



Agenda

CITY CLERK'S OFFICE

DATE 11-26-08 TIME 9:35

SERVED BY Yolanda Lopez

RECEIVED BY [Signature]

ALL MEMBERS OF THE GOVERNING BODY HAVE BEEN INVITED TO ATTEND THIS MEETING

FINANCE COMMITTEE MEETING
DECEMBER 1, 2008
5:15 P.M.
CITY COUNCIL CHAMBERS

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES:

NOVEMBER 3, 2008 FINANCE COMMITTEE MEETING
NOVEMBER 17, 2008 SPECIAL FINANCE COMMITTEE MEETING

MATTERS FROM THE COMMITTEE:

CONSENT AGENDA:

6. BID OPENINGS:
 - A. BID NO. 09/06/B – GENOVEVA CHAVEZ COMMUNITY CENTER ENTRY IMPROVEMENTS AND AGREEMENT BETWEEN OWNER AND CONTRACTOR; WEIL CONSTRUCTION, INC. (MARTIN VALDEZ)
 1. REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND
 - B. BID NO. 09/07/B – RUGBY FIELDS PHASE II – CONCESSION/RESTROOMS AND AGREEMENT BETWEEN OWNER AND CONTRACTOR; LOCKWOOD CONSTRUCTION COMPANY (MARY MACDONALD)



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- C. BID NO. 09/08/B, 09/09/B, 09/10/B, 09/11/B, 09/12/B, 09/13/B – CHEMICALS FOR WATER DIVISION; DPC INDUSTRIES, INC. (VICTOR ARCHULETA)
7. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 8 – TRANSIT FACILITY EXPANSION; ESA CONSTRUCTION, INC. (MARY MACDONALD)
8. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – BOBCAT SKID STEER LOADER FOR STREETS AND DRAINAGE DIVISION; TOM GROWNEY EQUIPMENT, INC. (DAVID CATANACH)
9. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 5 – AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR MAGER'S FIELD PARK PHASE 2 IMPROVEMENTS; ACCENT LANDSCAPE CONTRACTORS, INC. (BEN GURULE)
10. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO LEASE AGREEMENT – RIGHTS OF USAGE OF LAND LOCATED AT CAMINO ENTRADA; NEW MEXICO DEPARTMENT OF PUBLIC SAFETY (EDWARD VIGIL)
11. REQUEST FOR APPROVAL OF HARDWARE AND SOFTWARE MAINTENANCE AGREEMENT – INTEGRATED SYSTEM FOR SANTA FE PUBLIC LIBRARY DIVISION; INNOVATIVE INTERFACES, INC. (PATRICIA HODAPP)
12. REQUEST FOR APPROVAL OF CONTRACT – PURCHASE AND EQUIP VEHICLES TO PROVIDE TRANSPORTATION FOR DIVISION OF SENIOR SERVICES PROGRAM (RON VIALPANDO)
 - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – NEW MEXICO STATE AGENCY CAPITAL OUTLAY FUND
13. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – BUCKMAN WELL FIELD ARSENIC REMOVAL PILOT TESTING (RFP #09/05/P); NARASIMHAN CONSULTING SERVICES, INC. (BILL HUEY)
14. REQUEST FOR APPROVAL OF WATER RIGHTS PURCHASE AGREEMENT – WATER RIGHTS WITHIN THE MIDDLE RIO GRANDE CONSERVANCY DISTRICT; SUSAN L. BUCKLEY (DALE LYONS)
15. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – BROADCAST INFRASTRUCTURE AT SANTA FE COMMUNITY CONVENTION CENTER; COUNTER TRADE PRODUCTS, INC. (JOE ABEYTA)



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16. REQUEST FOR APPROVAL OF AMENDMENT NO. 5 TO LEGAL SERVICES AGREEMENT – CITY OF SANTA FE’S HOSPITAL TANK REHABILITATION AND RELATED LEGAL ISSUES FOR WATER DIVISION; SHEEHAN, SHEEHAN & STELZNER (MAUREEN REED)
17. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – COMMITTEE STENOGRAPHIC SERVICES; MELESSIA HELBERG (YOLANDA VIGIL)
18. REQUEST FOR APPROVAL OF AMENDMENT NO. 6 TO CONSTRUCTION AGREEMENT – CITY WIDE SEWER LINE SPOT REPAIR; TRIMAN CONSTRUCTION INDUSTRIES (LISA SANDOVAL)
19. REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT – BUCKMAN DIRECT DIVERSION PROJECT CONSULTING AND ACCOUNT SERVICES; COONEY, WATSON AND ASSOCIATES, INC. (RICK CARPENTER)
20. REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT – BUCKMAN DIRECT DIVERSION PROJECT SERVICES; WRISC, INC. (RICK CARPENTER)
21. REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT – BUCKMAN DIRECT DIVERSION PROJECT IMPLEMENTATION; NORMAN GAUME, P.E. (RICK CARPENTER)
22. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – WATER DIVISION FINANCE PLAN; MALCOLM PIRNIE, INC. (GARY MARTINEZ)
23. SANTA FE RAILYARD COMMUNITY CORPORATION:
 - A. UPDATE TO THE POLICIES AND PROCEDURES (ROBERT ROMERO)
 - B. REQUEST FOR APPROVAL OF AMENDMENT NO. 14 TO PROFESSIONAL SERVICES AGREEMENT – DEBRIS REMOVAL, POLICES AND PROCEDURES AND ALCALDESSA STREET CONSTRUCTION (BOB SIQUEIROS)
 1. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT – RAILYARD DEVELOPMENT INFRASTRUCTURE FUND



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- C. REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT – RAILYARD PROPERTY INFRASTRUCTURE IMPROVEMENTS (BOB SIQUEIROS)
 - 1. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT – RAILYARD DEVELOPMENT INFRASTRUCTURE FUND
- 24. REQUEST FOR APPROVAL OF BUDGET INCREASE FOR DWI SCHOOL FUND FROM CASH BALANCE FOR POLICE DEPARTMENT FITNESS EQUIPMENT REPLACEMENT (CHIEF ERIC JOHNSON)
- 25. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – ENERGY PARTNERSHIP LOAN FUND PROGRAM (RFP #09/02/P); HOMEWISE (NICK SCHIAVO)
 - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – TIERRA CONTENTA LAND SALE FUND
- 26. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT FOR RESTRICTED CASH ACCOUNT AS REQUIRED FOR CITY'S MUNICIPAL BIO-SOLIDS FACILITY BY STATE OF NEW MEXICO DEPARTMENT (BRYAN ROMERO)
 - A. REQUEST FOR APPROVAL OF BUDGET INCREASE – WASTEWATER ENTERPRISE FUND
- 27. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – SIX (6) VEHICLES FOR ITT DIVISION; RELIABLE CHEVROLET (ROBERT RODARTE)
- 28. REQUEST FOR APPROVAL OF BUDGET INCREASE/DECREASE OF GRANTS FOR RAILYARD PROJECTS FROM THE STATE OF NEW MEXICO (TERESITA GARCIA)
- 29. REQUEST FOR APPROVAL OF BUDGET INCREASE OF PROJECT FUNDS FOR SANTA FE COMMUNITY CONVENTION CENTER AND RAILYARD INFRASTRUCTURE FOR FY 2008/2009 (TERESITA GARCIA)
- 30. REQUEST FOR APPROVAL OF AMENDMENT NO. I TO PROFESSIONAL SERVICES AGREEMENT – MUNICIPAL COURT RENOVATIONS; LLOYD & ASSOCIATES ARCHITECTS (CHIP LILIENTHAL)



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- 31. RAIL RUNNER PHASE II – BERNALILLO TO SANTA FE:
 - A. REQUEST FOR APPROVAL OF MEMORANDUM OF UNDERSTANDING – NEW MEXICO RAIL RUNNER EXPRESS; THE MID REGION COUNCIL OF GOVERNMENTS (ROBERT ROMERO)
 - B. REQUEST FOR APPROVAL OF SANTA FE TRAILS STAFF EXPANSIONS FOR RAIL RUNNER CONNECTIONS (JON BULTHUIS)
 - C. REQUEST FOR APPROVAL OF GRANT AGREEMENT AND EQUIPMENT PROCUREMENT REQUEST – RAIL RUNNER CONNECTING SERVICE TO SANTA FE; NEW MEXICO DEPARTMENT OF TRANSPORTATION (JON BULTHUIS)

PROPOSED RESOLUTIONS AND ORDINANCES: (WITH NO FISCAL IMPACT)

- 32. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 14-4.3(D) SFCC 1987 TO CREATE A HOSPITAL ZONING DISTRICT WITHIN LAS SOLERAS AND MAKING SUCH OTHER CHANGES AS ARE NECESSARY (MAYOR COSS AND COUNCILOR CHAVEZ) (JACK HIATT AND JEANNE PRICE)

Committee Review:

Planning Commission (Approved)	November 6, 2008
Public Works Committee (Approved)	November 10, 2008
City Council (Request to Publish)	December 10, 2008
City Council (Public Hearing)	January 28, 2008

- 33. REQUEST FOR APPROVAL OF A RESOLUTION URGING THE NEW MEXICO STATE LEGISLATURE TO ADOPT GANG RELATED LEGISLATION (COUNCILOR DOMINGUEZ) (MATTHEW MARTINEZ)

Committee Review:

Public Safety Committee (Approved)	November 16, 2008
City Council (Scheduled)	December 10, 2008

- 34. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 6-16.4 SFCC 1987 REGARDING HEARINGS BEFORE THE ETHICS AND CAMPAIGN REVIEW BOARD; AND AMENDING VARIOUS SECTIONS OF ARTICLE 9-2 SFCC 1987 CAMPAIGN CODE (MAYOR COSS) (YOLANDA VIGIL)

Committee Review:

City Council (Request to Publish)	December 10, 2008
City Council (Public Hearing)	January 14, 2008



PROPOSED RESOLUTIONS AND ORDINANCES: (WITH NO FISCAL IMPACT)

35. REQUEST FOR APPROVAL OF A RESOLUTION URGING THE NEW MEXICO STATE LEGISLATURE TO AMEND THE LOCAL LIQUOR EXCISE TAX TO AUTHORIZE ALL NEW MEXICO COUNTIES TO IMPOSE A LOCAL LIQUOR TAX UPON APPROVAL OF THE LOCAL VOTERS AND TO AUTHORIZE THE USE OF THE TAX PROCEEDS TO FUND SOCIAL SERVICE PROGRAMS SERVING PERSONS IMPACTED BY ALCOHOL AND DRUG ABUSE (COUNCILOR ROMERO) (CAROL HORWITZ)

Committee Review:

City Council (Scheduled)

December 10, 2008

36. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO MAKE RECOMMENDATIONS TO THE GOVERNING BODY REGARDING THE CREATION OF A MEMORIAL TO HONOR TONY HILLERMAN, AN AWARD-WINNING NEW MEXICO AUTHOR, WHO FOR PART OF HIS LIFE RESIDED IN SANTA FE (MAYOR COSS, COUNCILORS WURZBURGER, CALVERT, ROMERO AND BUSHEE) (PATRICIA HODAPP)

Committee Review:

City Council (Scheduled)

December 10, 2008

37. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO PURSUE FUNDING FROM THE STATE LEGISLATURE AND OTHER SOURCES FOR THE CONSTRUCTION OF THE TIERRA CONTENTA SUBDIVISION AREA EFFLUENT WATER LINE AND FOR THE DESIGN AND CONSTRUCTION OF A FUTURE EXTENSION FROM THIS LINE ALONG THE ARROYO CHAMISO TO GOVERNOR MILES ROAD (COUNCILOR CHAVEZ) (BRYAN ROMERO)

Committee Review:

Public Utilities (Scheduled)

December 3, 2008

City Council (Scheduled)

December 10, 2008

38. REQUEST FOR APPROVAL OF A RESOLUTION INITIATING EFFORTS TO ACQUIRE OR OTHERWISE SECURE THE STATE OWNED ARCHIVES BUILDING AND PROPERTY LOCATED ON THE CORNER OF MONTEZUMA AND GUADALUPE STREETS IN ORDER TO INSURE THAT THE RAILYARD WILL SERVE AS A HUB TO PROMOTE AND ACCOMMODATE ALTERNATE MODES OF TRANSPORTATION (COUNCILOR BUSHEE, MAYOR COSS, COUNCILORS DOMINGUEZ, TRUJILLO, ORTIZ, CALVERT, ROMERO AND WURZBURGER) (BOB SIQUEIROS)

Committee Review:

Public Works Committee (Scheduled)

December 8, 2008

City Council (Scheduled)

December 10, 2008



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PROPOSED RESOLUTIONS AND ORDINANCES: (WITH FISCAL IMPACT)

- 39. REQUEST FOR APPROVAL OF A RESOLUTION SUPPORTING THE EFFORTS OF SANTA FE COUNTY IN ORGANIZING A “YOUTH CAN DO IT” POSITIVE YOUTH DEVELOPMENT CONFERENCE; WAIVING THE FEES FOR USE OF THE SANTA FE COMMUNITY CONVENTION CENTER FOR SUCH CONFERENCE; AND DIRECTING STAFF TO WORK WITH SANTA FE COUNTY TO INCORPORATE A WORKSHOP INTO THE CONFERENCE REGARDING CULTURAL IDENTITY (COUNCILOR DOMINGUEZ) (TERRIE RODRIGUEZ)

Committee Review:

City Council (Scheduled)

December 10, 2008

- 40. REQUEST FOR APPROVAL OF A RESOLUTION RECOGNIZING AND CELEBRATING THE RIVER FESTIVAL AND FISHING DERBY AS AN ANNUAL EVENT TO BE HELD ON THE FIRST SATURDAY IN JUNE, BEGINNING IN 2009 AND EVERY YEAR THEREAFTER (COUNCILOR TRUJILLO AND ROMERO) (RACHEL FRIEDMAN AND ALAN HOOK)

Committee Review:

Public Utilities Committee (Approved)

November 5, 2008

Public Works Committee (Approved)

November 10, 2008

Business & Quality of Life (Approved)

November 19, 2008

City Council (Scheduled)

December 10, 2008

- 41. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT TO PROCEED WITH A COMMUNITY PLANNING PROCESS FOR THE SANTA FE BOULEVARDS PROJECT THAT WILL RESULT IN A MASTER PLAN THAT FOCUSES ON THOROUGHFARE DESIGN AND ADJOINING LAND DEVELOPMENT ALONG ST. MICHAEL’S DRIVE AND AIRPORT ROAD (COUNCILORS DOMINGUEZ, WURZBURGER, TRUJILLO, ROMERO, CALVERT AND MAYOR COSS) (REED LIMING)

Committee Review:

Public Works Committee (Approved)

November 10, 2008

City Council (Scheduled)

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- 42. REQUEST FOR APPROVAL OF A RESOLUTION AUTHORIZING AND APPROVING SUBMISSION OF AN EXECUTED AGREEMENT FOR FINANCIAL ASSISTANCE TO THE NEW MEXICO ENVIRONMENT DEPARTMENT, CONSTRUCTION PROGRAMS BUREAU, FOR THE PLANNING, DESIGN, ENGINEERING AND CONSTRUCTION OF A WATER LINE AND A SEWER LINE FOR THE 2400 BLOCK OF AGUA FRIA STREET (COUNCILORS CHAVEZ AND DOMINGUEZ) (STAN HOLLAND)



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Committee Review:

Public Utilities Committee (Scheduled)
City Council (Scheduled)

December 3, 2008
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- A. REQUEST FOR APPROVAL OF GRANT AGREEMENT – AGUA FRIA ROADS WATER AND SEWER LINES EXTENSION; NEW MEXICO ENVIRONMENT DEPARTMENT CONSTRUCTION PROGRAMS BUREAU (STAN HOLLAND)
 - 1. REQUEST FOR APPROVAL OF BUDGET INCREASE – GRANT FUND
- 43. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO ENTER INTO A CAPITAL COOPERATIVE AGREEMENT WITH THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (COUNCILOR CALVERT) (DAVID CATANACH)

Committee Review:

Public Works Committee (Approved)
City Council (Scheduled)

November 10, 2008
December 10, 2008

DISCUSSION:

PUBLIC HEARING:

- 44. DISCUSSION ON PLANNED BUDGET CONTROL ACTIONS AND REVIEW OF FISCAL YEAR 2008/2009 BUDGET STATUS (DAVID MILLICAN) (Postponed at Finance Committee meeting of November 17, 2008)

PUBLIC HEARING:

- 45. REQUEST FOR APPROVAL OF A RESOLUTION TAKING CERTAIN AND IMMEDIATE ACTIONS TO SAFEGUARD CITY FINANCES AND REQUESTING FOLLOW-UP ACTIONS TO ENSURE CITY FINANCIAL STABILITY (COUNCILORS ORTIZ, BUSHEE AND WURZBURGER) (DAVID MILLICAN) (Postponed at Finance Committee meeting of November 17, 2008)

PUBLIC HEARING:

- 46. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE CITY MANAGER TO TAKE CERTAIN ACTIONS TO MOVE OUR ECONOMY FORWARD AND PROVIDE JOBS FOR OUR CITIZENS; AND ENCOURAGING OUR CONGRESSIONAL REPRESENTATIVES AND OUR PRESIDENT TO ACT QUICKLY TO INVEST IN THE REAL ECONOMICS OF OUR CITIES IN PARTNERSHIP WITH CITIES AROUND THE COUNTRY BY FULLY FUNDING THE MAIN STREET STIMULUS PACKAGE (MAYOR COSS) (COUNCILOR WURZBURGER) (ROBERT ROMERO) (Postponed at Finance Committee meeting of November 17, 2008)



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47. OTHER FINANCIAL INFORMATION:

- A. REVIEW OF INVESTMENT PORTFOLIO AS OF SEPTEMBER 30, 2008
(HELENE HAUSMAN)
- B. UPDATE FROM DEPARTMENT OF FINANCE ANNUAL BUDGET
CONFERENCE REGARDING THE NEW MEXICO ECONOMY AND OTHER
BUDGET ISSUES (DAVID MILLICAN)

48. ADJOURN

Interpreter for hearing impaired is available through City Clerk's Office upon 5 days notice.

**SUMMARY OF ACTION
FINANCE COMMITTEE MEETING
Monday, December 1, 2008**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER AND ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved [amended]	1-2
APPROVAL OF CONSENT AGENDA	Approved [amended]	3
CONSENT AGENDA LISTING		3-8
<u>APPROVAL OF MINUTES:</u>		
NOVEMBER 3, 2008 FINANCE COMMITTEE MEETING	Approved	8
NOVEMBER 17, 2008 SPECIAL FINANCE COMMITTEE MEETING	Approved	8
<u>MATTERS FROM THE COMMITTEE</u>	None	8
<u>PUBLIC HEARINGS</u>		
DISCUSSION ON PLANNED BUDGET CONTROL ACTIONS AND REVIEW OF FISCAL YEAR 2008/2009 BUDGET STATUS	Action on some items	8-22
<u>CONSENT AGENDA DISCUSSION</u>		
<u>BID OPENINGS:</u>		
BID NO. 09/06/B – GENOVEVA CHAVEZ COMMUNITY CENTER ENTRY IMPROVEMENTS AND AGREEMENT BETWEEN OWNER AND CONTRACTOR; WEIL CONSTRUCTION, INC. REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND	Approved	22-23
<u>BID OPENINGS:</u>		
BID NO. 09/07/B – RUGBY FIELDS PHASE II – CONCESSION/RESTROOMS AND AGREEMENT BETWEEN OWNER AND CONTRACTOR; LOCKWOOD CONSTRUCTION COMPANY	Approved [conditioned]	23-24

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
REQUEST FOR APPROVAL OF CHANGE ORDER NO. 8 - TRANSIT FACILITY EXPANSION; ESA CONSTRUCTION, INC.	Approved	24
REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT - BOBCAT SKID STEER LOADER FOR STREETS AND DRAINAGE DIVISION; TOM GROWNEY EQUIPMENT, INC.	Postponed to 02/02/09	25
REQUEST FOR APPROVAL OF CHANGE ORDER NO. 5 - AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR MAGER'S FIELD PARK, PHASE 2 IMPROVEMENTS; ACCENT LANDSCAPE CONTRACTORS, INC.	Approved	25
REQUEST FOR APPROVAL OF HARDWARE AND SOFTWARE MAINTENANCE AGREEMENT - INTEGRATED SYSTEM FOR SANTA FE PUBLIC LIBRARY DIVISION; INNOVATIVE INTERFACES, INC.	Approved	25-26
SANTA FE RAILYARD COMMUNITY CORPORATION: UPDATE TO THE POLICIES AND PROCEDURES	Denied	26-27
REQUEST FOR APPROVAL OF BUDGET INCREASE FOR DWI SCHOOL FUND FROM CASH BALANCE FOR POLICE DEPARTMENT FITNESS EQUIPMENT REPLACEMENT	Approved	27-28
REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT - ENERGY PARTNERSHIP LOAN FUND PROGRAM (RFP #09/02/P); HOMEWISE REQUEST FOR APPROVAL OF BUDGET INCREASE - TIERRA CONTENTA LAND SALE FUND	Approved [amended]	28-29
REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT FOR RESTRICTED CASH ACCOUNT AS REQUIRED FOR CITY'S MUNICIPAL BIO-SOLIDS FACILITY BY STATE OF NEW MEXICO DEPARTMENT REQUEST FOR APPROVAL OF BUDGET INCREASE - WASTEWATER ENTERPRISE FUND	Approved	29-30

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – SIX (6) VEHICLES FOR ITT DIVISION; RELIABLE CHEVROLET	Approved [amended]	30
REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – MUNICIPAL COURT RENOVATIONS; LLOYD & ASSOCIATES	Approved	30-31
REQUEST FOR APPROVAL OF MEMORANDUM OF UNDERSTANDING – NEW MEXICO RAIL RUNNER EXPRESS; THE MID-REGION COUNCIL OF GOVERNMENTS *****	Approved	31
END OF CONSENT CALENDAR DISCUSSION *****		
<u>DISCUSSION AGENDA:</u>		
REQUEST FOR APPROVAL OF A RESOLUTION TAKING CERTAIN AND IMMEDIATE ACTIONS TO SAFEGUARD CITY FINANCES AND REQUESTING FOLLOW-UP ACTIONS TO ENSURE CITY FINANCIAL STABILITY	Approved [amended]	31-33
REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE CITY MANAGER TO TAKE CERTAIN ACTIONS TO MOVE OUR ECONOMY FORWARD AND PROVIDE JOBS FOR OUR CITIZENS; AND ENCOURAGING OUR CONGRESSIONAL REPRESENTATIVES AND OUR PRESIDENT TO ACT QUICKLY TO INVEST IN THE REAL ECONOMICS OF OUR CITIES IN PARTNERSHIP WITH CITIES AROUND THE COUNTRY BY FULLY FUNDING THE MAIN STREET STIMULUS PACKAGE	Approved [amended]	33-36
<u>OTHER FINANCIAL INFORMATION</u>		
REVIEW OF INVESTMENT PORTFOLIO AS OF SEPTEMBER 30, 2008	Information/discussion	36
UPDATE FROM DEPARTMENT OF FINANCE ANNUAL BUDGET CONFERENCE REGARDING THE NEW MEXICO ECONOMY AND OTHER BUDGET ISSUES	Information	36
OTHER ITEMS		36-37
ADJOURNMENT		37

**MINUTES OF THE
CITY OF SANTA FE
FINANCE COMMITTEE**
Monday, December 1, 2008

1. CALL TO ORDER

A meeting of the City of Santa Fe Finance Committee was called to order by Chair Matthew E. Ortiz, at approximately 5:15 p.m., on Monday, December 1, 2008, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Councilor Matthew E. Ortiz, Chair
Councilor Christopher Calvert
Councilor Miguel Chavez
Councilor Carmichael A. Dominguez
Councilor Rebecca Wurzbarger

OTHER GOVERNING BODY MEMBERS ATTENDING:

Mayor David Coss
Councilor Ronald S. Trujillo
Councilor Patti J. Bushee
Councilor Rosemary Romero

OTHERS ATTENDING:

Galen Buller, City Manager
David Millican, Finance Director
Yolanda Green, Finance Division
Melessia Helberg, Stenographer.

There was a quorum of the membership in attendance for the conducting of official business.

NOTE: All items in the Committee packets for all agenda items are incorporated herewith by reference. The original Committee packet is on file in the Finance Department.

3. APPROVAL OF AGENDA

Chair Ortiz said this is supposed to be a continuation of the items discussed at the last Committee meeting. The Memorandum of recommendations from City staff to balance the budget was just received, and this is the first time he's seen it, nor has he discussed it with staff. A public hearing is scheduled for

the Resolutions and the discussion on the budget. In addition, there still is no Fiscal Impact Report for the economic stimulus resolution or the resolution requesting cuts, although some of the information has been folded in. He asked what the Committee would like to do on these particular items.

Councilor Wurzbarger said, given the priority of the Committee, she would like to request that the review of the Staff Memorandum be considered first on the agenda. She was shocked to discover that we have a Consent Agenda requesting approval of \$3.8 million. She would like to either postpone the entire Consent Agenda, or postpone several items until staff can provide information which is convincing that these items are necessary at this time, beginning with the \$400,000 renovation to the GCCC.

MOTION: Councilor Wurzbarger moved, seconded by Councilor Dominguez, to amend the Agenda to hear Item #44 first on the agenda, as a context to deciding what to do on Consent.

DISCUSSION: Councilor Dominguez said his concerns are similar to those of Councilor Wurzbarger. However, he is concerned about the suggestion to postpone the entire Consent Agenda.

Councilor Wurzbarger said it depends on what we hear, noting she has studied each and every item, reiterating there is \$3.8 million in requests. She has identified 15 items she would like to postpone.

Councilor Dominguez asked what items are time sensitive on the Consent Agenda, noting there needs to be FIRs in the packet for each item.

Councilor Chavez would like to hear staff's presentations on the Consent Agenda and the Finance Director's proposal to balance the budget which is the most pressing issue, but doesn't think this should sidetrack the items under consideration. He would like to take some time to hear it all.

FRIENDLY AMENDMENT: Councilor Dominguez said he would like to withdraw Item #39 from the Agenda. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND THERE WERE NO OBJECTIONS FROM THE OTHER COMMITTEE MEMBERS.**

FRIENDLY AMENDMENT: Mr. Millican said Item #10 needs to be postponed to the next meeting. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND AND THERE WERE NO OBJECTIONS FROM THE OTHER COMMITTEE MEMBERS.**

Councilor Calvert said he would like to hear the staff presentation first, and then consider individual items.

Councilor Romero asked if it makes sense to move with all of the Agenda items with no fiscal impact, or if the Committee will discuss all items.

Chair Ortiz said Councilor Wurzbarger has specific items on the Consent Agenda which she would like to pull and postpone, and we will do that under Item #4.

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

4. APPROVAL OF CONSENT AGENDA

Councilor Wurzbarger would like to pull items 6(A), 7, 8, 9, 23(A), 24, 25, 26, 27, 30 and 31(A) for either discussion or postponement to the next meeting. She said, given the recession conditions of the City and nation, if these items aren't postponed, she will be asking staff to provide justification/convincing arguments that it is necessary to undertake these items now, as opposed to three months from now.

MOTION: Councilor Wurzbarger moved to postpone items 6(A), 7, 8, 9, 23(A), 24, 25, 26, 27, 30 and 31(A) to the next regularly scheduled Finance Committee meeting on January 5, 2009. **The motion failed for lack of a second.**

Councilor Wurzbarger said she would like to remove items 6(A), 7, 8, 9, 23(A), 24, 25, 26, 27, 30 and 31(A) for discussion.

Councilor Calvert asked to remove Items 6(B) and 11 for discussion.

MOTION: Councilor Calvert moved, seconded by Councilor Wurzbarger, to approve the Consent Agenda as amended.

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

CONSENT AGENDA

6. BID OPENINGS:

A. *[Removed for discussion by Councilor Wurzbarger]*

B. *[Removed for discussion by Councilor Calvert]*

C. BID NO. 09/08/B, 09/09/B, 09/10/B, 09/11/B, 09/12/B, 09/13/B – CHEMICALS FOR WATER DIVISION; DPC INDUSTRIES, INC. (VICTOR ARCHULETA)

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

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

9. *[Removed for discussion by Councilor Wurzbarger]*

10. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO LEASE AGREEMENT – RIGHTS OF USAGE OF LAND LOCATED AT CAMINO ENTRADA; NEW MEXICO DEPARTMENT OF PUBLIC SAFETY. (EDWARD VIGIL)

[This item was removed from the Agenda and postponed to January 5, 2009]

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

12. **REQUEST FOR APPROVAL OF CONTRACT – PURCHASE AND EQUIP VEHICLES TO PROVIDE TRANSPORTATION FOR DIVISION OF SENIOR SERVICES PROGRAM. (RON VIALPANDO)**
 - A. **REQUEST FOR APPROVAL OF BUDGET INCREASE – NEW MEXICO STATE AGENCY CAPITAL OUTLAY FUND.**
13. **REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – BUCKMAN WELL FIELD ARSENIC REMOVAL PILOT TESTING (RFP #09/05/P); NARASIMHAN CONSULTING SERVICES, INC. (BILL HUEY)**
14. **REQUEST FOR APPROVAL OF WATER RIGHTS PURCHASE AGREEMENT – WATER RIGHTS WITHIN THE MIDDLE RIO GRANDE CONSERVANCY DISTRICT; SUSAN L. BUCKLEY. (DALE LYONS)**
15. **REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – BROADCAST INFRASTRUCTURE AT SANTA FE COMMUNITY CONVENTION CENTER; COUNTER TRADE PRODUCTS, INC. (JOE ABEYTA)**
16. **REQUEST FOR APPROVAL OF AMENDMENT NO. 5 TO LEGAL SERVICES AGREEMENT – CITY OF SANTA FE'S HOSPITAL TANK REHABILITATION AND RELATED LEGAL ISSUES FOR WATER DIVISION; SHEEHAN, SHEEHAN & STELZNER. (MAUREEN REED)**
17. **REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – COMMITTEE STENOGRAPHIC SERVICES; MELESSIA HELBERG. (YOLANDA VIGIL).**
18. **REQUEST FOR APPROVAL OF AMENDMENT NO. 6 TO CONSTRUCTION AGREEMENT – CITY WIDE SEWER LINE SPOT REPAIR; TRIMAN CONSTRUCTION INDUSTRIES. (LISA SANDOVAL)**
19. **REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT – BUCKMAN DIRECT DIVERSION PROJECT CONSULTING AND ACCOUNT SERVICES; COONEY, WATSON AND ASSOCIATES, INC. (RICK CARPENTER)**
20. **REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT – BUCKMAN DIRECT DIVERSION PROJECT SERVICES; WRISC, INC. (RICK CARPENTER)**
21. **REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT – BUCKMAN DIRECT DIVERSION PROJECT IMPLEMENTATION; NORMAN GAUME, P.E. (RICK CARPENTER)**

22. **REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT – WATER DIVISION FINANCE PLAN; MALCOLM PIRNIE, INC. (GARY MARTINEZ)**

23. **SANTA FE RAILYARD COMMUNITY CORPORATION:**
 - A. *[Removed for discussion by Councilor Wurzburger]*
 - B. **REQUEST FOR APPROVAL OF AMENDMENT NO. 14 TO PROFESSIONAL SERVICES AGREEMENT – DEBRIS REMOVAL, POLICIES AND PROCEDURES AND ALCALDESSA STREET CONSTRUCTION. (BOB SIQUEIROS)**
 1. **REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT – RAILYARD DEVELOPMENT INFRASTRUCTURE FUND.**
 - C. **REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT – RAILYARD PROPERTY INFRASTRUCTURE IMPROVEMENTS. (BOB SIQUEIROS)**
 1. **REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT – RAILYARD DEVELOPMENT INFRASTRUCTURE FUND.**

24. *[Removed for discussion by Councilor Wurzburger]*

25. *[Removed for discussion by Councilor Wurzburger]*

26. *[Removed for discussion by Councilor Wurzburger]*

27. *[Removed for discussion by Councilor Wurzburger]*

28. **REQUEST FOR APPROVAL OF BUDGET INCREASE/DECREASE OF GRANTS FOR RAILYARD PROJECTS FROM THE STATE OF NEW MEXICO. (TERESITA GARCIA)**

29. **REQUEST FOR APPROVAL OF BUDGET INCREASE OF PROJECT FUNDS FOR SANTA FE COMMUNITY CONVENTION CENTER AND RAILYARD INFRASTRUCTURE FOR FY 2008/2009. (TERESITA GARCIA)**

30. *[Removed for discussion by Councilor Wurzburger]*

31. **RAIL RUNNER PHASE II – BERNALILLO TO SANTA FE:**
 - A. *[Removed for discussion by Councilor Wurzburger]*
 - B. **REQUEST FOR APPROVAL OF SANTA FE TRAILS STAFF EXPANSIONS FOR RAIL RUNNER CONNECTIONS. (JON BULTHUIS)**

PROPOSED RESOLUTIONS AND ORDINANCES: (WITH NO FISCAL IMPACT)

32. **REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 14-4.3(D) SFCC 1987, TO CREATE A HOSPITAL ZONING DISTRICT WITHIN LAS SOLERAS AND MAKING SUCH OTHER CHANGES AS ARE NECESSARY (MAYOR COSS AND COUNCILOR CHAVEZ).**

(JACK HIATT AND JEANNE PRICE). Committee Review: Planning Commission (Approved) November 6, 2008; Public Works Committee (Approved) November 10, 2008; City Council (Request to Publish) December 10, 2008; and City Council (Public Hearing) January 28, 2008.

33. REQUEST FOR APPROVAL OF A RESOLUTION URGING THE NEW MEXICO STATE LEGISLATURE TO ADOPT GANG RELATED LEGISLATION (COUNCILOR DOMINGUEZ). (MATTHEW MARTINEZ) Committee Review: Public Safety Committee (Approved) November 16, 2008; and City Council (Scheduled) December 10, 2008.
34. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 6-16.4 SFCC 1987, REGARDING HEARINGS BEFORE THE ETHICS AND CAMPAIGN REVIEW BOARD; AND AMENDING VARIOUS SECTIONS OF ARTICLE 9-2 SFCC 1987 CAMPAIGN CODE (MAYOR COSS). (YOLANDA VIGIL) Committee Review: City Council (Request to Publish) December 10, 2008; and City Council (Public Hearing) January 14, 2008.

PROPOSED RESOLUTIONS AND ORDINANCES: (WITH NO FISCAL IMPACT)

35. REQUEST FOR APPROVAL OF A RESOLUTION URGING THE NEW MEXICO STATE LEGISLATURE TO AMEND THE LOCAL LIQUOR EXCISE TAX TO AUTHORIZE ALL NEW MEXICO COUNTIES TO IMPOSE A LOCAL LIQUOR TAX UPON APPROVAL OF THE LOCAL VOTERS AND TO AUTHORIZE THE USE OF THE TAX PROCEEDS TO FUND SOCIAL SERVICE PROGRAMS SERVING PERSONS IMPACTED BY ALCOHOL AND DRUG ABUSE (COUNCILOR ROMERO). (CAROL HORWITZ) Committee Review: City Council (Scheduled) December 10, 2008.
36. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO MAKE RECOMMENDATIONS TO THE GOVERNING BODY REGARDING THE CREATION OF A MEMORIAL TO HONOR TONY HILLERMAN, AN AWARD-WINNING NEW MEXICO AUTHOR, WHO FOR PART OF HIS LIFE RESIDED IN SANTA FE (MAYOR COSS, COUNCILORS WURZBURGER, CALVERT, ROMERO AND BUSHEE). (PATRICIA HODAPP) Committee Review: City Council (Scheduled) December 10, 2008.
37. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO PURSUE FUNDING FROM THE LATE LEGISLATURE AND OTHER SOURCES FOR THE CONSTRUCTION OF THE TIERRA CONTENTA SUBDIVISION AREA EFFLUENT WATER LINE AND FOR THE DESIGN AND CONSTRUCTION OF A FUTURE EXTENSION FROM THIS LINE ALONG THE ARROYO CHAMISO TO GOVERNOR MILES ROAD (COUNCILOR CHAVEZ). (BRYAN ROMERO) Committee Review: Public Utilities (Scheduled) December 3, 2008; and City Council (Scheduled) December 10, 2008.
38. REQUEST FOR APPROVAL OF A RESOLUTION INITIATING EFFORTS TO ACQUIRE OR OTHERWISE SECURE THE STATE OWNED ARCHIVES BUILDING AND PROPERTY LOCATED ON THE CORNER OF MONTEZUMA AND GUADALUPE STREETS IN ORDER TO

INSURE THAT THE RAILYARD WILL SERVE AS A HUB TO PROMOTE AND ACCOMMODATE ALTERNATE MODES OF TRANSPORTATION (COUNCILOR BUSHEE, MAYOR COSS, COUNCILORS DOMINGUEZ, TRUJILLO, ORTIZ, CALVERT, ROMERO AND WURZBURGER). (BOB SIQUEIROS) Committee Review: Public Works Committee (Scheduled) December 8, 2008; City Council (Scheduled) December 10, 2008.

PROPOSED RESOLUTIONS AND ORDINANCES: (WITH FISCAL IMPACT)

39. REQUEST FOR APPROVAL OF A RESOLUTION SUPPORTING THE EFFORTS OF SANTA FE COUNTY IN ORGANIZING A "YOUTH CAN DO IT" POSITIVE YOUTH DEVELOPMENT CONFERENCE; WAIVING THE FEES FOR USE OF THE SANTA FE COMMUNITY CONVENTION CENTER FOR SUCH CONFERENCE; AND DIRECTING STAFF TO WORK WITH SANTA FE COUNTY TO INCORPORATE A WORKSHOP INTO THE CONFERENCE REGARDING CULTURAL IDENTITY (COUNCILOR DOMINGUEZ). (TERRIE RODRIGUEZ) Committee Review: City Council (Scheduled) December 10, 2008.
[This item was removed from the Agenda by the Sponsor]
40. REQUEST FOR APPROVAL OF A RESOLUTION RECOGNIZING AND CELEBRATING THE RIVER FESTIVAL AND FISHING DERBY AS AN ANNUAL EVENT TO BE HELD ON THE FIRST SATURDAY IN JUNE, BEGINNING IN 2009 AND EVERY YEAR THEREAFTER (COUNCILORS TRUJILLO AND ROMERO). (RACHEL FRIEDMAN AND ALAN HOOK) Committee Review: Public Utilities Committee (Approved) November 5, 2008; Public Works Committee (Approved) November 10, 2008; Business & Quality of Life (Approved) November 19, 2008; and City Council (Scheduled) December 10, 2008.
41. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT TO PROCEED WITH A COMMUNITY PLANNING PROCESS FOR THE SANTA FE BOULEVARDS PROJECT THAT WILL RESULT IN A MASTER PLAN THAT FOCUSES ON THOROUGHFARE DESIGN AND ADJOINING LAND DEVELOPMENT ALONG ST. MICHAEL'S DRIVE AND AIRPORT ROAD (COUNCILORS DOMINGUEZ, WURZBURGER, TRUJILLO, ROMERO, CALVERT AND MAYOR COSS). (REED LIMING) Committee Review: Public Works Committee (Approved) November 10, 2008; and City Council (Scheduled) December 10, 2008.
42. REQUEST FOR APPROVAL OF A RESOLUTION AUTHORIZING AND APPROVING SUBMISSION OF AN EXECUTED AGREEMENT FOR FINANCIAL ASSISTANCE TO THE NEW MEXICO ENVIRONMENT DEPARTMENT, CONSTRUCTION PROGRAMS BUREAU, FOR THE PLANNING, DESIGN, ENGINEERING AND CONSTRUCTION OF A WATER LINE AND A SEWER LINE FOR THE 2400 BLOCK OF AGUA FRIA STREET (COUNCILORS CHAVEZ AND DOMINGUEZ). (STAN HOLLAND) Committee Review: Public Utilities Committee (Scheduled) December 3, 2008; and City Council (Scheduled) December 10, 2008.
- A. REQUEST FOR APPROVAL OF GRANT AGREEMENT – AGUA FRIA ROADS WATER AND SEWER LINES EXTENSION; NEW MEXICO ENVIRONMENT DEPARTMENT CONSTRUCTION PROGRAMS BUREAU. (STAN HOLLAND)

1. REQUEST FOR APPROVAL OF BUDGET INCREASE – GRANT FUND.

- 43. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO ENTER INTO A CAPITAL COOPERATIVE AGREEMENT WITH THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (COUNCILOR CALVERT). (DAVID CATANACH)**

END OF CONSENT AGENDA

5. APPROVAL OF MINUTES:

NOVEMBER 3, 2008 FINANCE COMMITTEE MEETING

MOTION: Councilor Wurzbarger moved, seconded by Councilor Dominguez, to approve the minutes of the meeting of November 3, 2008, as presented.

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

NOVEMBER 17, 2008 SPECIAL FINANCE COMMITTEE MEETING.

MOTION: Councilor Dominguez moved, seconded by Councilor Calvert, to approve the minutes of the special meeting of November 17, 2008, as presented.

VOTE: The motion was approved on a voice vote, with Councilors Calvert, Dominguez and Wurzbarger voting in favor of the motion, and Councilor Chavez abstaining.

MATTERS FROM THE COMMITTEE

There were no matters from the Committee.

PUBLIC HEARINGS

- 44. DISCUSSION ON PLANNED BUDGET CONTROL ACTIONS AND REVIEW OF FISCAL YEAR 2008/2009 BUDGET STATUS. (DAVID MILLICAN) (Postponed at Finance Committee meeting of November 17, 2008.**

A copy of a Memorandum dated December 1, 2008, to the Finance Committee, from David Millican, Finance Director, is incorporated herewith to these minutes as Exhibit "1."

A copy of statistical data and charts relating to any hiring freeze/vacancy savings, prepared by staff, is incorporated herewith to these minutes as Exhibit "2."

Public Hearing

There was no one speaking for or against this request.

The Public Hearing was closed

Mr. Millican said at the DFA's annual budget session, he learned that New Mexico is one of only five States which is not in recession, and the State forecasts that it will begin growth again in the second half of 2009. On the other hand, the NMML indicated that the State budget problems could be very serious and that the State discussions could involve things such as reducing the amount of State-shared GRT or possibly eliminating some or all of the protection related to the hold harmless provisions regarding the exemption of food from GRT. He said Albuquerque anticipates collecting 4% less GRT's than for the prior, and will be 6.5% under its budget. Mr. Millican said we aren't seeing these kinds of declines here.

Mr. Millican said as the result of this information, staff believes the \$4.8 million deficit discussed at the last meeting was too optimistic, and is projecting a \$6 million deficit.

Mr. Millican reviewed the information in Exhibit "1," and the Committee and Councilors asked questions and commented, and staff responded as follows:

- ◆ *Councilor Ortiz said he understood all of the funding for the positions in the Police Department expansion were to be paid from the property tax. Mr. Millican said the police expansion was funded in the adopted budget with a \$600,000 appropriation to "meter in" the new hires during the course of the year, so the full impact would start to impact us in FY 2010. He said the suggestion is to slow this process.*
- ◆ *Councilor Dominguez asked if the numbers for this and the other recommendations are contained in Mr. Millican's Memorandum. Mr. Millican said staff hasn't included the full impact fee impact, and the total for future years isn't analyzed, but staff can provide an analysis for this, noting this will be part of the five-year forecasting model which will be in the next round of presentations.*
- ◆ *Councilor Bushee said \$600,000 was from the Cops in the Parks Program, and asked the amount of savings from slowing the police hiring, and for the land use hirings. Mr. Millican said it is \$350,000 for the Police. He said with regard to Land Use, in examining the detail of the work sheets, 36 positions were budgeted instead of 18. Councilor Bushee understood the Land Use positions were to be paid from increases to building permit fees. Mr. Millican said the increases are less than anticipated because of the 30-35% reduction in building permit activity and the fees aren't producing the necessary revenue. Councilor Bushee asked what are the savings. Mr. Millican explained that in FY 2008 the General Funded provided \$2.3 million in support to Land Use, and in the 2009 budget staffing was increased and the General Fund support was reduced to \$900,000. He said 3 positions out of 18 are to be hired, because the positions were doubled in the appropriation, so this reduces the budget by \$1 million.*

- ◆ *Councilor Ortiz said then we are going to improve and expand positions in a department where there is a 30% reduction in permits.*
- ◆ *Councilor Chavez said sometimes we are busy with the day-to-day activities, but forget about the long term plan. Mr. Millican said it will be important for the Council and staff to focus on the five-year plan and on priorities as staff brings its recommendations to the Council for its approval.*
- ◆ *Councilor Chavez asked Mr. Millican if he heard anything in his discussions with the NMML which will move cities away from being totally dependent on GRTs. Mr. Millican hasn't been able to analyze this, nor has he heard of any Legislative proposal, although many states are looking at these kinds of things. In New Mexico, the historic approach has been to use the GRTs as a way to spread the cost of government services across a wide spectrum of taxpayers. He cautioned that this is the first year we've seen both GRTs and property tax threatened by the economy.*
- ◆ *Councilor Calvert asked if the three positions in Land Use are positions which were previously contracted. Jack Hiatt said these are the temporary positions.*
- ◆ *Councilor Trujillo said he thought we were going to look at cutting Public Safety as a "last straw," commenting that we need additional police when we annex. If we can't put police officers in the parks, we need to try to put them in housing around the parks and keeping public safety people in the City of Santa Fe. Mr. Buller said this is a policy decision this body needs to make. He said with regard to housing in the park, sentiment was expressed at the last special meeting to consider that. He said because of State funding cutbacks, the Police Academy won't hold its first session in 2009. He said moving from 15 to 7 is all we can do given that situation.*
- ◆ *Councilor Bushee said she has similar concerns. She asked Mr. Millican if he could not see other programs about to be launched, and said she expected a list of those. Mr. Millican said they were reviewing projects funded by the General Fund which were approved but not started, and this was the only one in that category. There are other programs in CIP, but those funds have to be spent on capital projects. He said the GCCC is a Park Bond funded project, so all of the money can't move across for operations.*
- ◆ *Councilor Bushee noted Mr. Millican has recommended using some of the CIP funds for operation. Mr. Millican said we have been doing this for a while. Chair Ortiz said we have never used those funds to shore-up General Fund reserves. Mr. Millican said we charge enterprise and other outside funds about \$3.3 million annually to support the General Fund, and staff is proposing to increase that because of staff analysis that it costs more. Staff was looking at projects which would release General Fund resources.*
- ◆ *Councilor Trujillo asked Chief Johnson to address how this will impact the Police Department. Chief Johnson said he was asked to look at some of the cutbacks. He said the Department is now at 3 vacancies, and there are 20 more officers on the street than last year. He would like to hire all 15 positions, but believes he can work with a slowdown. He wants to get the street crimes unit up and running. He said he won't stop the recruiting effort, stressing that they are looking for high*

quality individuals, and this is the reason all positions are not filled. Hopefully, the economy will improve in the future and he can hire all 15 positions.

- ◆ *Councilor Bushee said we put a lot of focus on recruitment, and if this is a policy decision, she would like to put brackets around the \$300,000 and not count on it. She said the quid pro quo would be giving up Cops in the Parks to ensure we have the available positions to fill. She noted the Rail Runner is coming to town. She isn't interesting in setting too many limits or parameters around recruitment and filling positions. Chief Johnson said the January 2009 Academy has been canceled and moved to April 2009, so he believes he can accommodate the slowdown. He said we usually hire officers about two weeks before the Academy, and there is no sense bringing these officers on board until right before the next Academy.*
- ◆ *Councilor Bushee asked Chief Johnson if the City can revisit the policy allowing officers to take City police cars to Rio Rancho and other places where they live, noting she knows it is a bargaining issue. She said we could use the money spent commuting to help our officers live in Santa Fe. Chief Johnson said the majority of those living out of town are already established in other communities. He is working with the Office of Affordable Housing and programs like Homewise to get our officers living here in Santa Fe. He said we have to stay focused on the new hires to get them a home in Santa Fe.*
- ◆ *Councilor Chavez agreed that quality is important. He hopes we can move from police in parks to police officers living in neighborhoods. He supports having police living in neighborhoods. He asked if there have been discussions with the Affordable Housing Trust Fund to help our public safety officers and others with housing. Mr. Millican said the Trust Fund is concerned that if they use the \$600,000 from their fund, other housing Trust Funds programs couldn't happen because of the significant impact on the fund. Councilor Chavez said money from the Trust Fund was used to purchase land. Mr. Millican said this is a loan to be repaid. If the Northwest Quadrant land doesn't sell, the Housing Trust would have to repay that in five years.*
- ◆ *Councilor Chavez asked the balance in the Affordable Housing Trust Fund. Ms. McCormick said there is approximately \$1 million, ½ of which are CIP funds which can be used only for infrastructure which the City would own, and the other ½ is the Tierra Contenta and Monte Sereno payments, and other small dollars which have come in over a long period of time. She said staff will be requesting that the CIP fund set aside for the Northwest Quadrant of \$400,000 go into the Trust Fund, to jump start development of new, more affordable units in the Santa Fe Homes Program. She said there is about \$500,000 for these kinds of acquisition programs. Councilor Chavez said then these programs could help public safety officers to acquire homes in Santa Fe. Ms. McCormick said yes, much like the Homewise pilot program. Ms. McCormick described that program. She said the intent on the Cops in Parks program was to have a presence in the parks. Ms. McCormick spoke about some of the programs they have regarding workforce housing, and some of the work staff is doing in this regard.*

- ◆ *Councilor Chavez said he has always questioned that we have contractors, subcontractors and Realtors driving from Albuquerque to Santa Fe to Work, commenting it is hard to capture their GRTs.*
- ◆ *Chair Ortiz noted the issue at hand is trying to find \$6 million to balance the budget.*
- ◆ *Councilor Romero asked, regarding "recovering costs, measuring subsidies and providing support," on page 13 of the Memorandum, how is it done now, noting there is a proposal to do a measurement system for the future. Mr. Millican said the General Fund receives \$3.3 million from approximately ten funds, most of which is from the largest enterprise fund. The basis for establishing that charge is not clear, and appears to be related as to whether there is cash and available resources from those funds. He said a plan would allow capturing the administrative costs of those programs.*
- ◆ *Councilor Romero said at a previous meeting, we heard there would be a reallocation to the enterprise funds, and her hope was that appropriate costs would be attributed to these funds so we could see the costs, and that the rates are equivalent to those actual costs. She believes there is a misconception by the public as to these costs. Mr. Millican said there was a concern that there is a rational allocation of costs, as well as that further allocation would put pressure on enterprise funds in their rate decisions. He said he provided information to the Committee in this regard [Exhibit "2"]. He said one issue in the General Fund is that the target vacancy credit is very high and it will be had to produce additional savings. He said in other funds, especially the enterprise funds, there is significant potential for vacancy savings with a very low target because targets weren't imposed to balance enterprise fund budgets. Staff is suggesting applying those to the enterprise funds so any charge-outs would be reduced by savings on labor costs. Staff didn't want to develop a plan which transferred the problem from one place to another, noting the enterprise funds have a \$2.5 vacancy potential but only a \$467,000 target.*
- ◆ *Responding to Councilor Bushee, Mr. Millican said there is no clear Council policy with regard to what happens to the funds which are collected, but not used to pay debt service.*
- ◆ *Councilor Bushee wants to be clear about what services will be reduced without being funded.'*
- ◆ *Chair Ortiz said they aren't reducing services, what they're suggesting is shifting a funding source to continue the existing services. The underlying assumption, which continues, is that we're trying to pay everything now and not cut anything.*
- ◆ *Councilor Bushee said then not one program which was funded in the last year from the ½% will be reduced. Mr. Millican said this is correct. She asked how this is a savings. Mr. Millican said the one model they could look at in the recommendation is to not shift costs to other funds and instead, direct the reductions to the non-safety and non-fixed parts of the General Fund. The indirect services serve the entire \$250 million budget and those cannot be reduced proportionally without impacting the entire organization. He said the reductions come into Parks & Recreation, Senior Services, and Public Works – those are the major targets of the reductions.*

- ◆ *Councilor Bushee said this narrative [Exhibit "1"] isn't a chart, nor a list of what is intended to be reduced with a specific percentage, and those where there won't be a reduction. She said this narrative is a bit of "sleight of hand," rather than giving us the option to choose between programs. She said this is "muddier" than she had hoped. Mr. Millican said staff has a list of departmental reductions, but he doesn't believe it is "ready for prime time." He said staff is confident that the \$900,000 estimate is solid. He said that list basically reduces department operations by 5% on January 1, 2009. He said layoffs weren't considered in shaping the recommendation, nor does staff recommend layoffs. He believes other tools work better over time. He said staff wants to give the Council a budget which allows them to plan for 2009-2011 to preserve as many services as possible. He said the process will continue to be "mushy" because of the new, continuously evolving information about revenue and expenditures.*
- ◆ *Councilor Bushee said it looks like you came up with \$6 million. Mr. Millican said staff came up with ways to fund the \$6 million. Councilor Bushee said she doesn't know where Mr. Millican is finding the money.*
- ◆ *Chair Ortiz said, in looking at the minutes, one of the expectations we had was that we would be given columns of numbers and different options, and not just for the staff proposed options. He said the Committee wanted to see those options in columns so we could see the savings. He said what we got instead was a narrative summary approach from staff giving us this as the only option. He said we can't tell you now whether or not we will accept this policy over another one, because we didn't get a choice. Mr. Millican said the reprioritization is a choice. He spoke about his experience in this area, and the greatest success would be to deliver spending reduction targets to the departments and ask them to come back with a plan. Chair Ortiz said perhaps we gave an impossible task to staff, or perhaps all of the departments have submitted their list of cuts and we haven't seen those proposed cuts and what choices we have to make.*
- ◆ *Councilor Bushee said the way this is presented, it looks as if this \$6 million was just lying in wait for you to go find, without the Council making any kinds of decisions about programs. She said staff suggested using reserves to smooth revenue estimating errors.*
- ◆ *Chair Ortiz said part of the proposal is to use reserves, although we said not to use reserves. Mr. Millican said the Council definitely said they preferred not to spend reserves. He worked with Mr. Buller to look at what would happen if no reserves were used, and concluded it would be better to use reserves, commenting that in a way we've narrowed our view too much. He said, "We've said only what's in the General Fund will support these programs, and yet the City reserves resources outside the General Fund that can support the program objectives of the General Fund, some are ongoing and others are accumulated for which the Council hasn't established policy." He said staff is recommending that you establish policy for those reserves. He said if the Council says it wants to preserve public safety and increase its staffing, and not use reserves, then we have to tell you what reductions need to be made in all other General Fund departments to do that. He said he can do that.*

- ◆ *Chair Ortiz said the Committee heard staff's recommendation and understands and appreciates all of the work done by staff. However, there was a consensus among everyone in attendance at the previous meeting not to look at using reserves and for staff to give us other options along with this one. We aren't seeing the other options. He said the Committee respects staff's position and the work of the City Manager to hold the status quo for the workers and services. However, this Committee specifically requested additional options, but we aren't seeing those in this presentation, and this is where the disconnect is developing. Mr. Millican said he understands. However, they looked at some of the things the Council suggested for reduction, and the potential from those reductions wouldn't produce the anticipated savings.*

- ◆ *Chair Ortiz said he and the other Councilors understand the vacancy savings. Mr. Millican said if you want to do the reduction of 15-20% of the non-safety part of the General Fund Budget, it will take time and consultation with Council, staff and community to create a balance that will work well. He said we can start these reductions, but cuts as deep as 15-20% is into restructuring and past a normally managed transition which will take time, and we may not be able to be achieved in this fiscal year.*

- ◆ *Councilor Bushee said at the last meeting, Mr. Millican, the administration, seemed to move more slowly than the Council wanted him to do, and to aim for a sustainable reduction that makes sense, and that he begin to look at where to make those reductions. What she wanted this evening were some policy choices, but the only thing we can do is react and there's not much to react to here. She said reserves and public safety were to be off the table, but they're in the mix and you've heard reaction to that. She knows it isn't easy, but there is more to be done and to be done more quickly than what is proposed.*

- ◆ *Councilor Chavez said at this time he will go on the record that it seems totally appropriate for the Finance Director to recommend using a portion of the reserves. He said we're not wiping out all of the reserves and are leaving a substantial amount. Responding to Councilor Chavez, Mr. Millican said about half of the \$6 million is either from reserves or transferred to other ongoing revenue sources. Councilor Calvert asked how much the proposal leaves in reserves. Mr. Millican said there would be about \$11 million in the General Fund, \$6.5 in the Capital Improvement GRT fund, noting these figures are on page 6 of the Memorandum. Mr. Millican said staff has also identified limited reserves which can't be spent on General Fund things, but which support the General Fund, which is approximately \$1.5 in Lodger's Tax which can be used for promotion and tourism. He said there is the State mandated minimum, but they haven't looked at that portion of the reserve for balancing the budget.*

- ◆ *Councilor Dominguez said he agrees with Councilor Ortiz's and Councilor Bushee's analysis of what we've been given. He said he attended the previous meeting, and there was clear direction from the Committee: no use of reserves, and perhaps not to look at a rollback of pay increases this year and that is something to be renegotiated. He sees this as a narrative of what was given to the Committee at the last meeting. Mr. Millican said it is an expanded development of that strategy.*

- ◆ *Councilor Dominguez sees no recommendations in the Memorandum, which is broad and general and says the same thing as the last meeting. He said it is almost as if you are asking us to do the "dirty work." He said perhaps we do need to go into the budget and look at expenditures one-by-one. However, he really isn't interested in doing that. He said staff needs to develop recommendations in a form where we can compare them with other options. This approach begs for more questions. Councilor Dominguez would like staff to develop specifications to assist him and the Committee.*

Chair Ortiz said the Committee is not discounting or dismissing staff's advice, but this Committee has to see those numbers. He said this Committee asked staff to give us a chart which looks at the City budget as if the reserves aren't going to be used, reiterating that this is what all the members in attendance asked him to do, but it wasn't done. He said the Committee wants to know the amount of the proposed 20% cuts and where they are in different departments, so this Committee can make this decision. He said this may be in the works, but this Committee hasn't seen it. However, what staff is presenting today is an expanded narrative of what staff presented to us on November 17, 2008, when this Committee gave comment that we wanted to see other options. He said the Committee wants those other options, and asked Mr. Millican when can this Committee can see those options.

Mr. Millican said, given the timeline that they had to prepare for this meeting, staff felt good about identifying \$1 million in direct reductions. He is hearing that the Committee needs the detail about this million. He said staff would then need to take an approach for the other \$3 million and distribute it among General Fund Departments. He is hearing that should be among those which are not public safety departments, and asked if this needs to be across the board even reductions or have staff look at relative priorities as we make our proposal so that you can react to our proposal.

Chair Ortiz said there are the following options "brewing," and staff should provide detailed information in a matrix for comparison:

- (1) The staff recommendation;
- (2) The direction given by this Committee on November 17th, taking all considerations into account, what a budget would look like with cuts without using cash reserves;
- (3) The option being flushed out from staff which is how Option #2 would look if we were to consider public safety as a component of that option;
- (4) What system changes could be made, which this administration hasn't taken, which is if you have to make cuts, where would those be;
- (5) The option, which is unpopular with the City's bargaining units, is if the City renegotiated what is still outstanding and due which is \$1.8 million, what would that option look like.

Chair Ortiz said the Committee wants to see how these options look and how would we see them in comparison to one another, like the last chart where there are columns A-E. He said this would allow this Committee to have a discussion with the level of detail that this Committee and the full Council, with one exception, wants to have. He asked Mr. Millican if staff can get this information, and when can it be provided.

Mr. Millican said staff can come back with information about short-range cuts at the first meeting in January.

- ◆ *Chair Ortiz said the only cuts the Committee can discuss are short term cuts in this fiscal year. He said this Committee needs to make the decision as to whether we can get through this fiscal year without making any cuts. He said staff is doing its best job to show us how to get through this year by tapping into reserves to avoid cuts in this fiscal year. Mr. Millican said staff would normally recommend that any cuts which are made would continue.*
- ◆ *Chair Ortiz reiterated that the Committee needs to see the detail of the other options, and this is the direction from the Committee. He said we wanted to do that this evening, but we realize the timeline was short. He asked what is the earliest that Mr. Millican can get this done. Mr. Millican said a six-day turnaround isn't possible, and the earliest he would recommend doing this would be the first meeting in January to do the kinds of cuts the Committee is discussing which would be sustainable in the 2009 and the year after, although they could do a significant chunk. He believes we need to look through 2011 to understand the impact of the reductions.*
- ◆ *Chair Ortiz said the question for now is the immediacy of the situation, how to address it and the approach we're going to take to do this. He said the Council wants to explore the different paradigms – the different approaches to do this. Mr. Millican said the things staff has done to date deal only with maintenance and operations accounts. The kinds of reductions you're wanting, giving the relative limited impact of some of the salary savings within the General Fund, will require reductions that extend into the workforce. He said it will be difficult to come up with solutions that don't go there to hit your target this year, because there are only six months to get that done.*
- ◆ *Councilor Calvert, referring to page 3, asked if anyone questions the first three lines as something real and that we can achieve. Chair Ortiz said we don't know how to look at those even with the narrative, because we have nothing to compare it to, and we don't know what those reductions will be. He believes we can accept the vacancy control savings.*
- ◆ *Chair Ortiz said we could spend an hour on one part of the three programs being considered to be cut, but without seeing other priorities and those numbers, we can't really sign-off on that.*
- ◆ *Councilor Calvert said we can agree that what they came up with would come up with that amount of money. Chair Ortiz said we don't have those numbers.*
- ◆ *Councilor Calvert said the money is there for those three. He said the fifth line is \$1 million in reserves, but the \$1.2 million isn't true reserves, but it's moving funds around, and reallocating CIP*

and some transit funds. He said \$700,000 aren't true reserves. He said there is only \$1 million in actual reserves on the chart. He said the attempt has been made to minimize the effect on the reserves, and believes staff is doing a good job of getting us in a transition to a better budget next year, and not setting off panic which will have all kinds of unintended consequences.

Chair Ortiz said he appreciates this point of view, and agrees that if you accept the premises which are put forward by staff, this would be the conclusion.

- ◆ *Chair Wurzbarger asked Mr. Millican to compare the two different calculations of reserves presented at the previous meeting and this meeting. Mr. Millican referred to Item 8, which is the calculation of the 1/12 and 10% minimums established by Council policy. He said here we take those amounts as a base, and also the GRT allocation, and then add unallocated cash above that which isn't controlled by Council policy to the reserves. It doesn't create new money, but includes money which previously was unencumbered and a proposal to establish policies with regard to how it should be spend and under what conditions. Previously, that has gone through the finance system in the form of appropriations ratified by the Council in the quarterly budget review. Councilor Wurzbarger said we don't have the list and we don't know what we're losing, and asked if it is 5%. Mr. Millican said it is 10% of the second half operations which would be 5%. Councilor Wurzbarger asked how much that would be. Mr. Millican said that would be \$2 million in reductions. Councilor Wurzbarger said then that has to be 20%. Mr. Millican said this is correct.*
- ◆ *Councilor Wurzbarger said then there is a policy choice we could make, or we can proceed to say no, we want to see 20% and what that really means. She said conceptually this is the debate: are we comfortable in decimating or radically cutting, or do we want to look at other options, including the option of not touching public safety, no layoffs, not taking back the wages even though tied to the GRTs. She said we need to look at what programs would be lost, we need to look at the possible trade-offs with respect to all of the options and not just this option. Mr. Millican said in discussing operations, most of the operating cuts are not position vacancies, but operating cuts in the maintenance and operations budget and the reason it's only \$1 million. He said it would be difficult to do this quickly. He said one of the things which has happened in the past which concerns him is the speed of the decision process, which has not resulted in communication as to why and what things are happening. He said people need time to study the result and have time to deal with it. He said trying to get this done with a reasonable process that communicates internally to you and in time could be daunting.*
- ◆ *Councilor Wurzbarger said, in reprioritizing programs and projects, she wants to look at the affordable housing money as a way of reinvesting and bringing the money back into the community, and not as a way to balance the budget. She said she hasn't accepted this is a good idea until she hears all of the options.*
- ◆ *Councilor Trujillo said on page 3 there are cost reductions including contract control of \$900,000. Mr. Millican said staff proposes a contract control which would require all contracts over \$100,000 in the General Fund to be reviewed only twice between now and the end of the year. Councilor Trujillo asked if the savings could be more than \$900,000. Mr. Millican said it could be*

more, but they haven't estimated what that could produce, and they are beginning the review of all contracts.

- ◆ *Councilor Bushee said then you are clear that you can save \$900,000 in cost reductions in contract control. Mr. Buller said staff can provide the backup for the \$900,000 in "cost reductions including contract control" in the next six days, because this is where the department cuts are included. He said although they don't have the complete list, they do have the detail for the first \$900,000 or \$1 million. He said this information would give you the opportunity to look at what the departments believe they can do to get to the 10%, and staff can provide the backup for that. He said departments such as the City Clerk's Office or Constituency Services which are all personnel were not asked to cut by 10%, but the big departments were asked to cut 10% so that it adds up to \$900,000.*
- ◆ *Chair Ortiz said then this direction was given to departments based on staff's underlying principle which was that any cuts in any staff positions are off the table. So, departments which are wholly operational, Human Resources, Constituency Services and such weren't asked to conduct this kind of exercise. Mr. Buller said they were asked to do the exercise, but without cuts to personnel, so they didn't all make 10%. Mr. Millican said they couldn't use vacancy savings to make those cuts.*
- ◆ *Councilor Bushee would like a timeline, noting at the last meeting the Committee received assurances that staff could find \$5 million quickly. The Council/Committee said we didn't want to be in a bridging situation, we wanted to be in a transition plan. What is presented this evening has even fewer details than the previous one. She said the last plan said, "propose policy and practice revisions," but it involved reserves. She understood we were going to discuss how we would take what we could and stimulate the economy. Councilor Bushee asked why we have to wait until January to get the information. Mr. Millican said six days isn't enough to assemble the kind of policy array that you may have expected and staff needs to change the focus and expand the search.*
- ◆ *Councilor Bushee said she believes there is agreement to use the OTAB funds to promote the 400th Anniversary in the hope it will "jump start" a segment of the tourism industry. Mr. Millican said he presumes that Keith Toler and Kathy McCormick would work together to look at the economic development impacts and develop a program for approval by the Council, if the Council approves the use of these funds.*
- ◆ *Councilor Bushee said, for clarity, she understands that the plan for the Finance Committee meeting on January 5, 2009, is to have the exercises complete in every department, and asked to what are those in regard. Mr. Millican said staff asked them to reduce their budgets by 10%, and if we want to replace the \$3 million, then we have to reduce more. He said the Committee needs to decide what the ground rules will be in terms of staffing in the next round.*
- ◆ *Councilor Bushee asked Mr. Millican what he is asking this Committee/Councilors to review. Mr. Millican said staff thought they received a sense from the Council to avoid layoffs wherever*

possible. *Councilor Bushee reiterated that we want a kit of strategies.* Mr. Millican said staff can provide that kit which would include a variety of choices in personnel.

Chair Ortiz asked if there is a consensus among the Committee to use the \$1 million from the Lodger's Tax for the promotion of the City and the Convention Center, to expedite the use of the Plaza for local use for a plan to come forward at a future date.

MOTION: Chair Ortiz moved, on behalf of Councilor Bushee, seconded by Councilor Dominguez, to approve the investment of limited reserve balances of \$1 million, derived from lodging taxes in support of promotion of the City and its Convention Center, and to work with City staff to provide better access for locals on the Plaza during the holiday season, including trying to wrap-up the public works project.

FRIENDLY AMENDMENT: Councilor Chavez would like to have some focus on the Railyard as a part of the plan to be developed to get locals to the Plaza. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND AND THERE WERE NO OBJECTIONS FROM THE OTHER COMMITTEE MEMBERS.**

DISCUSSION: Councilor Calvert asked if this includes the 400th Anniversary as well.

Chair Ortiz said we won't know until we get the plan from staff.

Councilor Wurzbarger said the 400th Anniversary is part of the proposal. She would like the funds for the 400th Anniversary to be spent in a way which brings resources here sooner, rather than later, for example, rather than taking \$400,000 and sending it to California to advertise which won't help us right now. She is comfortable in supporting both the 400th and the Convention Center.

Chair Ortiz said right now, all we are supporting are the general parameters and the allocation of these limited reserves from the Lodger's Tax. The details and the logistics of that will come back from staff, sooner rather than later.

Councilor Chavez said in this area in discussing stimulating the economy and getting people downtown and to the Railyard, we may want to keep our advertising dollars in-state. He said we also want to question the museum licensing practices as it relates to cultural heritage and tourism, but we can work the details out later.

Chair Ortiz said those of us who are interested in having a "locals first" and "locals first expenditure" in these times, should get with constituent services to develop a resolution to do a locals first agenda for presentation to the Council. He said this is in addition to the economic stimulus and the other stuff we're doing.

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

Responding to Councilor Chavez, Chair Ortiz said the use of reserves to balance the budget is one option to be presented from staff in a grid-like format with comparison figures, and it is not being removed from the table for consideration in any way.

Councilor Calvert asked if there are other parts of the reductions proposed on page 3 of the Memorandum with which we can agree and move forward. He said we are asking staff to look for more, but we probably should be asking for implementation of some of these.

Chair Ortiz said we can't ask for implementation on something on which we don't have specifics, for example with regard to the \$900,000 cost reductions including contract control. He said this is part of the hesitation on the part of the Committee. As a group, we can agree with the \$200,000 for vacancy control savings, but there isn't a consensus on the other items, and we need further information to make a decision. However, he said Councilor Chavez could make a motion on any of the items as a member of the Committee.

MOTION: Councilor Chavez moved, seconded by Councilor Calvert, to approve the set aside of \$1 million for the "use of primary reserves to smooth the revenue estimating errors."

DISCUSSION: Councilor Wurzburger said she will support this motion because she doesn't believe we can balance the budget in a month without using the \$1 million in reserves, given the unwillingness of the Council to look at other options that have become quite apparent over the past two months of deliberation.

Councilor Bushee said she didn't know the Council wasn't going to look at other options, but she just didn't see any other options presented this evening. She would like these Finance Committee meetings to be called as special Council meetings where all of us can all weigh in and vote. She asked if these are the only primary reserves which will be used to balance the \$6 million deficit.

Mr. Millican said yes, commenting revenues were underestimated in 2008 and overestimated in 2009. He said most reserves are used to balance this kind of flow between years to maintain stability of services.

Councilor Bushee said then by the end of the next fiscal year, Mr. Millican is comfortable that the City will not be dipping into its reserves in the future to balance the next round of budgets.

Mr. Millican said this is the objective of staff's proposal.

Councilor Bushee said then staff will provide the level of detail to break-down and validate some of the numbers presented in the Memorandum. She sees this as a short term fix, and in the next six months we will need a long term fix. She wants all of the information to make a decision.

Mr. Millican said the intent of the recommendations is to be in a place where the budgets for FY 2010 and FY 2011 can be balanced without using reserves. He said it isn't anticipated that those budgets will be completed by January 2009, and staff can only take steps the Council wants for the 2009 budget.

Responding to Councilor Bushee, Mr. Millican said conceptually he is talking about flat gross receipts for two years. However, with more information he can be more certain.

Councilor Bushee asked what happens if there is a flat revenue stream.

Mr. Millican said a proposed budget will be prepared which responds to that, in response to the Council policy decisions in this regard.

Responding to Councilor Bushee, Mr. Millican said this year includes the use of unallocated cash which has not been set aside for reserves, but does not include use of General Fund reserves, and proposes the use of Lodger's Tax reserves in connection with the financing of the Convention Center.

Councilor Dominguez said he appreciates the work done by staff. However, this Finance Committee expected this information some time ago, and the reason we asked staff to come up with efficiencies. He spoke with Mr. Buller about this in the past. There was clear direction from this Committee in May to come up with efficiencies to find the estimated dollars of cost savings in the organization. He doesn't know what has happened to this.

Councilor Dominguez said Mr. Millican's memorandum says, "As these efficiencies are reviewed and analyzed, the results will be reported to the Finance Committee." However, these have not been reported to the Committee. He said he appreciates the work which has been done by staff. However, for staff to tell this Committee that they're not quite prepared yet, means you haven't done what the Committee directed you to do. He agrees with Councilor Wurzburger that at some point we will need to use reserves, but believes it is premature to do this now. He said we need more information to make the final decision to use reserves. He said this, in many ways, is an easy way out and we need staff to do what we asked you to do and get that reported. He is opposed to this motion right now, because he believes it is premature.

VOTE: The motion was approved on a voice vote with Councilors Calvert, Chavez and Wurzburger voting in favor of the motion, Councilor Dominguez voting against, and Chair Ortiz expressing his objection to the motion.

MOTION: Councilor Wurzburger moved, seconded by Councilor Dominguez, to approve the vacancy control savings in the amount of \$200,000.

DISCUSSION: Responding to Councilor Chavez, Councilor Wurzburger said these savings are over and above the current vacancy savings.

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

Chair Ortiz reiterated that the direction to staff is to come up with other options in addition to those they presented and to flesh out the options by line item if possible, and, as directed in May by this Committee, to provide the information from all City departments to reduce budgets by 10% to this Committee to see what this would look like.

Responding to Councilor Wurzbarger, Chair Ortiz said, "To the extent that we could get any of this information well in advance to having it on our desks the night of the hearing, that would be a really big and wonderful thing for staff to do."

Mr. Millican said the initial reductions certainly will be available by next week. The other thing that they did request on the reductions was reporting on the status of efficiencies and economies.

Councilor Dominguez said he isn't doubting whether it was or was not done, but it wasn't reported to this Committee, and having that information might have eased some of tonight's discussion.

Mr. Buller said he asked all Department Directors to be in attendance to present information on efficiencies and economies, and they are all prepared to make those presentations.

Councilor Dominguez said the direction to the City Manager was to hear this information from the City Manager as it was made available.

Mr. Buller said then this is the way it will be done.

Chair Ortiz said then we will hear the other items on Item #44 at the meeting on January 5, 2009.

Mr. Millican said yes, and staff will include information on the efficiencies and economies implemented by departments along with the initial reductions.

CONSENT CALENDAR DISCUSSION

Councilor Wurzbarger asked to hear Items #45 and #46 prior to hearing items removed for consent.

MOTION: Councilor Wurzbarger moved to hear Items #45 and #46 next, prior to hearing items removed for consent. **The motion failed for lack of a second.**

MOTION: Councilor Wurzbarger moved to postpone the items she is pulling from consent to the next meeting of the Committee: Items 6(A), 7, 8, 9, 23(A), 24, 25, 26, 27, 30 and 31(A), based on not seeing them as having to happen between now and the end of the year when we've made our decisions about what money we will have. **The motion failed for lack of a second.**

CONSENT AGENDA DISCUSSION

6. BID OPENINGS:

A. BID NO. 09/06/B – GENOVEVA CHAVEZ COMMUNITY CENTER ENTRY IMPROVEMENTS AND AGREEMENT BETWEEN OWNER AND

CONTRACTOR; WEIL CONSTRUCTION, INC. (MARTIN VALDEZ)
1. REQUEST FOR APPROVAL OF BUDGET INCREASE – PROJECT FUND.

Councilor Wurzburger asked why we need a new entry now, and asked if it can wait until February-March 2009, when we have a better understanding of the finances.

Mr. Romero said we have been working on this project for a long time. He said the funding is a combination of Legislative grants, CIP funds or the Parks Bond, and he doesn't believe these funds could be used to balance any of the budget requests. He recommended we move forward.

Responding to Councilor Wurzburger, Mr. Millican said if it is CIP money from bond proceeds it can't be used, but it could if it came through a separate appropriation project.

Responding to Mr. Millican, Mr. Romero said, "We are using either grant money for all of our projects at the GCC. We're either using State Legislative grant money. We're using CIP proceeds from the 2008 bond, and we're using Parks Bond money, so they're all bond proceeds.

Councilor Wurzburger asked, since an out-of-City contractor was selected, if we have assurance that we will get GRTs on the \$700,000.

Mr. Romero said we can track that like we do with all of the other projects.

MOTION: Councilor Wurzburger moved, seconded by Councilor Dominguez to approve this request.

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

6. BID OPENINGS:

B. BID NO. 09/07/B – RUGBY FIELDS PHASE II – CONCESSION/RESTROOMS AND AGREEMENT BETWEEN OWNER AND CONTRACTOR; LOCKWOOD CONSTRUCTION COMPANY. (MARY MacDONALD)

Councilor Calvert there is a note on the BAR which said the Osage Bridge rehabilitation doesn't have \$30,000. He wants clarification as to whether we have the \$30,000.

Mr. Romero said that is Chris Ortega's writing and he will have to verify this with Mr. Millican. He said this needs to be determined. He said another issue with the project is that it is totally funded by Legislative grants, and a reallocation was made in 2008 for \$250,000, but we haven't received that grant. He said it isn't time sensitive and he can research Councilor Calvert's question.

Councilor Calvert asked if we don't move forward expeditiously, is it possible they would pull the funds.

Mr. Romero said he is doing a presentation to the Legislature in the morning on our projects. He wanted to move this forward because DFA told him they wouldn't touch anything under contract. He wanted to tell them it was approved by Finance and will go to the Council next week, and it is under contract pending receipt of the 2008 funds.

MOTION: Councilor Calvert moved, seconded by Councilor Chavez, to approve this request, subject to verification of the \$30,000 in the BAR, or coming up with another source.

DISCUSSION: Councilor Wurzburger said this is a \$700,000 concession stand and toilet which is 2,000 sq. feet. She believes somehow we are missing it in our bidding process.

Mr. Romero said the first bid was \$1.1 million.

VOTE: The motion was approved on a voice vote, with Councilors Calvert, Chavez and Dominguez voting in favor of the motion, and Councilor Wurzburger voting against.

7. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 8 – TRANSIT FACILITY EXPANSION; ESA CONSTRUCTION, INC. (MARY MacDONALD)

Councilor Wurzburger said there have been change orders in the amount of \$266,000 to date, and asked if this is time sensitive.

Mr. Romero said this is a large expansion to the Transit building. He said there is a new center for dispatch, locker rooms and the area for drivers is separate from the public. This is a big project. One of the reasons there are a lot of change orders on this project is that when it was built it was a design-build project, and the as-built drawings either weren't available or not good, and we ran into issues.

Responding to Councilor Wurzburger, Jon Bulthuis said the primary source of funding for the construction budget is from federal grants. He said the real issue is exactly what Mr. Romero said. When they put the project out to bid, they used as built-drawings around which the engineers and architects developed their program which weren't accurate.

Councilor Wurzburger asked if we went back to the architect.

Mr. Romero said the first project was a design-build and it was done in haste ten years ago, so there wasn't a good set of as-built plans, and he doesn't know the architect could have done any better.

MOTION: Councilor Wurzburger moved for purposes of discussion, seconded by Councilor Chavez, to approve this request.

VOTE: The motion was approved on a voice vote, with Councilors Calvert, Chavez and Dominguez voting in favor of the motion, and Councilor Wurzburger voting against.

8. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – BOBCAT SKID STEER LOADER FOR STREETS AND DRAINAGE DIVISION; TOM GROWNEY EQUIPMENT, INC. (DAVID CATANACH)

Councilor Wurzburger asked if we really need a new bobcat at this time.

Mr. Romero said this is paid from the CIP fund which could be used for something else, and it is fine to hold off on this purchase.

MOTION: Councilor Wurzburger moved, seconded by Councilor Calvert, to postpone this request to the first Committee meeting in February 2009.

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

9. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 5 – AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR MAGER’S FIELD PARK, PHASE 2 IMPROVEMENTS; ACCENT LANDSCAPE CONTRACTORS, INC. (BEN GURULE)

Councilor Wurzburger asked if we really need a \$120,000 walkway right now.

Mr. Romero said this is funded through the Parks Bond and can be used only for parks.

MOTION: Councilor Wurzburger moved, seconded by Councilor Chavez, to approve this request.

DISCUSSION: Councilor Chavez said some of these projects will keep people working.

Councilor Wurzburger said a lot of people from Albuquerque are doing these projects.

Councilor Calvert said the reason for changes on some of these projects is because they were done in phases, and weren't intended in the beginning.

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

11. REQUEST FOR APPROVAL OF HARDWARE AND SOFTWARE MAINTENANCE AGREEMENT – INTEGRATED SYSTEM FOR SANTA FE PUBLIC LIBRARY DIVISION; INNOVATIVE INTERFACES, INC. (PATRICIA HODAPP)

Councilor Calvert said it says this is a turnkey system and the City's IT Division does not work on any part of it. It also says, "This year, the hardware and software maintenance agreement will be \$51,000," but you want it to come out of IT's budget. He asked if IT doesn't have anything to do with it, why is it coming out of its budget.

Mr. Williams said it's something which has historically been funded out of IT in the General Fund and we've continued it that way. He said it's not the only thing we do that way. He said it's not completely accurate that IT has nothing to do with the system, but it is a turnkey system which is maintained by the vendor, and this is a routine maintenance for 24/7 support of this system which is critical to the library.

MOTION: Councilor Calvert moved, seconded by Councilor Wurzbarger, to approve this request.

DISCUSSION: Councilor Calvert would like to consider changing this practice in the future, and budget the expenditure where it should be.

Mr. Millican said the approach is to centralize all costs and it would be easy to report, noting a variety of support is paid from IT. This goes to the question of whether the costs should be paid by the department benefitting.

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

23. SANTA FE RAILYARD COMMUNITY CORPORATION:

A. UPDATE TO THE POLICIES AND PROCEDURES. (ROBERT ROMERO)

Councilor Wurzbarger asked why these can't be done by City staff or Railyard staff, noting this is \$23,000 to write policies and procedures.

Richard Chosky said they have only one part time person who has been working on this which is not adequate, given the complexity of the document. He said he will be bringing the document to the Council for review in January.

Responding to Councilor Wurzbarger, Mr. Chosky said the \$23,000 is for an outside consultant to pull the documentation together, do the binding and the formatting and reproduce the document.

Councilor Chavez said he raised this question 1½ years ago. He said if the City pays someone to do these will they enforce them, or City staff, or the Railyard Corporation. He said we had a resolution for these policies and procedures for the community convention center as well. He thought staff could be part of the process in developing these. He said these are for the venue spaces on the Railyard for artists and craftsmen.

MOTION: Councilor Wurzbarger moved, seconded by Councilor Chavez, to deny this request.

DISCUSSION: Councilor Chavez said we need to work with staff to continue to develop these policies and procedures and be clear who is going to enforce them once we've set up programs for the open space on the Railyard.

Councilor Calvert said it sounds like they have developed the policies and procedures, but now need to put them in a format to present to us to review.

Councilor Wurzbarger asked why we can't do this upstairs.

Councilor Calvert said this was to be the model for other public venues like the Plaza and such.

Councilor Chavez said it doesn't seem we've been able to move in this direction.

Chair Ortiz asked if this is an *expo facto*, where we're paying for work which already has been done.

Mr. Chosky said a portion of work has been done, but not all of it. He said one reason this is so complex is because of the conservation easement which is not applicable to other parks and open space in the City. He said the conservation easement for the Railyard Park, Plaza and Alameda are specific to that, and were passed by the City Council.

Chair Ortiz said we have lawyers on staff who can read conservation easements.

VOTE: The motion was approved on a voice vote with Councilors Chavez, Dominguez and Wurzbarger voting in favor of the motion and Councilor Calvert voting against.

24. REQUEST FOR APPROVAL OF BUDGET INCREASE FOR DWI SCHOOL FUND FROM CASH BALANCE FOR POLICE DEPARTMENT FITNESS EQUIPMENT REPLACEMENT. (CHIEF ERIC JOHNSON)

Councilor Wurzbarger asked why this is needed, and asked if it is only for convenience and if the money could be used for something else.

Chief Johnson said this project began three years with the renovation of the Police Department, and there were plans for a new fitness room. He said the DWI School Fund has been used for equipment replacement in the past.

Councilor Wurzbarger noted we have a \$6 million deficit and asked if he could use these funds other than for fitness equipment.

Chief Johnson said Phase 1 of the renovation is complete and there is a new fitness room which was designed for this purpose, although they can hold off for a while.

MOTION: Councilor Wurzbarger moved, seconded by Chair Ortiz, to postpone this request to the meeting of February 2, 2009.

VOTE: The motion failed to pass on a voice vote with Councilor Wurzbarger voting in favor of the motion and Councilors Calvert, Chavez and Dominguez voting against the motion.

MOTION: Councilor Calvert moved, seconded by Councilor Chavez, to approve this request.

VOTE: The motion was approved on a voice vote with Councilors Calvert, Chavez and Dominguez voting for the motion, Councilor Wurzburger voting against and Chair Ortiz expressing his opposition to the motion.

25. **REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT – ENERGY PARTNERSHIP LOAN FUND PROGRAM (RFP #09/02/P); HOMEWISE. (NICK SCHIAVO)**
 - A. **REQUEST FOR APPROVAL OF BUDGET INCREASE – TIERRA CONTENTA LAND SALE FUND.**

MOTION: Councilor Wurzburger moved, seconded by Councilor Chavez, to approve this request.

DISCUSSION: Chair Ortiz asked, given the way the Mayor has repackaged this program, if we are talking about having Homewise match a solar energy program with City funds we're giving them under this contract.

Mr. Schiavo said yes, Homewise has agreed to match our \$300,000 with \$300,000.

Chair Ortiz asked if it is \$300,000 of program money which Homewise is bringing outside City funds it already receives.

Mr. Schiavo said that is his understanding.

FRIENDLY AMENDMENT: Chair Ortiz would like to amend the Agreement to include the provision that Homewise will not use the City funds it is already receiving to match this program. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND AND THERE WERE NO OBJECTIONS FROM THE OTHER COMMITTEE MEMBERS.**

FRIENDLY AMENDMENT: Councilor Calvert would like to amend the Agreement to ensure that these funds are used by local firms to generate GRTs and to use local labor. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND THERE WERE NO OBJECTIONS FROM THE OTHER COMMITTEE MEMBERS.**

DISCUSSION ON THE FRIENDLY AMENDMENT BY THE SECOND: Councilor Chavez asked what happens if we can't find somebody local to do the labor and we can't find the mechanisms.

Councilor Wurzburger said the materials are not included, only the labor.

Councilor Calvert said it has to be a local firm to get the GRTs and we want local labor, noting we contribute funds for job training for these kinds of programs.

Councilor Chavez said there already is a local preference in the bidding process.

Councilor Calvert said this is specifically for economic stimulus, and it won't be that if it goes elsewhere.

Chair Ortiz said it is an additional security blanket on top of the local preference we already have in our Procurement Code.

Chair Chavez said sometimes the local preference isn't enough to encourage local firms to bid on some of our projects.

Responding to Councilor Chavez, Mr. Millican local preference is 8%.

Councilor Chavez said then this would be on top of the 8%.

THE AMENDMENT WAS FRIENDLY TO THE SECOND.

Councilor Calvert asked if Homewise is bound by our procurement process.

Chair Ortiz would like to see that additional protection.

Ms. McCormick said this issue was raised previously when Homewise was presenting, so staff is reviewing Homewise's procurement to ensure it is bringing in local contractors, and that it is a fair and equitable procurement process.

Chair Ortiz asked if they are excluding anyone but local contractors.

Ms. McCormick said in this particular instance and in preparing for this program, they have met only with local contractors.

Councilor Calvert said Homewise can use its own firms for its project, and use locals for these projects.

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

- 26. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT FOR RESTRICTED CASH ACCOUNT AS REQUIRED FOR CITY'S MUNICIPAL BIO-SOLIDS FACILITY BY STATE OF NEW MEXICO DEPARTMENT. (BRYAN ROMERO)**
- A. REQUEST FOR APPROVAL OF BUDGET INCREASE – WASTEWATER ENTERPRISE FUND.**

Councilor Wurzbarger said she removed this item in error.

MOTION: Councilor Wurzbarger moved, seconded by Councilor Chavez, to approve this request.

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

27. REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT – SIX (6) VEHICLES FOR ITT DIVISION; RELIABLE CHEVROLET. (ROBERT RODARTE)

Councilor Wurzburger asked if we really need six vehicles now.

Mr. Mike Lujan said these vehicles are to be purchased with funds allocated from CIP to replace vehicles beyond their service life use.

Councilor Wurzburger reiterated her question, and asked if this can wait for 3-4 months.

Chair Ortiz said all of the Councilors and the Mayor are committed to balancing the budget.

MOTION: Councilor Chavez moved, seconded by Councilor Dominguez, to approve this request.

DISCUSSION: Councilor Calvert asked if it will cost more to maintain these vehicles than to purchase the new ones at this point in time.

Mr. Rodarte said there are three vehicles which are 15 or more years old and are “on their last legs,” and the decision is whether to keep fixing them or get rid of them. He asked the Committee to approve the purchase of three vehicles, and staff can come back in February on the other three.

FRIENDLY AMENDMENT: Councilor Chavez said if staff is comfortable with purchasing three now, and the other three later, he would amend his motion to do so. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND AND THERE WERE NO OBJECTIONS FROM THE OTHER COMMITTEE MEMBERS.**

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

30. REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT – MUNICIPAL COURT RENOVATIONS; LLOYD & ASSOCIATES ARCHITECTS. (CHIP LILIENTHAL)

Councilor Wurzburger understands this is a continuation project, noting it is a local firm and money is coming locally, but asked if this can be postponed.

Mr. Romero said this is from CIP reallocation which was approved last month and staff moved forward.

MOTION: Councilor Wurzburger moved, seconded by Councilor Calvert, to approve this request.

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

31. REQUEST FOR APPROVAL OF MEMORANDUM OF UNDERSTANDING – NEW MEXICO RAIL RUNNER EXPRESS; THE MID-REGION COUNCIL OF GOVERNMENTS. (ROBERT ROMERO)

Councilor Wurzburger said we are committing \$436,000 to this project, and asked for clarification of the project.

Chair Ortiz noted none of these funds will be used for sound or noise abatement.

Mr. Romero, referring to page 3 of the packet, said the \$436,000 is for the Rail trail the State built, and if the City had to build it, it would have cost us \$3.2 million. The State only charged the City for the paving. He said the \$30,000 is a project to improve drainage at Penn Road. The State went ahead and paid for it and we will be reimbursing them. He said, in addition, SFRCC did some work for them on the Railyard for \$50,000, so the State will allow us to use \$50,000 of the \$436,000 to pay SFRCC. He said during construction, the State did a lot of damage to the trail and the irrigation which cost \$155,000. So of the \$436,000, \$250,000 is going to the SFRCC and \$155,000 is going to the TPL.

MOTION: Councilor Wurzburger moved, seconded by Councilor Calvert, to approve this request.

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

END OF CONSENT CALENDAR DISCUSSION

DISCUSSION AGENDA:

45. REQUEST FOR APPROVAL OF A RESOLUTION TAKING CERTAIN AND IMMEDIATE ACTIONS TO SAFEGUARD CITY FINANCES AND REQUESTING FOLLOW-UP ACTIONS TO ENSURE CITY FINANCIAL STABILITY (COUNCILORS ORTIZ, BUSHEE AND WURZBURGER). (DAVID MILLICAN) (Postponed at Finance Committee meeting of November 17, 2008.

Chair Ortiz said most of this discussion has happened, and some of the items specifically called for have already been done.

MOTION: Councilor Wurzburger moved, seconded by Chair Ortiz, to approve this request

After determining that there were members of the public who wished to speak, the motion and second were withdrawn.

Public hearing

Joe Alvarez said his stance is that he is coming from the bottom economic part of the ladder. He said his monthly budget is for \$42 plus. He is glad the proposal has been lucky enough to cost only \$1 million. He said his basic premise is that if you were negotiating "my pay down, it would brutalize my budget."

Mark Sardello, Local Energy said, with regard to measures to safeguard City finances, he has never attended a meeting where there was more discussion on localization which he really appreciates. He said to safeguard long term stability of Santa Fe's economy, you have to look at the economic leakages from the City, and where it is leaving the City long-term. He spoke about the Vermont Job Gap Study which looked at this issue, noting many cities in the nation and the world are looking at economic leakages. He said once the money leaves the community it no longer undergoes the economic multiplier repeatedly. He said the top four leakages from every community are food, energy, insurance and interest payments. He said the more you can deal with local businesses in these areas, the more stable the economy becomes. He spoke about a success in Austria which has become the renewable energy resource center in that part of Europe as well as increasing tourism.

The public hearing was closed.

MOTION: Councilor Wurzburger moved, seconded by Chair Ortiz, to approve this request

DISCUSSION: Chair Ortiz said all of these items are things with which staff is moving forward, with the exception of #1, which is freezing the pay increases, which is an option which staff has to bring back. He said we approved vacancy savings credits, and we are looking at and considering personal services agreements and discussions management is having with bargaining units. He said if the heartburn is with the discussion on freezing salaries, Councilors can look at the information in the packet on savings. He said the possibility exists that if we don't take action with personnel costs, particularly personnel increases, we are looking at layoffs. He said we can continue with the short term solutions or we can look at longer restructuring. We have another year locked-in with AFSCME and the police unions. The increases budgeted at 4% two years ago can't go forward in this economic climate. He understands the realities of bargaining unit policies and realities, but if we don't renegotiate and restructure our relationship with those bargaining units, we will be in a "world of hurt."

Councilor Chavez asked if this includes the *ad hoc* Committee.

Chair Ortiz said yes, noting the City Manager met with bargaining unit representatives last Wednesday, but it wasn't formally called an *ad hoc* committee.

Councilor Chavez noted the wording of the Resolution indicates an *ad hoc* finance team.

Chair Ortiz said this is a great way to get information and input from the bottom to the top as how to best restructure, reorganize and produce savings which may not result in an elimination of positions.

Responding to Councilor Bushee, Chair Ortiz said the fire union contract is already coming up and this is the reason it wasn't included.

Mr. Millican said they told the bargaining units with whom they met that it was likely the City would have to look at renegotiation of contracts for 2010 and 2011, but they did not talk about renegotiation for 2009 because of the delays and difficulties associated with that.

Councilor Calvert asked if it is clear that the renegotiating of contracts is in the future and not for this year.

Chair Ortiz said he can rephrase Paragraph 1, but this is a Governing Body policy decision, noting there is still \$1.8 million in unallocated raises which haven't been given.

Mr. Millican said the general approach is that we will need a good relationship and it is better to focus on 2010 and 2011. He said it is necessary to know how these will interact with the approvals already in place, noting staff is recommending a slower approach to preserve the relationship, pointing out that this is a Council decision.

FRIENDLY AMENDMENT: Councilor Calvert and Councilor Wurzbarger suggested amending Paragraph 1, page 2, line 17, as follows: "... the following actions need to be ~~taken~~ assessed immediately..." **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND AND THERE WERE NO OBJECTIONS FROM THE OTHER COMMITTEE MEMBERS.**

Responding to Councilor Bushee, Chair Ortiz said we will have the information on these options available to the Committee by January 5, 2005,

Mr. Millican said staff will provide an array of policy options by January 5th.

Councilor Bushee asked if this will include whether or not to cut positions, and Mr. Millican said yes.

Responding to the Chair, Mr. Millican said this information will be available by January 5th, or before and will be included in the packet when it is due.

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

- 46. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE CITY MANAGER TO TAKE CERTAIN ACTIONS TO MOVE OUR ECONOMY FORWARD AND PROVIDE JOBS FOR OUR CITIZENS; AND ENCOURAGING OUR CONGRESSIONAL REPRESENTATIVES AND OUR PRESIDENT TO ACT QUICKLY TO INVEST IN THE REAL ECONOMICS OF OUR CITIES IN PARTNERSHIP WITH CITIES AROUND THE COUNTRY BY FULLY FUNDING THE MAIN STREET STIMULUS PACKAGE (MAYOR COSS, COUNCILOR WURZBURGER). (ROBERT ROMERO). (Postponed at Finance Committee meeting of November 17, 2008)**

Councilor Wurzburger said this Resolution and has been reshaped. She wants to make it very clear that these are not new items and many Councilors have been working on this for a long time.

PROPOSED AMENDMENT: Councilor Wurzburger would like to add one item to build on the notion of leakage of money from the community. She would like to establish a \$500,000 program, noting there are funds in caretaker housing and Affordable Housing Fund, noting there can be a debate on the sources of funding at a future time. She proposed to add a new item 6, on page 3 as follows: "6) Accelerate investment affordable housing opportunities to get people into homes in the next four months."

PROPOSED AMENDMENT: Councilor Chavez said line 6 on page 2, should be the "National League of Cities," and not the "US League of Cities."

Councilor Chavez then spoke about the National League of Cities and its focus.

Councilor Calvert asked if we have already approved Items 1, 2 and 3 tonight.

Chair Ortiz said we approved a potential funding source for Item 1, and we have already approved Items 2, 3, and 4. The only thing we haven't approved is Item 5, because it's vague.

Councilor Calvert said Item 4 says "accelerate," and asked if these will go to Santa Fe firms or to Albuquerque firms where most of this kind of work usually goes.

Chair Ortiz said staff won't know, because this is a general idea of the general funding scenarios.

Councilor Calvert asked if these are the types of projects with the percentage that goes to local companies.

Mr. Romero said this is difficult to answer. He said the company which does it comes from elsewhere, but they buy the asphalt here. He said there is nobody local to do this and nobody is bidding on these projects.

PROPOSED AMENDMENTS: Councilor Bushee asked to amend the Resolution as follows:

- (1) Add language in Item #1 with regard to sustaining the core of the small businesses, and if you are going to promote the 400th Anniversary to say "included, but not limited to sustaining our downtown businesses";
- (2) Add language to Item #3 which provides "...including but not limited to the facilitation of a multi-modal transportation hub on the Railyard";
- (3) Work on the language in Item #5. Responding to Councilor Bushee, Councilor Wurzburger said, with regard to #5, the discussion will be around the differential prices being charged in some commercial establishments. Councilor Calvert said they have to show they've done all the conservation measures they can before getting the rate break.

- (4) Add a new #6 as follows: "6) work with local educational institutions to support much needed work force training and development including, but not limited to film technician training, solar system installation and other green building technical assistance and hospitality industry related training."

PROPOSED AMENDMENT: Councilor Chavez would like to add language to line 19, page 2, as follows : "... which would also develop programs and policies, if need be, to support the cottage industry related to arts and crafts, furniture weaving, woodcarving and such."

PROPOSED AMENDMENT: Councilor Romero would like to add language: "Coordinating various economic development and training efforts with local institutions that would further economic development."

Councilor Romero said she doesn't want to put the Community College on the spot when they don't have the funding for it.

Councilor Bushee would like the City to be partnering with economic development dollars.

Councilor Romero said this is assessing the potential between the City and other higher education institutions.

PROPOSED AMENDMENT: Councilor Wurzbarger would like to add a new 7 as follows: "7) Assess the feasibility and the economic viability of reducing the number of street lights."

Public Hearing

Inaudible, Executive Director, Santa Fe Independent Business Alliance said she is glad to hear about localizing the economy and the Alliance has publicly supported this stimulus package because it is a bottom up, top down approach. She said federal funds will come to a City like ours which already has innovative programs in place, and hopes you will continue to support these programs and to work on a green economy.

Mark Sardello, Local Energy, said he enjoyed staying through the meeting because it got very good at the end. He said in looking at job packages and economic stimulus, he would encourage the Council to suspend whatever you think you know about the 3-year study he did on a distribution system for downtown, which showed enormous economic benefit in localizing the thermal energy supply in downtown Santa Fe. He would like to make a presentation to the Finance Committee at some point, noting it would take about an hour.

Chair Ortiz suggested it would be more appropriate to have that presentation at the Public Utilities Committee.

Bill Althaus, said if we were a country, the IMF would tell us we had to increase exports and decrease imports. He said whether housing, food or energy, he hopes we take a generic view. He wants us to determine how to get manufacturing for the things which are draining money from the community. We need to increase what we can make and quit buying what we don't make.

The Public Hearing was closed

MOTION: Councilor Chavez moved, seconded by Councilor Wurzbarger, to approve this request with all of the proposed amendments.

DISCUSSION: Councilor Chavez said the Resolution doesn't speak to CDBG funds nor to infrastructure projects such as water, sewer, solar energy development and such. He said things are missing from this Resolution which are in the larger stimulus package. He said this is a good start, but it is not the complete and full picture.

FRIENDLY AMENDMENT: Councilor Wurzbarger asked to add language on page 2, line 18, as follows: "... by decreasing the resource leakage from Santa Fe." **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND THERE WERE NO OBJECTIONS FROM THE OTHER COUNCILORS.**

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

47. OTHER FINANCIAL INFORMATION:

A. REVIEW OF INVESTMENT PORTFOLIO AS OF SEPTEMBER 30, 2008. (HELENE HAUSMAN)

Helene Hausman reviewed the information from her Memorandum of November 19, 2008, to the Finance Committee which is in the packet. Ms. Hausman said she is still optimistic that we will meet the projected budget figures, and will continue to monitor the situation, although it is possible we won't meet those projected budget figures. She will continue to look for good interest rates for City investments.

B. UPDATE FROM DEPARTMENT OF FINANCE ANNUAL BUDGET CONFERENCE REGARDING THE NEW MEXICO ECONOMY AND OTHER BUDGET ISSUES. (DAVID MILLICAN)

Mr. Millican said he provided that information under Item #44.

OTHER ITEMS

Jeanne Price said the Consent Agenda is unclear, and asked if Item # 32 was approved by the Committee.

Councilor Wurzburger asked if it was passed with or without the amendments, noting there were two proposed amendments.

Chair Ortiz said that was passed on the Consent Calendar, so the assumption would be that if it was passed on the Consent Calendar it was passed with the amendments which were handed out, and asked if there needs to be a reconsideration of any items on consent.

Councilor Wurzburger said the amendments weren't in the packet.

Chair Ortiz said then they weren't approved, but those can be brought to Council.

Councilor Wurzburger said she didn't understand that Item #32 was approved on consent, but she can deal with that at Council.

Chair Ortiz said unless an item is under the Discussion Agenda, if it is under the Consent Agenda, then that item was approved on the Consent Agenda, unless it was pulled for discussion. He said Resolutions and Ordinances, especially those with no fiscal impact, will uniformly be on consent unless there is an issue of which he is aware. He said Committee members are welcome to pull items for discussion.

Councilor Calvert said he got a letter from Ms. Fuentes about the charges at GCCC. He said Ms. Fuentes was told by GCCC that the charges were approved by the Council, although he doubts the Council got to this level of detail, administratively.

Chair Ortiz said he recalls having a big discussion about the price of admission at GCCC and if we should continue to allow people to walk in without being charged. He said people were going to watch their kids do something and then would swim or work out. He said as presented it was both an access and a revenue issue. Chair Ortiz said when he played basketball growing up, his parents always had to pay a fee to watch him play in any facility in Santa Fe.

48. ADJOURNMENT

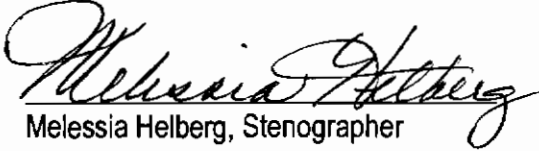
Chair Ortiz said he would like the next meeting to be advertised as a Special Council Meeting so the Councilors who do not serve on this Committee can make motions and vote.

There being no further business to come before the Committee, and the Committee having completed its Agenda, the meeting was adjourned at 8:45 p.m..

Matthew E. Ortiz, Chair

Reviewed by:

David N. Millican, Director
Department of Finance


Melessia Helberg, Stenographer