirth said last time, we talked about advertising to let the public know about this and that the City is starting a new approach to clean up accounts.

Ms. Fiorina said we have not taken that step. We could offer an amnesty day. Otherwise, it would be referred to the attorney for legal action.

Councilor Romero-Wirth said in terms of direction, she thinks we should try all of these things.

Councilor Vigil Coppler said she agreed with Councilor Romero-Wirth. She recommended at least starting to find an attorney. We need a little bit more incentive right now.

Chair Rivera said you have a few items to consider.

**7. DISCUSSION AND POSSIBLE ACTION REGARDING SITING AND CLOSURE
RECYCLING DROP-OFF SITE LOCATIONS AND ESTABLISHING A
PROCEDURE FOR SITING AND CLOSING DETERMINATIONS. Shirlene
Sitton, Environmental Services Division Director**

Ms. Sitton introduced Carol Branch who is the new Santa Fe Beautiful Coordinator.

Ms. Branch said she has been with the City for two weeks. She came from the County where she was the Trails Volunteer Coordinator.

Chair Rivera welcomed Ms. Branch.

Ms. Sitton said she wanted to bring forward the issue of the drop-off sites. Also we rolled out the curbside pickup excluding glass. The drop off sites have been very successful. The Ft. Marcy site generates about half of the material. We have had some complaints on glass noise at Ft. Marcy. We don't get complaints from any other sites. The possibilities for sites that are on the table include a site at Paseo and Guadalupe across from Site Santa Fe near the PNM substation. PNM offered for us to use it as a drop off center co-branded with PNM. It is a very busy intersection. There was an effort to make it all parking. PNM would entertain that, but would want market rate for parking. They really want it as drop off center instead. Another possible site is behind the Lodge on the north side and is a very good potential site for a drop off site. The residences are mostly apartments so it would attract a whole new group of users.

Ms. Sitton said we anticipate moving our original site on Siler Road. In the past week, we got approval to move the prairie dogs. The new spot has more space and we might try a roller bin. There is a request to close Ft. Marcy. She doesn't believe people are coming back more than once weekly, but closing it would make lots of people unhappy.

Councilor Vigil Coppler said regarding Ft. Marcy, have you considered moving it to a less noisy site. The complaint is the noise.

Ms. Sitton said she put the question of noise out to a vast network and there seems to be no good answer. We ordered plastic dumpster and only one company makes them. We got them a couple of weeks ago, but don't have the lids yet. There is really nowhere else that they could go. Maybe we could develop something with the Parks.

Ms. Sitton said she could image a glorious drop off center that would fit in with the Railyard. We might work with Tourism and the art community to get permanent art there and recycled materials. We could blend in the idea of environment and art together.

Councilor Villarreal said she appreciated Shirlene's work on this. It seems to be complicated. We moved it once before and still get complaints on this. It needs to be figured out.

Councilor Villarreal said the PNM site would be the first choice for a potential site. You estimate the cost at \$120,000.

Ms. Sitton said yes and it could be more.

Councilor Villarreal said there are lots of things around this site. It is a possible site for future housing. She appreciates all the work you are doing on these issues. What is the composition of the items collected.

Ms. Sitton said we estimate that 3.1 tons of glass is collected every day. There are people who just let the glass fall and break on the ground and it is also a parking lot and access to the dog park so it is an issue with dogs walking on broken glass.

Councilor Villarreal asked does it get picked up every day.

Ms. Sitton said yes.

Councilor Villarreal said she did not have a solution, but if the PNM site is a potential housing site she would prefer that.

Ms. Sitton said that would be something to consider. The problem with closing and moving a site is that people expect it to always be there. We had a discussion with the City Manager and pointed out that people still show up at the fire station which was a drop off center before.

Councilor Romero-Wirth asked where is the PNM site.

Ms. Sitton answered it is across from the Railyard Park and across from Site Santa Fe.

Councilor Romero-Wirth said if we closed Ft. Marcy there would be only two sites and both on the other side of town. It makes her anxious. She does not think this is ideal.

Ms. Sitton said maybe she left out a piece. We really look for sites that are on City property.

Councilor Villarreal said we want them to be convenient and accessible. Illegal dumping happens and we need to be more careful when it is on someone else's property. It needs to be where trucks can get the material.

Councilor Romero-Wirth said the noise is deafening, but they do need to be close to residential areas.

Ms. Sitton said we don't want open containers. People want to recycle, but not go through the steps to put them inside the container. Diapers are the number one contamination problem. We hoped people who wanted to recycle would follow the rules. The Buckman Transfer station can accept very big items and is open until 4:00 pm and is open and accessible.

Councilor Lindell said she thought cost had eliminated the PNM site. There is very little investment at Mejia, but she didn't know about housing there. It is unreasonable to put a site anywhere without neighborhood meetings. Her feeling is that we either get this moved or close it because of the noise at that site. No one would want to live near it. There is not one Councilor here who would put up with it. It has been a good try, but it didn't work out. We will have to bite the bullet and either move it to another site or close it down. She and Patti worked to establish a single stream process. Sometimes it isn't 100%, but she wants to encourage moving ahead with a commitment at Calle Majia or not.

Chair Rivera said he is sure Shirlene has tried everything.

Ms. Sitton said we don't have personnel to open and close the park gates if we have a disposal site there. We can try to work with Parks to limit the times. She will be happy to continue to reach out to find out more on actual plans for housing on that property. If the direction is to close Ft. Marcy we should hold a community meeting.

Chair Rivera said when we discussed the convenience centers people wanted locations that were convenient. We have done that for awhile, but what are we doing with glass.

Ms. Sitton said before her time, it went to an Albuquerque company who crushed it for another medium, but they felt they were getting enough just from Albuquerque and we now work with a Denver company and the glass is recycled into new beer bottles. There are a lot of options for zero waste. Glass is inert and doesn't degrade and causes

no GHG at land fills.

Councilor Romero-Wirth asked is the decision to close ours to make, or yours.

Ms. Sitton said it is yours. She could bring back a recommendation.

Councilor Romero-Wirth said it seems the current place is untenable and could move in the direction of being closed.

Ms. Sitton suggested using a survey. Some people definitely want it closed, but others definitely want it open.

Councilor Romero-Wirth said she agrees with Councilor Lindell. She wouldn't want to live next to that noise.

Councilor Villarreal said Mejia is also in a neighborhood.

Councilor Romero-Wirth said we do need a third option.

Ms. Sitton said when we looked at the Mejia site, the geography is very different. Ft. Marcy is in a hole. The other side is on a hillside and part of the hill juts out. The sound might be very different. We have downloaded decibel meters and could do testing.

Councilor Vigil-Coppler asked would there be benefit to keeping Ft. Marcy open for everything but glass.

Ms. Sitton said that might be possible.

Councilor Romero-Wirth said she would only worry that we have already allowed glass.

Councilor Villarreal said she would like to see the Calle Mejia site analyzed.

Ms. Sitton said she would arrange that. She can also develop a survey or we could do one on the Neighborhood Network Door-To-Door.

Councilor Villarreal said she has one neighborhood who doesn't participate it that, but others who do. Have we considered a private space.

Ms. Sitton said what might start as a good relationship often doesn't continue.

Councilor Villarreal asked is this going to the Governing Body.

Ms. Sitton said we didn't have an established way to handle the decisions so we

wanted to bring it here.

Councilor Vigil Coppler said if it is so important to collect glass, then the City should bite the bullet and collect it.

Ms. Sitton said no other cities in New Mexico collect glass curbside. We couldn't keep employees and there were lots of injuries to them. We have a very stable work force now with no turnover since we went to automated pick up.

Mr. Jones said we should assess the recycling as soon as possible. Just give her direction so she can come back with a recommendation to us.

Chair Rivera said the agenda says possible action. He favors closing Ft. Marcy.

Mr. Martinez said the direction is flexible. You have given Ms. Sitton direction. It is under Informational Items.

Councilor Villarreal suggested they look at a closing this site, but first look at Calle Mejia or another site near Ft. Marcy and have the neighborhood associations participate in discussions. At least communicate it with them.

CONSENT - ACTION CALENDAR

8. MONTHLY UPDATE OF CAPITAL IMPROVEMENT PROJECTS
Shannon Jones, Public Utilities Department Director

Approved on consent.

9. UPDATE ON CURRENT WATER SUPPLY STATUS AND DROUGHT, MONSOON AND STORAGE. Nick Schiavo, Source of Supply Operations Manager

Approved on consent.

10. ENVIRONMENTAL SERVICES DIVISION MONTHLY UPDATE. Shirlene Sitton, Environmental Services Division Director

Approved on consent.

- 11. REQUEST FOR APPROVAL OF THE 2019 PUBLIC UTILITIES COMMITTEE MEETING CALENDAR. Stephanie Lopez, Public Utilities Department Office Manager**

Approved on consent.

- 12. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 4 TO THE PSA # 16-0341 WITH AUI, INC. FOR THE FINAL PROJECT CLOSEOUT TAX ADJUSTMENT FOR THE HOSPITAL TANK PROJECT FOR THE AMOUNT OF \$11,862.44. Kristin Johansen, Engineer**

Councilor Romero-Wirth asked why did we not choose to charge tax. What happened there.

Ms. Johansen said it was an error and we didn't discover that until we paid the final payment. We went to change the PO and realized tax was not included in it. We needed to compensate for those.

Councilor Romero-Wirth said we normally have GRT on our expenditures. She wondered why it was overlooked.

Ms. Johansen said it was actually included in the change order form and she is not quite sure why it didn't go through. We usually show it as a separate line item.

MOTION: Councilor Romero-Wirth moved, seconded by Councilor Villarreal, to approve the request.

VOTE: The motion was approved on a voice vote with Councilors Rivera, Romero-Wirth, Vigil Coppler and Villarreal voting in favor of the motion and none voting against.

- 13. REQUEST FOR APPROVAL OF PROCUREMENT OF WATER SERVICE CONNECTION EQUIPMENT - STATE PRICE AGREEMENTS 60-000-15-00030 AND 60-000-16-00067 AND WATER METERS AND SUPPLIES - STATE PRICE AGREEMENT 50-000-1500052: VENDORS: BAKER UTILITY SUPPLY CORP., CORE AND MAIN LTD, FERGUSON WATER WORKS. Mike Moya, Transmission and Distribution Section Manager**

Approved on Consent.

14. REQUEST FOR APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH SERVICE LINE WARRANTIES OF AMERICA; UTILITY SERVICE PARTNERS FOR THE USE OF THE CITY OF SANTA FE LOGO ON WARRANTY SERVICES CORRESPONDENCE. Shannon Jones, Public Utilities Department Director

Councilor Villarreal said she understands what the company would like to do, but people see the logo and think it is a program of the City. Why do we do that. Do we get compensated for the use of our logo.

Mr. Jones said the services we are talking about are open to any homeowner who would like to get that insurance. The City is not compensated in any way, but the acknowledgment is that the services are to repair the service line. It is a competitive process and for the use of the logo service the warranty is not proprietary to any one firm.

Councilor Villarreal said so it is misinformation in the packet. It says the City is compensated. Is that through a lower rate.

Mr. Jones said a better rate.

Councilor Villarreal asked why do you think it is good to have the City logo on it.

Mr. Martinez said he understood the company said they get higher responses with the City logo on their letter and would charge a lower rate to use the logo.

Mr. Jones said it is a discount rate, but that is not in the packet. He could provide that.

Councilor Villarreal said we asked last year about how many residents actually used this service in the last fiscal year.

Mr. Jones said it is about 13%, but he can get that to you. It is about 3,800 residents. They must be a home owner which disqualifies many.

Councilor Villarreal asked is it in the letter.

Mr. Jones said they are targeted so they know about it.

Councilor Villarreal asked how many repairs does it cover.

Mr. Jones said he has compiled some of those numbers. It is based on how many claims are paid out. There were about 189 claims and 2 or 3 were not covered.

Councilor Villarreal said she didn't see that in the packet.

Mr. Jones said he will get that to Councilor Villarreal.

Councilor Villarreal asked how many years have we been doing this.

Mr. Jones said this is our 5th year. He does not have the numbers year by year, but he can get the final numbers and share those with her.

Councilor Villarreal said the tracking is to Finance so we have some time.

Councilor Vigil Coppler said she never liked the use of the City logo on this product. She talked to a few people who found it very misleading. The City should not be loaning their logo. At least the City should have a disclaimer in it. If we continue to use the City logo, it should have a big disclaimer on it. They are preying on people by using our logo.

Councilor Romero-Wirth said she tends to agree with Councilor Vigil Coppler. She remembers needing to study the letter. The better thing to do would be a letter with our logo to explain it is an option and maybe give some of the stats so people can do their own risk analysis. She is uncomfortable allowing the use of the City logo.

Mr. Jones said he doesn't know if homeowners insurance would cover this. There are probably other companies who provide it.

Councilor Romero-Wirth said if it is covered by homeowners insurance why is this needed in addition to that. She was very confused by it and she has a law degree so she can imagine it is confusing to others.

Councilor Villarreal asked what is the cost per month.

Mr. Jones said it is about \$26 a month.

Chair Rivera asked Shannon does this ask for approval of the agreement.

Mr. Jones said this is a new PSA to approve that one service.

Chair Rivera said he agrees with his fellow Councilors that we don't like the use of the City logo. He has to explain its use to people. This is a for-profit company. The rates are lower, but they are making money.

Councilor Villarreal said she would like to approve the contract without the logo.

Mr. Martinez said the PSA has approval of the logo as one of the terms. Without the logo, there is little need to the PSA. If we took away the logo, supposedly the

premium reduction would not be there. If we don't approve the contract, it would not go further, or you could direct him or Shannon to negotiate further. Without your approval, they can't send out letters with the City logo.

Councilor Romero-Wirth asked how much is the reduction.

Mr. Martinez said he would like to know that too but it is not here.

MOTION: Councilor Romero-Wirth moved to have Marcos continue to work on this and have a letter of other options and see if the discount would still be offered and to use our letterhead to explain options to the homeowner.

Chair Rivera asked couldn't we draft our own letter for it.

Mr. Martinez said yes and these services can still exist.

Chair Rivera said he thought we should include, as friendly amendment, to add all the other information we have and what the discounted rate would be.

Councilor Romero-Wirth said she doesn't think that should be added to the motion, but rather just ask the company if they would accept it without the logo. There are a lot more details that are not in the packet.

Councilor Vigil Coppler said she thought the motion is to ask the company if they would accept a letter instead of the logo.

Councilor Romero-Wirth said the motion is that we vet this company and we find out if homeowners insurance covers and we explain that in a letter from the City. We give the options.

Chair Rivera said and bring the information back to this Committee.

Councilor Vigil Coppler said so it is postponement.

Councilor Romero-Wirth said yes.

Councilor Villarreal said we have to postpone to hear from the company about this and options and get additional information.

Councilor Romero-Wirth said she didn't think a motion was needed to get the information. We can postpone and offer a letter on our letterhead.

SECOND The motion was seconded by Councilor Vigil Coppler.

VOTE: The motion was approved on a voice vote with Councilors Rivera, Romero-Wirth, Vigil Coppler and Villarreal voting in favor of the motion and none voting against.

- 15. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO THE ORIGINAL PSA ITEM #18-0624 WITH YULON AND ASSOCIATED FOR T&d INSTRUMENTATION PRV SITES FOR THE AMOUNT OF \$5,000.00 EACH FISCAL YEAR BEGINNING FY 2018/2019 FOR FOUR (4) YEARS FOR A TOTAL OF \$20,000.00 EXCLUSIVE OF NMGR. Mike Moya, Transmission and Distribution Section Manager**

Approved on Consent.

DISCUSSION AND ACTION

- 16. REQUEST FOR APPROVAL OF CREDIT ADJUSTMENT FOR OILSTOP FOR THE AMOUNT OF \$69,266.33. Caryn Fiorina, Utility Billing Division Director**

Chair Rivera left the room. Councilor Villarreal is chairing the meeting at this time.

Ms. Fiorina said Oilstop has had a lease for several years and contacted us and complained about high usage. Our team went out and they found the leak was on the City side so we worked with the owner on what their actual leakage was. It was around March or April before we figured out the adjustment. She is confident that this amount is correct.

MOTION: Councilor Vigil Coppler moved, seconded by Councilor Romero-Wirth, to approve the request.

Councilor Villarreal asked does this go back to 2015.

Ms. Fiorina said correct. During that time, their bills were very high and they paid the bills. So this is money we owe them. Staff validated their consumption before the leak to compare.

VOTE: The motion was approved on a voice vote with Councilors Rivera, Romero-Wirth, Vigil Coppler and Villarreal voting in favor of the motion and none voting against

Chair Rivera returned to the meeting.

17. **REQUEST FOR APPROVAL OF BILL NO. 2018 - _____ - AN ORDINANCE CONCERNING THE MUNICIPAL WASTEWATER UTILITY SYSTEM OF THE CITY OF SANTA FE, NEW MEXICO (THE "SYSTEM"); PROVIDING FOR THE ISSUANCE OF THE CITY'S NET SYSTEM IMPROVEMENT BONDS, SERIES 2018, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 FOR THE EXTENSION, ENLARGEMENT, BETTERMENT, REPAIR AND OTHER IMPROVEMENT OF THE SYSTEM; PROVIDING THAT THE BONDS SHALL BE PAYABLE SOLELY OUT OF THE NET REVENUES DERIVED FROM THE OPERATION OF THE SYSTEM; PROVIDING FOR THE ACQUISITION OF A RESERVE FUND INSURANCE POLICY IN CONNECTION WITH THE DEBT SERVICE RESERVE FUND ESTABLISHED IN CONNECTION WITH THE BONDS; PROVIDING THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE METHOD OF PAYING THE PRINCIPAL OF AND INTEREST ON THE BONDS AND THE SECURITY THEREFOR; PRESCRIBING OTHER DETAILS CONCERNING THE SYSTEM REVENUES, BONDS AND THE SYSTEM, INCLUDING BUT NOT LIMITED TO COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH AND WITH FUTURE FINANCING THEREFOR; APPROVING FORMS OF A PRELIMINARY OFFICIAL STATEMENT AND A CONTINUING DISCLOSURE UNDERTAKING IN CONNECTION WITH THE BONDS; DELEGATING AUTHORITY TO THE MAYOR, CITY MANAGER, AND FINANCE DIRECTOR OF THE CITY TO DETERMINE THE EXACT PRINCIPAL AMOUNTS, MATURITY DATES, INTEREST RATES, PRICES, REDEMPTION FEATURES AND OTHER FINAL TERMS OF THE BONDS PURSUANT TO A FINAL TERMS CERTIFICATE; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH; AND REPEALING ALL ORDINANCES IN CONFLICT HERewith. Councilor Rivera. Brad Fluetsch, Department of Finance.**

Mr. Fluetsch reviewed the memo in the meeting packet.

Mr. Fluetsch said given the bond market and the curve at present, Wastewater would be in better position to use a bond to pay for this and they can keep the cash reserves. Rates will continue to go up. We are past the great recession. To look at the future, he expects 3% on the front end and 55% on the back end. Interest rates are going to go up. If we waited, it would cost the City more. He was at a conference recently and the one thing interesting about this bond and this opportunity are green bonds that has environmental benefit. In discussion with Wastewater staff, this digester has a 4m component that would combust the methane and would qualify this bond as a green bond. There are more green investors seeking bonds than bonds available. That is not part of the package, but the Bond Counsel will talk to us once we select the

underwriter for certifying it ourselves or having it certified by another. Prior to this bond, all wastewater bonds were with a subordinate lien from GRT.

Mr. Fluetsch said his thought is this is a good idea for the City.

Chair Rivera asked Shannon to say what this means for the City.

Mr. Jones said the financial plan comes back positive. It was vetted by our financial consultant and would not affect rates.

Chair Rivera said he supports it. It is not the same as a GRT bond and it won't affect any of our programs.

Councilor Vigil Coppler said she likes the proposal. In the event we ended up using the cash would it leave us with the required reserves for Wastewater or is there a requirement.

Mr. Jones said we maintain 3 different reserves. The reserves required are still met at about \$7million. So even with the digester purchased by cash we would still meet those reserves.

MOTION: Councilor Vigil Coppler moved, seconded by Councilor Villarreal to approve the request.

DISCUSSION: Councilor Villarreal asked if someone asks us what will the bond cover and why is a digester important what do we say.

Mr. Jones said the digester project is wastewater treatment of solids taken out of the water. This would reduce the amount of solids that would save money for citizens. Cogeneration uses byproducts including methane and burning it generates more electricity and captures heat that heats the digesters. It is reducing the need for natural gas.

Councilor Villarreal said she is trying to figure out how to communicate that with the public

Councilor Romero-Wirth asked doesn't it also address odors.

Mr. Jones said that is true with how the digesters work. Presently our digesters are very old. Odor reduction was mentioned in the correspondence. Now, our only way to stabilize it is with lime. With the new the digester we will take oils and grease and scum and send them into the digester to generate electricity and heat. Cogeneration made that a reality for us.

VOTE: The motion was approved on a voice vote with Councilors Rivera, Romero-Wirth, Vigil Coppler and Villarreal voting in favor of the motion and none voting against.

18. MATTERS FROM THE PUBLIC

None.

19. MATTERS FROM THE CITY ATTORNEY

None.

20. MATTERS FROM STAFF

None.


21. MATTERS FROM THE COMMITTEE

None.


**22. NEXT MEETING
NOVEMBER 7, 2018**

23. ADJOURN

There being no further business before the Committee the meeting adjourned at 7:25 PM.



Councilor Christopher Rivera, Chair



Elizabeth Martin, Stenographer