



Agenda

DATE 1/13/14 TIME 4:05 p

SERVED BY Jessie Esparza

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Parks and Open Space Advisory Commission
The Barn at Frenchy's Field • Osage and Agua Fria Streets
Tuesday, January 21, 2014
3:00 p.m. - 5:00 p.m.

1. Call to Order
2. Roll Call
3. Review and Approval of Minutes: December 17, 2013
4. Approval of the Agenda
5. Old Business:
 - a. Parks Department Update: Ben Gurule
 - b. Review of 2008 Bond – up date on final report
- New Business
 - a. Buckman MX Track — Daniel Coriz
 - b. Regional Soccer Complex Update – Pilar Falkner and Nic Smith
7. REPORTS from Sub-Committees (Brief report about progress of committee)
 - a. Water Conversation
 - b. Finances – Permanent Funding for Temporary Park Workers (2014-15)
 - c. IPM
 - d. Tree City
 - c. 2008 Bond
8. Possible Reports from POSAC Commissioners
 - Bette Booth: District 3, Youth involvement, Prairie dogs, BMX motocross, BTAC/POSAC/COLPAC member, Funding Source for Park Workers (planning for the future), Memorials and Friends of Parks and Trails, Climate Change effects on parks. Parks on the City Website.
 - Daniel Coriz: District 2 Youth, BMX, motocross & pump track: building and maintenance
 - Oralynn Guerreortiz: District 1, Tierra Contenta parks and trails connections, Funding Source for Parks.
 - Joe Lehm: District 1, Skate Parks, Wheel-friendly Trail connections
 - Melissa McDonald: District 2 Water Conservation, Young Families, Funding Source for Parks.
 - Nic Smith: District 4 Youth and Adult Sports in Parks, MRC
 - Sandie Taylor: District 2 Tree City
 - Pat Torres – Extension, Tree City, Community Gardens
 - Anna Hansen, Chair – District 3, Art in the Parks, Trail connections to Parks, Memorials, BTAC/POSAC/COLPAC Coordination, Funding Source for Parks (Planning for the Future).
8. Public Comments
9. Confirm date and time for the next meeting – February 18, 3-5 PM

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**MEETING MINUTES
FOR THE
PARKS AND OPEN SPACE ADVISORY COMMISSION**

TUESDAY, JANUARY 21, 2014

CALL TO ORDER

A regular meeting of the City of Santa Fe Parks and Open Space Advisory Commission was called to order by Anna Hansen, Chair, on this date at approximately 3:00 p.m. at Frenchy's Barn, Osage and Agua Fria, Santa Fe, New Mexico.

ROLL CALL

Roll call indicated a quorum as follows:

Members Present

Anna Hansen, Chair
Bette Booth
Daniel Coriz
Oralynn Guerrerortiz (arrived later)
Joe Lehm
Melissa McDonald
Nic Smith (arrived later)
Sandra Taylor
Patrick Torres

Members Absent

Staff Present

Jesse Esparza, Parks Department
Ben Gurule, Parks Director

Others Present

Robert Wood, Water Department
Charmaine Clair, Stenographer

APPROVAL OF MINUTES- December 17, 2013

Under Reports: "Ms. Booth said she would request the Commission vote on the issue..." was clarified that Ms. Booth was asking for the Chair to be sure to get a Commission vote on the issue.

Mr. Smith entered the meeting at this time.

Ms. McDonald moved to approve the minutes of December 17, 2013 as amended. Mr. Torres seconded the motion and it passed by unanimous voice vote.

APPROVAL OF THE AGENDA

Ms. McDonald moved to approve the agenda as presented. Ms. Booth seconded the motion and it passed by unanimous voice vote.

OLD BUSINESS

a. Parks Department Update- Ben Gurule

A summary of the Parks Update for January, 2014 follows:

The Zia Road medians- a \$35,000 grant will improve five medians. Parks staff is working with Jason Kluck in facilities to assist with the design. Parks will do a design similar to the medians on Rodeo and Airport Road with trees, irrigation and native grass and reshaping for water harvesting. The remaining four medians will be xeric medians and as money is available the design will be continued.

Cathedral Park- the Don Diego DeVargas statue will be installed this Friday.

The Christmas tree recycling- thousands of trees have been mulched and the mulch is available to the public at Franklin Miles Park or at 1142 Siler Road.

The Plaza- Parks is continuing to request approval for a potable water source.

Frank Ortiz Park- Jim Murphy requested additional signage throughout the park that would ask people to pick up after their pets.

The Park security cameras- originally there were specific locations for the cameras, but because people often break the solar powered cameras, new areas have been selected where AC power exists. The contract will be amended because of the change.

Rail Yard Park - some of the amenities in the playground have been an ongoing issue and are falling apart. The pieces would be removed. There is a meeting on that this week.

The MX track - the recommendations were received from the design firm Great Outdoors, who assessed the track. Mr. Coriz recommended changes, but Great Outdoors said the recommendations would change the beginner to an intermediate track and be a more advanced course. Mr. Coriz's recommendations were given to Travelers who agreed with Great Outdoors not to incorporate the recommendations. Parks will go to Public Works, the Finance Committee and City Council to recommend a funding source to incorporate the guidelines from Great Outdoors. Costs to hire a contractor would be about \$380,000, but if done in-house is estimated at \$75,000 to \$90,000.

Mr. Gurule said he would bring a memo to the Commission once they start the committee process. He added that Parks will maintain the track with volunteers once built. He said there is not a permanent maintenance fund and that has to be worked on.

Mr. Coriz said the maintenance would take more time than making adjustments. He said initially the plan was to start a nonprofit and take in funds specifically for maintenance and in November was the group was approved as a 501(c) 3. He said through volunteer efforts the City avoided the 90,000 dollars. He added that his recommendations conflict with Great Outdoors because the firm has never built a motocross track and went to a professional racer to get their recommendations.

Chair Hansen tabled the discussion until Mr. Coriz's presentation.

Mr. Gurule continued with the update of parks:

MRC- the tile work is complete in the umpire's room and concession stand.

Cerrillos Road phase 2c – presented 95% drawings but after mark up and is about 50%; they will go to bid in August so there is time to incorporate the changes.

Larragoite Park - has \$20,000 of park improvements and the superintendent and supervisor of the district are working with Jason Kluck to put the improvements into a construction drawing with a MAC (maximum allowable construction).

2008 Parks Bond- the hope is to have a balance; Parks has a recommendation for the reallocation of that money, but has to wait for the independent audit to be completed.

Chair Hansen asked if there would be a 2008 Parks Bond Report with a list of the parks and the Commission recommendations and expenditures at each park. Mr. Gurule replied he has that today to be disseminated. He said the last 2008 Bond project [for Parks] was MRC, but there are still a lot of trails projects he doesn't have an update on.

2012 Parks Bond- John Griego Park; PNM would replace a light pole and Parks would reseed in the spring.

Patrick Smith Park- post and cable work was completed last week and an irrigation design is being done. A meeting is scheduled to review that on January 22 at the Facilities Conference Room.

Adam Armijo-has a \$25,000 shortfall and Parks wants to reallocate the money.

Franklin Miles Park Skate Park- the work for the skate park and basketball courts is scheduled in the spring.

Ragle Park- basketball court construction and drainage improvements are underway. The draft for the RFP for the skate park is 90 percent. Mr. Lehm said he made suggestions and would meet with Brian this week or next. Mr. Gurule offered Parks help if needed.

Ms. Booth said Rancho Siringo had a meeting. She asked how that went. Mr. Gurule replied he didn't have the information, but knew they changed the scope of work and would e-mail the information.

Ms. Guerrerortiz entered the meeting

Ms. Booth asked if the Rail Yard playground equipment had a guarantee. Chair Hansen asked about the Rail Yard Stewards in that.

Mr. Gurule said Parks staff, Facilities and the Rail Yard Stewards would look at the situation to determine how to proceed. He said the problem has happened before and has gotten worse and now does not meet consumer safety guidelines. The slide would be removed and something else put in.

Ms. Booth asked if POSAC could look at the 2012 implementations at the next meeting. She said some things were done in the 2008 Bond and there could be changes. She said there is money for a drinking fountain at Tomas Macione. She thought there are things they should look at and work together on.

Mr. Gurule said Tomas Macione had to meet ADA before and couldn't be done, but now could get the fountain. He thought the \$8000 estimate would be okay.

Mr. Gurule offered to bring in what he has and go over the implementations item by item. Chair Hansen said she would add the 2012 Bond under New Business for next month.

Ms. McDonald thanked Mr. Gurule. She said she was excited to hear that Parks is working on a water harvesting plan for Zia Road medians. She said she has a concern about the maintenance and wants to discuss that. Ms. McDonald suggested when there is a water fountain or non-irrigated use, a flow

meter be put in. She said non-irrigation use should be monitored. Ms. Guerrerortiz added that the meter would only have to be read once a year. Mr. Gurule replied a flow meter would be included at the Plaza, once potable water is approved.

Ms. Taylor asked if the water harvesting feature would be standard for all medians. Mr. Gurule replied there are guidelines for park medians and landscape improvements include water harvesting guidelines.

b. Review of 2008 Bond – Up Date on Final Report

Mr. Gurule said he handed out a binder last week to Public Works, BTAC and the Finance Committee. He passed out binders for the Commissioners and said in addition there is an updated financial spreadsheet and an individual summary sheet that shows the approved scope of work, what was actually done and the dollar amount spent for each project. He explained that the binder has information on how things were approved, vetted and POSAC's questions and the answers to those.

Mr. Gurule said this was to be reviewed at Finance [Committee] but the meeting was canceled and he wasn't sure of the order or dates now to go to the Committees.

Ms. Guerrerortiz asked who generated the 2007 Park Assessment Needs. Chair Hansen replied they were recommended by the Parks supervisors and staff. Mr. Gurule added that what is shown is inside the Parks Master Plan with specific scopes of work and was developed as a guideline for staff on how to proceed with the design and construction of each park.

Ms. Guerrerortiz confirmed the Bond was approved for \$17,000 and what was billed was \$80,000.

Chair Hansen explained there were three tiers; maximum, adequate and minimum. She said Parks didn't get the \$60 million so they recommended the lower amount which totaled \$18 million (\$10-12 million went to Trails).

Ms. Booth said according to the August and September, 2007 minutes, the minimum was ADA compliant. She said ADA planning *was* part of the Master Plan; not added on afterwards. She said Fabian Chavez said that *adequate* is ADA compliance first; irrigation second and third is safety.

Ms. Booth pointed out that the new spreadsheet shows Parks has finished 57 projects and Trails is still working on their six projects. She said they should acknowledge Parks staff for their incredible job of managing the projects and getting them done.

Ms. Booth said the Water History Park [formerly the Power Plant Park] is the only project in the red and all other projects had BARS allocated. She said they were \$149,000 in the red. Mr. Gurule offered to check on that.

Ms. Booth suggested a column that shows the bond original budget. She thought at some point everyone would want to see salaries, benefits and costs.

Mr. Gurule introduced Teresita Garcia from the Finance Department to provide information on process.

Ms. Garcia, Assistant Finance Director said one of her responsibilities is to ensure that the bond issuance is spent according to what the question is. She said she could run the information [requested by Ms. Booth]. She said she prepared the document by going through the legal documents, identifying the Master Plan and tying that to the Master Bond issue.

She said she reviewed the minutes of the Finance Committee and City Council to look at the adjustments. She said the Robert Romero made a decision to do a lot of the labor in-house. Staff was directed to use a specific amount as force labor and allocated those labor costs by individual, to the projects they worked on. The total funding amount is what was approved between the Master Plan and the allocation of labor.

She explained the project funds, budgets and costs allocations. She said the funding source was identified and approved by Finance and City Council and every year the financial statements are audited.

Ms. Garcia said a certain percentage of the bond issue has to be spent or paid back to the federal government for interest. Costs by year are broken out starting in FY 2008 through 2013 and shows the amount to the project each year and how much was spent.

She said one question was how much was spent in salaries, benefits, service and materials. She said she broke all costs into the three categories. She said the balance as of June 30, 2013 is the balance in the financial statements, which has been audited. She said on the question of how much money is left to re-allocate; \$57,000 has not been spent.

Chair Hansen pointed out that most of the pending projects appear to be BTAC.

Ms. Booth said asked when POSAC could have a report that shows the salaries/benefits and services and materials for the new expenditures.

Ms. Garcia said they are ongoing, because they are cash basis and as money is spent it is updated weekly. She said everything has been budgeted in anticipated spending and when the project is complete with no expenditures incurred, the money would become available. She said an annual audit is June 30 and the books will close and by the end of September there would be a cash balance.

Ms. Guerrerortiz said the Water History Park has had special treatment and the balance is a negative 150,000 dollars. She asked if that was approved by City Council. She thought the money was a loan from the 2012 Bond and was to be repaid and the total reallocation should be \$200,000 not 50,000 dollars.

Ms. Garcia said she looked at the total bond and if additional expenditures are funded somewhere else, it isn't included in the report. She said she didn't do budget adjustments between the projects on the positives and negatives.

She said the question was how was the bond money spent and whether it was spent correctly and what was allocated to which projects. She said she could research the \$400,000, but she did not go into whether there was a BAR to move money from the POSAC projects.

Ms. Guerrerortiz said her understanding was that City Council did not approve the loan reallocation. She thought that was done administratively.

Ms. Garcia said all BARS go through Finance and City Council, whether through an individual item or a quarterly report. She said some of the Water Division funding could have been used for the Park, but it was not a loan.

Ms. Guerrerortiz said money that was spent on the Water Park would not need to be paid back to them by the bond and there should be another \$150,000 available.

Ms. Garcia said money was allocated to the project and that was what was spent, but she could research that. She said the resources changed and Water money was used and the funding was different.

Mr. Gurule offered to bring specifics of the Water History Park to the next meeting. He said the project administrator retired, but he would bring the scope of work, the costs and more detail about the design and whether the money would be reimbursed.

The members discussed the money and whether the money would be repaid.

Ms. McDonald asked if typical for the Water Company to give money toward park projects.

Ms. Garcia said there are guidelines. She said the question was if Water [Division] should contribute. She said she knew there was a lot of discussion about that.

Ms. McDonald questioned why, if the Water Division gave money, the park has so much lawn and the park has little use. She said Water Division goals are to have more water efficiency. She was shocked they would contribute money to a park that has high water use.

Ms. Taylor asked for a column of the original amount of money allocated in the Master Plan; Ms. Booth asked for breakdown of cost of construction of projects (capital improvement) and maintenance. The committee discussed what information they want in the report.

Ms. Garcia said she could provide every check spent in each park; the vendor, a description and the amount paid and date for all 57 parks.

Ms. Booth asked about the list of people who were paid out of the bond.

Ms. Garcia said she is working on the list.

Ms. Booth said she also had asked for the project administrator and crew on each project, to see patterns. Mr. Gurule replied he would work on that.

Ms. McDonald said as information, the Water Park ranks 21 in water usage out of 156 parks.

Ms. Guerrerortiz added that the park does not have a lot of acreage compared to others. She said City Council would want to reallocate the remaining money. She asked if the Council would make

recommendations right away. She thought that shouldn't be a political decision, but based on the big picture.

Mr. Gurule said Parks has recommendations for the \$57,000 and Trails will have balances. He said Parks reallocation list is based on the anticipated shortfalls from the 2012 Parks Bond.

Ms. Booth said BTAC would realize money was taken from the Trails budget and put into Parks as part of the 2011 reallocation. She thought BTAC might ask that the money go into Trails.

Ms. Garcia recommended going through each project and if a shortfall, the funds could be allocated to the appropriate projects. She would then make sure the projects are closed and provide a report that gives the clear cash balance that needs to be allocated.

Ms. Guerrerortiz confirmed that Mr. Gurule would look at the Water History Park and help her understand the 150,000 dollars. Mr. Gurule replied he would get back with them.

NEW BUSINESS

a. Buckman MX Track-Daniel Coriz

Mr. Coriz said he would start with the conversation about Great Outdoors. He said there is a long list of recommendations from Great Outdoors to comply with Travelers Insurance. He said his conflict is with the track details and he would explain the difference in "builds".

He said the difference between a beginner jump and a professional is that a professional has two mounds of dirt with no center fill. The pros are high challenge, less maintenance and material to build; the cons are the high fall factor that makes it dangerous for beginners because of short landings. The double is not a beginner obstacle and is intimidating to ride and a high challenge.

He said a recommended build is a table top (a flat top surface) and pro is an increase visibility, and the elimination of case point and it is a beginner obstacle. The cons are a moderate fall factor rate.

Mr. Coriz said he recommends a step-up where the center is filled in to eliminate the fall factor and allow for a better learning curve. He said that would be beginner and an advanced challenge. The cons are there would be less visibility on the backside and the jump is difficult for small bikes to climb. He noted that the current user build is step-ups and most motocross tracks that run races, build tabletops. He said open space is typically a step-up because they are safer.

He said another area he conflicts with the recommendation build is on burms. The recommended build is a professional build and is typically soft, loose, moist soil. On a professional build, every two hours of riding requires a full day of maintenance. He recommends stacking and compacting the burms that does not require water.

Mr. Coriz said his issue is with two burms out of 17 and the burm acts not only as a burm, but as a barrier that without that could cause a collision. He said most professional builds are on flat surfaces; Santa Fe's track has no flat surfaces and the soil is filled with rocks and if not compacted, the rocks would surface.

Mr. Coriz said as recommended by Great Outdoors, a lot of time would have to be spent on maintenance to keep the burn ride-able. He said there is room to create flat burns and there isn't room to go as wide as the recommendation made to Travelers.

Mr. Coriz talked about the existing fence line along the backside of the free turns. He said the recommendation is to pull the burns further into the arroyo, but that takes out a lot of vegetation. He said if the highway land was owned by the City prior, they could give them the land and the fence line could be pushed back. [Mr. Gurule noted that was being worked on with DOT]. He said most importantly, if the turns are in the arroyo, rain would wash out the turns and cause more work.

Ms. McDonald suggested a report be prepared to send Travelers that outlines the conflicts with the Great Outdoors report. She said it would be good to point out the water issue, given the context to the desert.

Ms. Booth asked about selling the track to a nonprofit, etc. She said the City is working in good faith and there is no recognized criteria and comes down to people's opinion. She asked about having another insurance company in addition to Travelers.

Mr. Coriz said the City looked into that last year and the only insurance would be motorsports insurance and only insures races.

Chair Hansen asked if Traveler's has seen the PowerPoint presentation. Mr. Coriz replied that Great Outdoors has, but only looked at it from their perspective.

Ms. McDonald suggested Mr. Coriz give a report to Travelers as an appeal and outline his perspective on the areas of disagreement. Chair Hansen said one of the City Attorneys could work with Mr. Coriz and look at how it could be explained to Travelers.

Ms. Booth explained that Travelers said the City had to hire an outside consulting firm and the firm's recommendations had to be followed to get insurance. She said part of the issue is that recommendations are from the *professional* consulting firm and puts Mr. Coriz as one of the "users."

Ms. McDonald thought someone who builds or involved in building the tracks could review the recommendations and give a secondary opinion that might sway them. She suggested an engineer could verify the slope ratio to confirm Mr. Coriz is making the track safer.

Mr. Coriz said he wants to do a site comparison in New Mexico; most of the open spaces have a motocross track that has been built.

Mr. Gurule stated the facts: the MX track was closed because of the current design and Travelers determined it a high risk. He said Parks worked with Mr. Coriz and the MX group to get them a nonprofit affiliation, but that didn't work at the time. A consulting firm was hired to review the track and redesign, if needed and a report was given from Great Outdoors.

He said they are on the cusp of getting the track redesigned and opened, but with Mr. Coriz's recommendations, could not move forward. The goal was to get a space for the MX community to use.

Mr. Gurule said there appear to be three main issues. He said there should be a meeting with Mr. Coriz and Great Outdoors to see if there are points they could agree on. He acknowledged there is no personnel to maintain or water the track regularly and thought it a good idea to have Mr. Coriz's plan reviewed. He offered to contact Risk and the City Attorney's office about a conference call and whether Travelers is open to that.

He added the other option is to get Mr. Coriz and Great Outdoors to review the drawings to see if there is a place they could come together.

Chair Hansen said if Mr. Coriz could live with the track as is, she would like to see the track open. She said it would be used, but it might not be by professionals. She asked if it wasn't better to have the track open than not to have the track at all. She said in the next month Mr. Coriz could try to resolve the details and if not, they could move forward to get the track open.

Mr. Gurule asked that he and Mr. Coriz get together tomorrow about options. Ms. McDonald asked for a copy of the presentation to see if anyone in her network could help.

Chair Hansen said the Commission would revisit the item again next month.

- b. Regional Soccer Complex Update – P. Falkner /N.Smith- Postponed to next month

REPORTS from SUB-COMMITTEES

- a. Water Conversation - Permanent Funding for Temporary Park Workers (2014-15)

Ms. McDonald said other than a request to Mr. Gurule for numbers, she had no report.

- b. Finance – No discussion

- c. IPM-

Chair Hansen said she received an e-mail from Dr. McCampbell who was unable to be present but sent a list of questions: she asked if Gary Varela is the acting Interim IPM Coordinator.

Mr. Gurule replied "yes." He said there are no requests for the use of pesticides and there was one call for mice infestation at MRC that is being handled with traps. He was not aware of any plans to spray pesticides in the next month or so.

Dr. McCampbell also asked the status to replace Mr. Wood.

Mr. Gurule replied the position would be a union position and is being advertised in the New Mexican and announced to the union workers first; if there are no qualified applicants the position would be announced outside the union.

- d. Tree City-

Ms. Taylor said the Board met and mostly had questions about Mr. Wood's resignation with Parks. A

meeting is planned in February and there would be more to report.

e. 2008 Bond – (Exhibit 1)

Ms. Booth said she asked for a few minutes to update the Commissioners on the progress of the report. A summary of Ms. Booth's update follows:

- Resolution (2013-80) requested an independent audit of the Bond as part of the CAFR (Comprehensive Annual Financial Report). The Audit Committee recommended the City conduct an independent "Agreed upon Procedure Audit and form a committee made of members of the Audit Committee, the Finance Department, Public Works and POSAC. Ms. Booth thought BTAC would want to be included also. The committee would be managed by the Internal Auditor. Councilor Wurzbarger will introduce the Resolution with the Audit Committee recommendations and that would be part of the final report.
- There are three emerging questions about the 2008 Parks and Bond Report:

1- *Did the City implement the intent of the Bond; was it legal to charge recurring costs to the Bond?* The Finance Committee has asked staff for a complete list of all staff paid out of the Bond (as part of the independent audit).

The ballot stated funds will be used to acquire land for, and to improve, public parks, trails, and open space for recreational purposes. POSAC was told the Bond money could not be used for maintenance, but the City charged recurring costs immediately and in 2008 charged for staff time and maintenance; including the staff administering the Bond and was approved by City Council in 2011. Also included was maintenance staff for parks and about \$250,000 operational expenses for MSL (Marty Sanchez Links golf course).

A memo from then Finance Director Melville given to POSAC states unless expressly provided for by statute, bond proceeds may *not* be used for operating expenses and examples covered was given.

2- *What was approved by whom and when?* Councilor Dominguez has asked staff to provide supporting documentation. The Public Works documentation indicates that formal approval for salaries and benefits was requested in 2011 for certain people; the City Manager states that 29 people were funded out of the bond and is a question if that was formally approved. There are also multiple examples of large reallocations of Bond monies, i.e. the Water History Park.

3- *What did the City implement in relation to capital improvements promised to the voters?* Chair Hansen has asked for a report of what was implemented on each park and a spreadsheet with information where the Audit Committee or independent, could see what was done, what the costs were and how that lines up.

Ms. Booth noted the questions arose because POSAC worked with Parks to develop a master plan. The ADA compliance and prairie dog removal was known to be more expensive. Twenty-five percent of the Bond was taken for salaries and maintenance that was not part of the master plan. That brings into question the high relation to City staff salaries and benefits, compared to the services and materials.

Cathedral Park was an example and had \$5000 spent on materials and services and \$73,401 on salaries and benefits. In some cases the salaries were 100% of all of the expenditures. The audit process should be able to answer the questions.

Ms. Booth said a big question is how the parks could be maintained without more bond money. The maintenance of the parks has been funded from the Bond for six years.

Mr. Gurule noted that the Parks maintenance staff is paid from the General Fund and the CIP Bond since 2011. He said in answer to how the Parks Bond was impacted; most likely that is the in-house crew in 2008/09. He said a decision was made in 2010 through 2012 to pay additional staff out of the Bond and the numbers show it "bumped up", but in June 2012 went back to CIP where it currently is. He said funding would run out in June unless another CIP Bond is approved and Parks has requested \$1.5 million for the next two years to cover maintenance personnel.

Ms. McDonald said this strengthens the argument why Parks should get a public benefit rate.

The members discussed the Water History Park. Mr. Gurule said every project design goes through several processes and is reviewed by a lot of people.

Ms. Guerrerortiz said the memo from Dr. Melville stating "confidential; attorney client privilege" shouldn't state that. Chair Hansen replied she has a call in to the City Attorney about that issue.

REPORTS

- Ms. Booth-

Ms. Booth said people want their money back on the Alameda/St. Francis crossing and don't like the idea. She said Tim [?] has been hired by the Trust for Public Lands as the new Trails Coordinator.

PUBLIC COMMENT- There was none

DATE AND TIME FOR NEXT MEETING: February 18, 2014

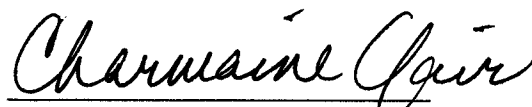
ADJOURN:

Having no further business to discuss, the meeting adjourned at 5:23 p.m.

Approved by:


Anna Hansen, Chair

Submitted by:


Charmaine Clair, Stenographer

2008 PARKS AND TRAILS BOND REPORT PROCESS UPDATE

REPORTS:

- Second version – POSAC (December), Finance (December) and Public Works (January) with additional background information. BTAC (January) – assigned a person to work with our sub-committee. Finance tonight.

INDEPENDENT AUDIT

- Resolution 2013-80 (August 2013) requested an independent audit of the Bond as part of the City Comprehensive Annual Financial Report (CAFR): Too late for 2013.
- Audit Committee: January meeting recommended: 1) Conduct an Independent *Agreed Upon Procedure Audit* (separate from the CAFR) as soon as possible. 2) Form an intersectoral committee to develop the audit Scope of Work made up of representatives of the Audit Committee, POSAC, Finance Department and Public Works. BTAC? 3) Internal Auditor to manage.
- Councilor Wurtzburger to introduce resolution with Audit Committee recommendations.

THREE EMERGING GENERAL QUESTIONS ABOUT THE FINAL 2008 PARKS AND BOND REPORT

1. Did we implement the intent of the Bond? Was it legal to charge recurring costs to the Bond?

Status: Finance Committee has asked staff for the complete list of City staff salaries and benefits who were paid out of the Bond. Part of the independent audit. Ruling by State Auditor/Attorney General?

Background:

- The ballot stated that funds will be used “acquire land for, and to improve, public parks, trails and open space for recreational purposes”. Audit Committee will be reviewing actual Bond for restrictive language.
- We were told during POSAC meetings as we were developing the Bond Master Plan and campaigning that these funds could only be used for capital improvements. August 2007,, September 2007, and October 2007 “The monies being dedicated to this initiative cannot be used for maintenance personnel.”
- The City began charging recurring costs (salaries and benefits) to the Bond from the beginning. This started at 10% of the Bond expenditures and grew to almost 25% of the total reported Bond expenditures (\$5,859,704.00 out o \$25,665,546.00 in the December 2013 Report). Salaries and benefits still need to be broken out in the January 14 updated report.
- Recurring costs charged to the Bond includes salaries and benefits for Parks administrative staff working on the Bond (approved by City Council in 2011), Parks and Marty Sanchez Golf Course maintenance staff and other Public Works staff. It also includes at least \$227,600.00 operational costs for the Marty Sanchez Golf Course.
- These recurring costs were not included in the original 2008 Master Plan budget that the public voted for.
- Even when projects were reported as completed, these recurring costs continued to be charged to the project, inflating the actual cost for each project.

- Dr. Melville's (Finance Director in 2011) memo (page 4) that was presented by the City as part of the documentation on in the Bond Report states "unless expressly provided for by statute, bond proceeds may not be used to pay for operating expenses (e.g. salaries and in-house labor). "Bond proceeds are limited to the payment of salaries for the number of hours (or % of FTE) of direct field workers or direct project managers for the number of hours that the employees are actually doing the work of the project".
- The City Attorney said in public meetings that pulling weeds (maintenance) was improving the park, but did he give a formal ruling?

2. What was approved by whom and when?

Status: Councilor Dominguez has asked staff to provide supporting documentation of memos and minutes where reallocations, budget adjustments and staff salaries were discussed at City committee and City Council Meetings. Public Works packet had some documentation.

Background:

- City Salaries: Public Works documentation packet indicates that formal approval for salaries and benefits was requested in 2011 and only for specific people (see page 6). The City Manager stated in several meetings that 29 people were being charged to the Bond, but was this ever formally approved?
- There are multiple examples of large reallocations of Bond monies such as MRC, Pueblos del Sol, DeVargas Park. Trails?

3. What did we really implement in relation to the capital improvements we promised the voters?

Status: Chair Hansen has asked for a report on exactly what was implemented in each park project. Should include the financial summary spreadsheet (Example on page 12). Will be able to compare what was accomplished with what was charged. Part of the audit?

Background:

- In 2007, POSAC worked with Parks staff to develop the Bond Master Plan. ADA always part of the planning. August 2007 Meeting: How were 'adequate' and 'minimum' determined? Ben: "Staff went out and did an inventory of every park. The Minimum was ADA (compliance)". September 2007: What is 'adequate? Fabian: "ADA compliance, irrigation and safety."
- At least 25% was taken off the off the top for recurring costs not included in the original 2008 Master Plan budget. The costs for implementing the Master Plan recommended ADA compliance were significantly higher than originally thought. There were unplanned for expenses for prairie dog removal. Materials such as gas, concrete, etc. also increased over the last six years.
- The high relation of City staff salaries and benefits in comparison to the services and materials raises questions about what staff was actually able to implement at each project. Examples:
 - ✓ Cathedral Park: \$5,017.00 was spent on materials and services and \$73,401.00 on salaries and benefits.
 - ✓ Marc Brandt Park, \$4,449.00 was spent on materials and services and \$25,512.00 on salaries and benefits.
 - ✓ Diego Entrada Park \$457.00 was spent for materials and services and \$10,691.00 on salaries and benefits.

- City staff salaries and benefits represent an average of 55% of each project. Projects with high percentages of salaries and benefits in relation to services and materials include three projects where nothing was done at all - Monica Roybal (100%), Peralta (100%) and Alto BiCentennial Pool (100%). Others include: St. Francis Crossing (95% of the total project expenditures) Archuleta Property (92%), Cathedral (93%), Marc Brandt (85%), Sunnyslope Meadows (84%), Plaza (80%), Prince (77%), Atalaya (74%), Cross of the Martyrs (73%), West DeVargas (68%), Cornell (63%), Adam Armijo (60%) and GCCC Park (59%).
- Interestingly, most of the projects that have come in under or very close to under budget of the original Master Plan were those implemented by sub-contractors (Franklin Miles, Larragoite, Magers Frenchy's, Nava Ade, Ragle, Ft. Marcy Facility and Salvador Perez Pool) Likewise costs for developing new parks were much lower when implemented by a contractor than by the in-house team. For example, the new 1.1 acre Cielo Vista Park implemented by the in-house team cost \$361,816.00 per acre and the tiny .2 acre Maclovía Park implemented by the in-house team cost 248,105.00 per acre while the new 5.28 acre Nava Ade Park implemented by a sub-contractor cost \$99,557.00 per acre. This may indicate that the most efficient model for implementing city capital improvement projects is by outside contractors (who can also be local), not City staff.

BIGGEST QUESTION: The maintenance of our parks has been funded out of the Bond for the last six years. How are we going to maintain them without this Bond money?

City of Santa Fe, New Mexico

memo

CONFIDENTIAL
ATTORNEY-CLIENT PRIVILEGE

Date: November 14, 2011

To: Councilor Bushee

From: Dr. Melville Morgan, City of Santa Fe Finance Director

Issues:

1. Can the City pay for the salaries of City employees who do work that is clearly connected to designated City projects that link to proceeds from the City's GO Bond Series?
2. What is the overall indebtedness of the City? What is the principal and interest schedule?
3. What can we use to support debt and other "operations"?

Conclusion #1:

1. *Can the City pay for the salaries of City employees who do work that is clearly connected to designated City projects that link to proceeds from the City's GO Bond Series?*

Yes, as long as the City employees' daily work is directly connected to the language and projects in the Bond. This decision needs to be made on a case-by-case basis depending on the specific facts pertaining to the exact type of work being performed by City employees.

The New Mexico State Board of Finance Rule on Bond Project Disbursements is relevant to this question. This Rule applies to state agencies that receive severance tax bond and general obligation bond appropriations. It specifically states it does not apply to local public bodies. Therefore, it is only guidance to local public bodies. Nevertheless, the pertinent part of this Rule is found in 2.61.6.8 G (6) and (7) NMAC which states the following regarding whether or not bond proceeds can be used to pay for operating costs/expenses (salaries and in-house labor) or indirect expenses::

- (6) Operating expenses - unless expressly provided for by statute, bond proceeds may not be used to pay for operating expenses (e.g. salaries and in-house labor).
- (7) Indirect expenses - generally, the legislation authorizing the issuance of bonds prohibits the use of its proceeds for indirect expenses (e.g. penalty fees or damages other than pay for work performed, attorney fees, and administrative fees). Such use of bond proceeds shall not be allowed unless specifically authorized by statute.

The answer to question #1 has to do with when and whether a person's salary is a direct expense/cost or when and whether the salary is an indirect expense/cost. In other words, if the City would have hired a contractor to do a certain job, like install a sprinkler in a park, but instead the City, for cost effective reasons, uses a City employee to install the sprinkler, then the salary of that City employee who installs the sprinkler is a direct cost (the hours one actually works to install the sprinkler). This means bond proceeds are limited to the payment of salaries for the number of hours (or % of an FTE) of direct field workers or direct project managers, i.e.,

for the number of hours that public works employees are actually doing the work of the CIP project. The rationale is that the costs of direct field workers and direct project managers are not “indirect expenses”. Since the City can use bond proceeds to pay independent contractors to be field workers on projects, then likewise the City can use bond proceeds to pay for the salaries (the hours spent or % FTE) of field workers that are City employees.

When considering the use of the bond proceeds to pay salaries, key points needs to be considered:

- Can the City accomplish the projects without supporting the salaries of the employees through bonds?
- Does it make sense – financially or realistically – to use outside contractors that may cost more or about the same when the City could keep its staff employed and do the work in-house?
- Would supporting employees through the bond relieve stress on the operating budget and allow more flexibility to meet budget? Stated more clearly, would employees working directly inside the scope of the bond be affected adversely if they were not included in the bond?
- What is the plan for paying for employees or continued employment once the bond projects are completed?

We analyzed our financial data and determined the following:

Bond Proceeds(GO/GRT)						
Date	Bond Issue	Date of Issue	Issue Amount	Salaries Paid From Total Proceeds by Year	Number Term Employees (Labor)	Number of Permanent Employees
1999	GRT	11/30/1999	\$18,500,000			
2002	GRT	02/01/2002	\$17,995,000			
2004	GRT	02/01/2004	\$18,660,000			
2006	GRT	02/14/2006	\$17,710,000			
2008	GO	06/10/2008	\$20,000,000			
2010	GO	11/01/2010	\$10,000,000			
06/30/2009				\$740,525.11	88	0
06/30/2010				\$1,490,096.37	129	7
06/30/2011				\$1,758,045.63	100	7

The issue is whether or not the daily work City employees are performing fits within the question voted on by the electorate because, pursuant to the New Mexico Constitution:

Article IX Section 12, and Article IX, Section 9, bond proceeds can only legally be used for the purposes voted on by the electorate. Article 9, Section 9 states: “Any money borrowed by the state, or any county, district or municipality thereof, shall be applied to

City of Santa Fe, New Mexico

memo

DATE: JUNE 27, 2011

TO: PUBLIC WORKS, CIP & LAND USE COMMITTEE

VIA: ISAAC J. PINO, P.E. PUBLIC WORKS DEPT. DIRECTOR

FROM: FABIAN CHAVEZ, PARKS DIVISION DIRECTOR
BEN GURULE, PW PROJECT ADMINISTRATOR
FRANK ARCHULETA, PW PROJECT ADMINISTRATOR
JACKIE GONZALES, CONTRACT ANALYST

ISSUE:

Parks Bond Update and Request of Reallocation of Parks Bond Funds.

SUMMARY:

In 2002 the city experienced an extreme drought conditions that affected all the city parks. In 2008 the City of Santa Fe passed a property tax bond for \$30,269,000.00 to support an initiative to renovate 58 of 100 city parks and construct 7-trails with the anticipated completion date of December 2012. (See Attachment 1)

The Park Bond renovation work has had a positive impact on our community. The Parks, Open Space & Trails and Facilities Divisions have employed 35 skilled laborers and have supported many local businesses during a time of economic strain. The Parks Bond renovation, remodel and new construction projects have also provided beautiful and accessible parks, recreation facilities and trails that have improved the quality of life in Santa Fe.

In an effort to proceed - it is necessary to adjust and re-allocate balances to cover for allowable construction and administrative costs. All parks, trails, facilities and open space projects will be complete per the approved Parks Master Plan. (See Attachment 2)

ACTION:

Please recommend to the Finance Committee approval to re-appropriate Parks Bond Funds as recommended (See Attachment 2).

SS001.PM5 - 7/03

ATTACHMENT 1

The Parks Bond Completed Projects:

- 1) 28 Completed Projects: 21 In-house Projects – 5 Contracted Projects & 2 Shared In-house & Contracted Projects.
- 2) 2 Renovated Recreational Facilities
- 3) 2 Completed Trails within the city limits

Current Parks Bond Work

- 1) 26 Existing Projects - 18 In-house Projects – 4 Contracted Projects – 4 Shared In-house & Contracted Projects
- 2) 2 Facilities – Proposed Construction
- 3) 5 Trails under construction & design
- 4) 1 NW Quadrant Trails under construction & design

City Council Approval - Transfer General Fund Employees to Parks Bond:

FY 09 – 10	Salary:
Parks Supervisor	58,278.00
Engineer Supervisor	119,227.00
PW Project Administrator	106,569.00
River & Watershed Coordinator	<u>100,098.00</u>
Total:	384,172.00

FY 10 – 11	
Parks Supervisor	58,278.00
Engineer Supervisor	119,227.00
PW Project Administrator	106,569.00
River & Watershed Coordinator	100,098.00
PW Project Administrator	<u>94,510.00</u>
Total:	478,682.00

FY 11 – 12	
Parks Supervisor	58,278.00
Engineer Supervisor	119,227.00
PW Project Administrator	106,569.00
River & Watershed Coordinator	100,098.00
PW Project Administrator	94,510.00
Contract Analyst	<u>81,091.00</u>
Total:	559,773.00

FY 12 -13	Salary:
Parks Supervisor	58,278.00
Engineer Supervisor	119,227.00
PW Project Adm.	106,569.00
River/Watershed Coord.	100,098.00
PW Project Administrator	94,510.00
Contract Analyst	<u>81,091.00</u>
Total:	559,773.00

Thomas Macaione Park - Upgrade Irrigation Controller system, Upgrade Backflow Preventor, Water Fountain, Park Signs - \$24,000.00													PAY ROLL (500750)	Landcosts (572940)	R & R (572500)
VENDOR	DESCRIPTION	BU	LINE ITEM	AMOUNT	REQ. #	PO #	INVOICE #	PAID AMT.	BATCH	DATE:					
Exerpla Y	Water Fountain	423049.572500.010840		2,912.86	2900284	1901698	VOID			10/20/08			\$9,600.00	\$0.00	\$14,400.00
Aguilars Electric	Electrical Set-up	423049.572500.01084		1,500.00	2900759	1902173	VOID			1/16/2009					\$0.00
Mesa Turf Products	8 Station Irrinet	423049.572500.01084		4,644.10	2900846					2/13/2009					4,644.10
Dealers Electric	Electric Supplies	423049.572500.01084		455.79	2900847	1902274	3793475	455.78		3/20/2009					455.78
The Playwell Group	Water Fountain	423049.572500.01084		\$1,848.00	2900929	1902427	SI-6116	1848		6/1/2009					1,848.00
CID	Electrical Permits	423049.572500.01084		144.00	2900972	1902366	956A	144		4/6/2009					144
Payroll	5/21/2010	423049.500750.01084		67.50						5/21/2010			67.50		
Dealers Electric	Upgrade Irrigation	423049.572500.01084		317.24	2011572	1011496		0	CLOSE	3/31/2011					0
Alarid & Assoc.	Topo Survey	423049.572940.01084		892.54	2011647	1011613	No #	892.54		4/14/2011					892.54
Sisco	Irrigation supplies	423049.572500.01084		2,288.09	2011837	1011714	496618	2,155.70		6/6/2011					2,155.70
Mesa Turf Products	Flow Meter	423049.572500.01084		326.00	2011840	1011716	MT1157	326		6/7/2011					326
Dealers Electric	Electrical Supplies	423049.572500.01084		423.56	2011841	1011713	3740671	423.56		6/7/2011					423.56
Mesa Turf Products	Irrigation Controllers	423049.572500.01084		330.25	2011848	1011719				6/14/2011					330.25
Sisco	Hot Box	423049.572500.01084		234.09	2012016	1112017	498326	234.09		7/5/2011					234.09
Paynes	7 yds Top Soil	423049.572500.01084		154.12	2012037					7/14/2011					154.12
Big Jo	Padlocks	423049.572500.01084		65.97	2012354	1112366	509711	65.97		8/30/2011					65.97
TOTAL SPENT:													\$67.50	\$0.00	\$11,674.11
BALANCE:													\$9,532.50	\$0.00	\$2,725.89

\$24,000.00

\$11,741.61
\$12,258.3