

**CITY COMMISSION MEETING MINUTES
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
TUESDAY, MAY 24, 2016**

The Mayor and the City Commission of the City of Truth or Consequences in the County of Sierra, and State of New Mexico met in Regular Session in full conformity with the law and ordinances of said Commission in the Commission Chambers of said City on May 24, 2016 with the meeting starting at 9:00 A.M.

A. CALL TO ORDER

The meeting was called to order by Mayor Steve Green, who presided and Renee Cantin, City Clerk-Treasurer, acted as Secretary of the meeting.

B. INTRODUCTION

1. ROLL CALL

Upon calling the roll, the following Commissioners were reported present.

Hon. Steve Green, Mayor
Hon. Sandra Whitehead, Mayor Pro-Tem
Hon. Kathy Clark, Commissioner (by telephone)
Hon. Rolf Hechler, Commissioner
Hon. Joshua Frankel, Commissioner

Also Present: Juan Fuentes, City Manager
Renee Cantin, City Clerk-Treasurer

There being a quorum present, the Commission proceeded with the business at hand.

2. SILENT MEDITATION

Mayor Green read some comments related to the passing of Michael Terrazas. He started working for the city directly out of High School at the Golf Course. He began working for the Water Department in 1995 and was employed with the city for 19 years and resigned in 2014 due to medical issues. He announce the Rosary which will be held on Wednesday. Mayor Green called for fifteen seconds of Silent Meditation and asked us to keep the memory of Michael Terrazas alive and our heartfelt condolences in your thoughts.

3. PLEDGE OF ALLEGIANCE

Mayor Green lead the Pledge of Allegiance.

4. APPROVAL OF AGENDA

Item H.1 will be removed from New Business.

Commissioner Frankel moved to approve the agenda including removing Item Number H.1 from New Business. Mayor Pro-Tem Whitehead seconded the motion. Motion carried unanimously.

C. COMMENTS FROM THE PUBLIC (3 Minute Rule Applies)

Mayor Green called for Public Comment, noting those wishing to comment would get three minutes, may only approach the podium once, and any material for the Commission was to be left in the black box by the podium.

Randy Ashbaugh addressed the Commission related to:

- 1) Handed pictures and a letter from the city related to some tires that need to be cleaned up. He said the bottom line is those tires came from the city from the T or C Raceway, of which he has asked for 20 years for them to be removed. It's an eyesore from Kopra and I-25.
- 2) Inside the city limits they have 350 acres close to the city by the raceway and there are tires there too. He has asked the city to clean up the tires. Once the city cleans them up, he will clean the rest of the property.
- 3) He wants to work with the city and clean up the city but he wants to be treated fairly too.
- 4) He still has not had a complete accounting of the impact fees.

Marilyn Pope, Geronimo Springs Museum addressed the Commission related to:

- 1) They have been part of some of the things going on, including Fiesta, Film Fest, and Hot Springs Festival. This was the first year that Fiesta has been close to the crowds we have had at the museum in years.
- 2) They have upgraded lighting, and motion sensors.
- 3) They have done some ads involving other events with the Lodger's Tax. She added they are doing two or three ads for the Centennial. They are trying to make their dollars go farther.
- 4) She is in favor of H.5 related to Lodger's Tax request. They always have to borrow money to pay the ads for Lodger's Tax money.

Manion Long, Old Time Fiddlers Association addressed the Commission related to:

- 1) The Old Time Fiddlers Association was formed in 1972 in T or C. We had 15 Chairmen of the Board. He serves in many positions and is currently the Chairman and the Secretary. In 2014, they suffered a loss of \$5,242. A large part of that was due to the contest they hold each year which was a loss of \$3,814 for the basic expenses of the contest. Another \$3,130 was spent to pay for the division winners. He talked about their contest which has been done for many years and many look forward to that. Last year in 2015, they did not have one because they were in the hole. This year they reserved October 8th for an event. They are not sure if it will be a contest or a Jam Session or what. The key thing is they would like T or C to know they are struggling to

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maintain a cultural icon for the city and Sierra County. They will come forward with a resolution in the near future.

Hans Townsend, Desert View Inn and Chamber of Commerce addressed the Commission related to:

- 1) Presented the Visitor's Guide and let them know the distribution will be to El Paso and Albuquerque.
- 2) They also suffer paying for the article's in Lodgers Tax, this year they paid \$3,000 for the design of the guide. They borrow every year and they have to go out and borrow for the printing of the guide which is \$16,000 for printing. This year we paid \$3,000 for the design and graphics.
- 3) As far as the Fiddlers Association, we have gotten together and decided it's something we cannot let die. The Chamber has already discussed being a sponsor. Everything boils down to money and the prize money is important. If you don't have prize money you don't get those out of town Fiddler's to come down. We may come back to the city with a proposal. We don't want that to die the same as we don't want Fiesta to die.

Audon Trujillo addressed the Commission related to:

- 1) Thanked the Commission for the trash clean up. It was very good for him and many of his friends and he encouraged them to keep doing it.
- 2) Personnel policy. He read the information in the paper about the ordinance for hiring the city attorney and some other stuff. Back in February he called for a workshop to review personnel policies. The City Attorney is suppose to be an employee of the city. It's true the Commission has the power to change the ordinance but you don't have the authority not to follow it. Public Meetings subject to the New Mexico Meetings Act says it provides for Personnel or Policies to be developed or changed as long as it is declared publicly and attended by the members and open to the public. If we get around to discussing the policies, it should not be behind closed doors. It should be open for people to provide input. We have a huge problem in allowing our HR Person to be in the decision process for hiring. HR should be making sure everyone is complying with regulations. They are not supposed to have a vote on the table. They should educate the panel selecting so it happens according to law and our own ordinances and Personnel Policies.
- 3) Healing Waters Plaza. He heard someone in Las Cruces commenting about it. He is an Engineer from Farmington. He claims if we don't spend the money by the date it says, all grant money is returned including the funds we are initially given. He is asking what the status is on that. He has requested information and has not received it.

Sazi Marri, Truth or Consequences MainStreet

- 1) Thanked everyone for making the Hot Springs Festival happen. It was an incredible effort. She thanked all Volunteers, City Workers, and everybody who was involved. They really appreciate it.

- 2) She wanted to acknowledge the effort they will be putting forth to bring more events and utilize the Healing Water's Plaza. She thanked them for all doing an incredible job.

D. RESPONSE TO PUBLIC COMMENTS

Mayor Green pointed out in the true sense of the word community, where two of our organizations reach out to another organization who is in financial stress to help them in keeping the organization alive.

E. PRESENTATIONS

- a. Presentation of the FY 2016-2017 Preliminary Budget. Lori Montgomery, Finance Director.

Finance Director Montgomery presented the Preliminary Budget. The presentation has been added to the agenda packet files. The beginning of the presentation is a recap of the workshop we had. Then she will get into some of the summary information.

After the approval of the preliminary budget and the Approval from DFA, we will come back and finalize some figures and present a final budget to the Commission for final approval. The numbers included are based on numbers entered last week. They will change when we get closer to the end of the fiscal year for the final adoption.

Estimated Revenues does include shared taxes, etc. The hit of \$454,000 of the Small Cities Assistance reduction is also shown in these figures. We had to build a new budget based on that estimated drop. Overall there is an increase of about 2% based on our collections of shared taxes in the current year. She presented the transfers in from the Enterprise Funds at about 34% which almost equals the amount we get in for taxes.

Most expenditures go to Salaries and Benefit, and operations cover about 30% of the expenditures.

City Manager Juan Fuentes brought to their attention in the last column to the right under FY16-17, some of the columns are highlighted and those are the changes they are proposing to make sure we balance the General Fund. For example under transfers, the General Fund use to transfer out \$11,000-\$13,000 to the Corrections Fund for the Care of Prisoners. In this preliminary we are proposing transferring from the Police Department GRT Fund and not from the General Fund. We needed to be able to balance the General Fund because of the reduction in the Small Cities Assistance. The next Category is for the Streets where we previously transferred \$20,000 from the General Fund to the Streets Department. We eliminated that transfer because they have a significant ending cash balance for FY17. The Swimming Pool transfer was increase from \$150,00-\$180,000 which is an operation that depends solely on the General Fund. The Library transfer was a cash flow transfer which we eliminated Capital Improvement last year we transferred \$350,000 out which was for the one time

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Capital Expenditures like the Healing Water's Plaza, the HVAC Systems at Lee Belle Center and the Court, and some other one-time expenses. This year it's dropping from \$350,000 to \$25,000 which covers our recurring obligations for software and licenses. Also on the R & R at the Airport we are proposing not to transfer any to that project. They have a little bit of an ending cash balance. Overall there is a 44% decrease of the transfers out.

Finance Director Montgomery continued there was a drop in Salaries from \$3.4 million to \$3.2 million. That is based on several higher salaried people that retired and operating budgets went up slightly, Capital Outlay when down, and transfers went down.

Finance Director Montgomery added we will be bringing back potential salary or COLA increases for staff with the Final Budget.

City Manager Juan Fuentes added it's very important to clarify the Governmental Grants, a lot of cities, not just T or C were affected by the Small Cities Assistance Distribution. Many saw a significant decrease in their distribution. Quite a bit of this was due to the price of gasoline. We have seen in past years the prices were much higher, it's also tied into the oil industry activity as well. Obviously that trickles down to the small cities assistance as well. It's nothing we can do, it's just tied into the state's economic activity. This was part of the reason we had the expenses for a one-time capital outlay expenses for last year, because we had the increase.

Finance Director Montgomery went on to the explanation of each of the funds and their increases or decreases. They also included a summarized list of the projects that are going on now and those that were completed this Fiscal Year which is included in the Presentation in the Agenda Packet. She presented the unfunded Capital needs that were presented at the workshop.

Mayor Green complemented and congratulated staff, in one year we have completed 20 projects by June 30 with a very limited budget.

Mayor Green received an email from Kathy Clark who had some questions.

- 1) Debt Service on page 2 that is increased from \$529,000 to \$724,000. All of these are just strictly for explanation.

Finance Director Montgomery responded the Debt Service is taken from the Debt Service summary page. There is a subsequent page that outlines all of the different loans and applications and the different grants and their matches. All of the different funding schedules tie into each one of the required payments that are made over the year. The Finance Officer has a single spreadsheet on every single one of the loans and takes all of the payments due for that fiscal year and that flows to the new amounts that are due. You have increased the debt from the old amount to the new amount.

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Mayor Green asked if it was fair to say, one of those increase is due to the loan we had to take out because of the grant for USDA. Finance Director Montgomery confirmed that.

On Page 5, Administrative Operations, \$91,000 to \$141,000. Finance Director Montgomery said that is not correct, she is comparing the 2014 budget to the 2016 budget. The 2015 Budget to 2016 Budget shows \$141,000 to \$141,000. She sent out the corrected summary sheets.

Commissioner Clark's next question was on Personnel Variation on Page 7. City Manager Fuentes thinks she is referring to the percentage of the decrease. Finance Director Montgomery looked for that and didn't understand what she was looking at. Some of the Personnel Services had a decrease and it shows the change is zero.

City Manager Fuentes responded this is the summary sheet that is tied into the detailed worksheets. Some of the detail was using the amounts from prior years and it's probably best to look at some of the detail from each individual departments.

Mayor Green went to number 7, the Capital Outlay for Convention Center. That is that 1% for \$46,000. He thinks her question is where that money is going to be spent. Finance Director Montgomery responded it has not been determined. It was to be spent on some kind of capital according to the Statutes.

Mayor Green went on to page 50, line item number 36-01-735 postage and mail services had a dramatic increase. Finance Director Montgomery said that is the Joint Utility Dept. and it's based on actual postage and cost of bills to mail out the bills.

Page 56/58 Solid Waste/Wastewater Rates were raised 30% by the Commission and where that is reflected. Finance Director Montgomery said based on the current actual revenues that is what we received so far. It's based on actuals. They will look at those numbers more closely for the end of the year and it will be changed to actual.

Mayor Green asked about Lodgers Tax which is down 8%. Is that because the last quarter has not been turned in and you can't project the total? We spend a lot of money on our Tourism and he is upset to hear our Lodger's Tax which is a measure of what we are doing is down 8%. City Manager Fuentes responded he wants to make sure we are looking at the detail. The biggest drop has been in promotion and advertising. This is the money of the activity we have received to date. We have estimated what we think we will be at in June when we match to the actual collection. We still hopefully anticipate the Advertising Grant at \$50,000 and we still have the 1% Convention Center Fee which can only be used for certain purposes as Finance Director Montgomery indicated.

F. CONSENT CALENDAR

1. City Commission Workshop Minutes, May 4, 2016
2. Public Utility Advisory Board Minutes, April 18, 2016
3. Public Arts Advisory Board Minutes, March 21, 2016

4. Approve the resume of Paul S. Chavez to perform Resident Project Representative (RPR) services for WWTP Improvements Phase 1 Project

Commissioner Hechler moved to approve the consent calendar as listed. Mayor Pro-Tem Whitehead seconded the motion. Motion carried unanimously.

G. ORDINANCES, RESOLUTIONS, AND ZONING

1. Discussion/Action: For Publication, Ordinance No. 669 15/16 amending Chapter 14, Article II, Section 14-30 Access to Property; Inspection. Christina Bruch, Electric Dept. Admin. Asst.

Electric Dept. Admin. Assistant Bruch is presenting another revised version of Ordinance No. 669 for publication. She worked with Commissioner Clark and George Szigeti to come up with two changes and a side note to the ordinance. In section 2: they added the intent of the ordinance to say we are not out to shut everyone off for service if they are not in compliance, we just want to make it more accessible. The Second change was in Section C for Meter Relocation: they added that correction that says, Corrective action may entail moving obstructions in the view of meter, making modifications to property, or relocating the meter. By which they are saying moving the meter will not always be the answer. Then Commissioner Clark was concerned about siting the PRC Regulations about shutting off electricity for ill persons. John Appel stated we should not site it but we could use the wording. So she put in used the wording in section B for that. Those are the only changes we made and they are asking for approval for publication.

Commissioner Frankel asked if Commissioner Clark was in favor of the changes. Electric Dept. Admin. Assistant Bruch said yes and she read the email she received from Commissioner Clark stating, "This is one Class Act Ordinance, it's provides for the Utility Dept. while protecting the public's right to due process. In addition it respects previous efforts the public would have made to follow code. Nice Job."

Mayor Green added they did a really nice job.

Mayor Pro-Tem Whitehead moved to approve for publication, Ordinance No. 669 15/16 amending Chapter 14, Article II, Section 14-30 Access to Property; Inspection. Commissioner Hechler seconded the motion. Motion carried unanimously.

2. Discussion/Action: Resolution No. 30 15/16 Adopting the FY 2017 Preliminary Budget. Lori Montgomery, Finance Director

Finance Director Montgomery said before you, you have Resolution No. 30 15/16 Adopting the FY 2017 Preliminary Budget. She asked for approval of the resolution to present to DFA.

Mayor Pro-Tem Whitehead moved to approve Resolution No. 30 15/16 Adopting the FY 2017 Preliminary Budget. Commissioner Hechler seconded the motion. Roll call vote was taken by the Clerk. Motion carried unanimously.

H. NEW BUSINESS

1. Discussion/Action: Hot Springs Women's Club requirements for Miss Fiesta Pageant. Sandy Whitehead, Mayor Pro-Tem

Item was removed from the agenda.

2. Discussion/Action: Request by Bountiful Babies to consider awarding the first six months of last year's Subrecipient Grant. Wendy Sager Evanson, Bountiful Babies

Ms. Evanson presented her request. They didn't get the information in for this year's application. It was a communication glitch and she said it was unfortunately. She said the contract was to pay their utilities and they didn't take occupancy until December and they didn't open their doors until January. They are asking the city to consider paying the first half of the allocation that was given for last year because it wasn't used. They have a very small budget and most of the work is done pro bono. If there is any chance of a possibility they would like to Commission to consider.

Mayor Green said he appreciates the way they are handling not meeting the deadline and he appreciates what she and her volunteers do for the community and for years to come. In his personal opinion, he doesn't see any reason to deny this request. We gave this request for a year and here is an incident where they could not control the contractor's time schedule and they perform a vital and necessary service to the community. His position will be to vote for a six month extension for that portion of the utility bill.

Commissioner Frankel moved to approve the request by Bountiful Babies to consider awarding the first six months of last year's Subrecipient Grant for utilities. Mayor Pro-Tem Whitehead seconded the motion. Motion carried unanimously.

3. Discussion/Action: Request by Hot Springs Cemetery Association to appeal the rejections of their Subrecipient Grant Application. Hot Springs Cemetery Association

Mayor Pro-Tem Whitehead recused herself from this item.

Mr. Gary Whitehead addressed the Commission and they unfortunately did not get the funding application in before the deadline. Staff does a good job to get those to them and they just overlooked it. They have received this funding for the last 14 years that he has been aware of. This organization works to take care of the cemetery at 9th and Cedar and is funded by donations from folks that have family buried there. They also

has an endowment fund that was set up and they also fund it with the \$6,000 grant from the city. They employ one Part-Time and One Full-Time employee that takes care of the weed eating and mowing. The largest part of taking care of the place is watering the trees which need to be done by hand. It would be impossible to put together a watering system because some of the graves are not known and some headstones are above ground.

Mayor Green said this is what they call a conundrum. If we allow one organization to get funding then there he feels they are obliged to open it for every organization. Mathew 25 didn't even apply this year and he's sure it's because they are dealing with the loss of the founder. The last time they gave in, it almost enabled organizations not to be in on time and not to file their reports. He appreciates what their organization does and what they do. He feels it will create chaos.

Mr. Whitehead said last year, they discussed the reduction in the budget last year which was added back in the middle of the year. But he reminded them the cemetery is the property of the city and the Association takes care of it for the city. He asked for money to be put in the Parks Department budget for the care of the cemetery. He will give the Olive Branch and say they can manage and take care of it this year. But he asked the City Manager to take a look at putting it in the budget so we can take care of it. He's not asking to add to the Lodger's Tax, he's asking for assistance with the cost to take care of it. He asked them to be aware of that and think through that.

There was no motion. The item died for the lack of a motion.

4. Discussion/Action: Sub recipient Grant Allocations for Fiscal Year Ending 2016. Juan Fuentes, City Manager

City Manager Fuentes gave an overview of the application that were received requesting Subrecipient funding. You have a worksheet showing what was allocated in past Fiscal Years and what they are currently requesting. The first category funding through the General Fund, there is \$43,000 set aside which is the same as last year. You have some of the line items which was used for other requests. Most of the organizations are present if you have any other questions.

Mayor Green pointed out you will see funds of \$43,000 in our budget for allocation, but it only shows \$37,000 for reason that Matthew 25 was awarded \$6,000. There are a couple of things we can do. We can take that \$6,000 and appropriate it to the organizations we are looking at. Or we could not appropriate it and lean it in the Governing Body's budget to be used at the discretion of the Commission as we move forward. It would not increase the budget but it would be something we can use for the needs of our community.

Commissioner Frankel said everything is tight and it will hurt across the board.

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Mayor Green does understand what volunteerism is about, it's become his career pathway for the last 15 years. And he understands the impact these organization have on our community. Yes, money is tight and everyone will have to share the pain. He asked if they want to leave it with the awards of last year for the \$37,000 and put the \$6,000 in a fund for next year or break up that \$6,000 to those who presented their applications.

Mayor Pro-Tem Whitehead had a question on why the Domestic Abuse Intervention Center had a significant increase in their request. Mayor Green said he read they have a large increase in the rental fees and they didn't in the past. He asked if there was somebody in the audience. He feels other entities such as the County, Williamsburg, and Elephant Butte should also be contributing. With that said they serve a vital role and we should not bare 100% of the cost.

Mayor Green moved to approve to award the Boys & Girls Club of Sierra County, \$9500; Companion Animal Action Tema (CAAT), \$1,000; Domestic Abuse Intervention Center, \$2,500; and Sierra Joint Office on Aging \$24,000, and the Bountiful Alliance decision we made leaving \$6,000 to use for FY2017. Commissioner Frankel seconded the motion. Motion carried unanimously.

Additional Funding requests coming out of the Lodger's Tax Fund include: Friends of Elephant Butte State Park; Geronimo Museum; Geronimo Trail Scenic Byway; MainStreet Truth or Consequences.

Mayor Green referred to the worksheet with the recommendation. The reason for the increase in MainStreet is that is a contract between three entities which is the City, MainStreet, and the Economic Development Department. It's done by population and our portion must be \$35,000 to receive state funding.

Commissioner Frankel said he worked with the Lodgers Tax Advisory Board for a number of years. He doesn't see how the Fireworks benefit the city or how it generates Lodger's Tax for the City. It's more of a local event for campers. Commissioner Hechler feels differently he said there are over 100,000 people who come to that event, they are not all campers. And he is sure the hotels have been filled during that event and he would be wary of cutting funding to that event, knowing they are struggling to get money for that event. Mayor Green has been checking with some hotels and he agrees with Commissioner Hechler, there are people who stay in town and put heads in beds. It's also for our own citizens to have an opportunity to see the largest display in the state.

Mayor Pro-Tem Whitehead asked if we have this amount budgeted this year. City Manager Fuentes responded yes we budgeted the same amount as last year in the preliminary. It's at the discretion of the Commission.

Mayor Green moved to approve the award to Friends of Elephant Butte Park, \$1,000; Geronimo Museum, \$3,500; Geronimo Trail Scenic Byway, \$3,500; MainStreet Truth or Consequences, \$35,000. Motion died for the lack of a second.

Mayor Green asked we can leave this number in the budget and bring this item back on the first meeting June for allocation.

5. Discussion/Action: Recommendation by the Lodger's Tax Advisory Board for the City to become the Fiscal Agent and reimburse the actual vendors, not organizations. Hans Townsend, Lodger's Tax Advisory Board Member

Mr. Hans Townsend presented the item which was brought up because this is the way it was done over three years ago. It was brought up because he assumes the city has to set up new vendors to write the check. The big difference is to the organizations that don't necessarily have the money to pay the bill before it's reimbursed to the organization. It's a burden on those other organizations. We are asking to go back to the way it was and we bring in the tear sheets and it's paid to the business. It's just a difference in who you write the check to. The Lodger's Tax Board is requesting the city to consider becoming the Fiscal Agent and reimburse the actual vendors and not the organizations. It's become a hardship to the organizations who don't have capital.

City Manager Fuentes had a couple of quick comments. He believes Linda Sparks email her comments on how we handle these funds. And anytime we involve the city directly, we have to follow the procurement code, which was one of the issues we have dealt with in the past. Which means these organizations will have to make sure they follow that and submit quotes and that's going to create additional load and responsibility on the organizations. One of the reasons we do it this way is it gives the organizations more flexibility on how they spend their funds. We don't need to have quotes with the way it is. But if the city pays directly, they will be required to get quotes and provide those with the advertisement.

Mayor Green said he does not disagree with the concept. He does agree with staff response of the hardship it will cost the city. Section 7-211 in the Lodger's Tax awards, it says the Governing Body shall administer the Lodger's Tax monies collected. He asked if the city could designate another organization to take over the administration of the Lodger's Tax funds so it would not come back to the municipality to administer the program. They would be the guardian of the funds and it would not be the city. For a small amount of money an inordinate amount of staff time is spent on this process. His opinion is to get it out of the city and appoint someone to be the administrator of the funds.

City Manager Fuentes said it is in other communities who pay someone to be a fiscal agent. They are presented with ideas and they take care of the process. If we can find an organization that has the capacity, we would only have one contract with one organization. Mayor Green asked if that is something that can be done by July 1. City Manager Fuentes said we can task staff and the City Attorney to prepare a proposed agreement if we can identify an organization.

Commissioner Hechler asked if we find an organization, how will it be funded. Will it be funded directly out of Lodger's Tax?

City Manager Fuentes said for example, we would allocate \$46,000 for the funding that is applied for. Depending on the fiscal organization, we would have to work out an Administrative Fee they would charge that would come out of Lodger's Tax.

Commissioner Frankel asked if there part of the payroll of the staff member who takes care of this administration. City Manager Juan Fuentes said it doesn't cover a certain purposes. The administrative fee the General Fund pays is for the bookkeeping we pay for the services.

Mayor Green moved to authorize staff to see if arrangements can be made for a Non-Profit Organization to take over the functions of the Lodger's Tax allocations that are put into the budget for distribution to Non-Profit Organizations for marketing events and putting heads in beds. Commissioner Hechler seconded the motion. Motion carried unanimously.

6. Discussion/Action: Lodger's Tax Allocation for Fiscal Year Ending 2016.
Juan Fuentes, City Manager

City Manager Fuentes said in your packet you have the applications, the summary of the requested funding, and the recommendation of the Lodger's Tax Board. The organizations that submitted an application included: The Chamber of Commerce; Clint Benjamin Memorial Team Roping; Friends of Elephant Butte Lake State Park; Geronimo Springs Museum; MainStreet Truth or Consequences; Sierra Arts Council; and T or C Fiesta. Some of the organizations listed as ineligible due to either not submitting their application in time or other missing information were: New Mexico Old Time Fiddlers Association; The Bountiful Alliance/Farmers Market; and Veterans Memorial Park Museum Trust Board. As you can see from the worksheet, the board did recommend funding all of these organizations including the ineligible organizations. There are representatives in the audience to answer any questions you have and the funds for distribution are \$46,000.

Mayor Green gave an update on the State Tourism Department and the increase in the New Mexico Clean & Beautiful and the decrease in the Cooperative Grant amount which the city has very successfully received in the past. We now have the potential of losing the \$40,000 marketing program. He thanked those organization that are here and for what they do. But be aware that we cannot just spend money and not track it and not know how many heads are on those pillows. To him these applications are well meaning but there is no science in them. He asked what they feel works better for us, the Marketing Firm we use which is one of the top rated in the Country, or the firm who will put us in the Albuquerque Journal? Why don't we sit down with all of the organizations who are advertising and find out where they are going to spend it.

Mayor Green began with some of those who submitted requests. The Clint Benjamin Roping Team Roping is asking for money for prizes for saddles. In his opinion, that is not what Lodger's Tax is about. You can spend 20% for T-Shirts & Mugs, etc. But he doesn't see how saddles would be the best use of these funds. Prize money should come from their admission and entry fees. Lodger's Tax strictly exists to put Heads in Beds. He also had a problem with the Chamber would like to know how much revenue they produce because of the ad. Mr. Townsend told us how much it costs to print the brochures, but he would like to know how much they receive for the ads that are included. Friends of Elephant Butte created an event to support the fireworks. They are having a hard time scraping together the \$25,000. They created an event to support the Fireworks which is cute, but what are methods of tracking your event. Park attendance estimated was anticipated 50% will attend the Boat, RV, and Adventure Show. So they are talking about 40,000 people are going to come to this. He hopes it's correct, but where is the science behind this. He doesn't see how many organizations are producing two day events. Two day events will see Heads in Beds and will create Lodger's Tax for marketing. He would like to see more accountability on where and how the funds were spent and the Return on Investment.

Mayor Green hates to change horse's midstream, but he doesn't think there is enough information to make a decision. It's not spelled out in the application process where the entity is giving enough information for the Commission to make a decision.

Commissioner Frankel said if it is possible to take the allotment amount and pass that as a total and go over them in the next few months and reallocate them at a later date. He wondered if we could recognize the recommendations of the Lodger's Tax Board and not take their full recommendations.

Mayor Green said he heard Commissioner Frankel say it would be in a couple of months. He knows organizations may have plans to run events in the next couple of months. He suggested, if they need more time to give this more thought. He suggested we approve this amount and put on the distribution of those dollars for the first meeting in June.

Mayor Green moved to approve the awarding of \$46,000 to the eligible organizations and bring it back to the June 14 meeting for a decision. Mayor Pro-Tem Whitehead seconded the motion. Motion carried unanimously.

7. Discussion/Action: Bonding Services Agreement with George K. Baum related to Swimming Pool Project. Juan Fuentes, City Manager

City Manager Fuentes presented the item. As reported during the preliminary budget, the feasibility study for the Wellness Center and Swimming Pool Project is a partnership with the T or C School District which was included in April 2016. The School District does have some funding available for the Wellness Center which is a gym. They have been working toward getting that project completed for some time now. We have identified a piece of property that is city property next to the High School. That could be

used for both of these projects. The Commission has made an offer to the school for that property and they will discuss it at their next meeting. For the city side to proceed forward with the Swimming Pool, now that we have identified what it would cost, the location, and how it would tie in, the next step is how we would fund it. This Agreement would be the next step in moving forward with this project. George K. Baum is a company we have used in the past for the Solid Waste Collections Center, who can explore through bonds or other means to conduct an analysis on how we can fund this project. It can range anywhere from two to four million dollars depending on whether we want it enclosed or open. All of that would have to come back and be presented to the Commission.

Mayor Green said it's an exciting project to be able to partner with another entity in the community.

Mayor Green moved to approve the Bonding Services Agreement with George K. Baum related to Swimming Pool Project. Commissioner Frankel seconded the motion. Motion carried unanimously.

I. REPORTS

1. City Manager

- 1) We do have the patent of the T or C Landfill Property next to the Golf Course. In the new fiscal year, Andy will be presenting some items for fencing and other items we need to take care of that property.
- 2) Tomorrow Andy, him, and Michelle will be attending a RAID Grant meeting for the Forklift. We got the grant for \$32,000.

2. City Attorney

None.

3. City Commission

Commissioner Hechler reported on the Trash Initiative. He thanked City Manager for allowing the staff to be there for the event. We had a lot of help on hand that day which helped. He gave some stats on last year we collected 74.96 tons of trash. This year we had 69.40 tons and that does not include the amount the county brought in. Most of that looked like Construction Debris this year. We appreciate the county being involved. As we continue on the initiative to clean up, he would like to have City Manager Fuentes work on a way to get the Raceway cleaned up. We need to figure out a way to work with Mr. Ashbaugh on that property.

Commissioner Frankel reported on the success of the Hot Springs Festival. He thanked MainStreet and city staff who were instrumental in making it a success. Before our next Commission meeting we will have the Centennial and the Commission will have the opportunity to be in the parade. He invited the Commission to join him in doing a float for the Commission. Mayor Green said he will join him. Commissioner Frankel said he will work on getting a float together and asked for a Potential Quorum

Notice to be posted. There has been a lot of work on the event and it's an opportunity to get out and showcase our pride in this community.

Mayor Green said we are inviting many dignitaries from the state to the event. To show unity and solidarity on the part of the Commission is very important. He had a few comments on the cleanup. First he thanked the citizens for realizing this was a great opportunity. At the end of the day we had about 5-6 trailer loads, which costs close to \$6,500. We would gladly incur that cost if it would mean at the end of the year our city is prettier. He thanked both newspapers for getting this on the first page of both newspapers and more than once. He appreciates what they do to help us get the word out. He thanked the Bountiful Alliance for water and sweets and the Chief who brought 10 cases of water.

J. EXECUTIVE SESSION

1. Threatened or Pending Litigation (City vs. Hot Springs Land Development)
Pursuant to 10-15-1(H.7)

Mayor Pro-Tem Whitehead moved to approve going into Executive Session at 11:15 a.m. to discuss Threatened or Pending Litigation (City vs. Hot Springs Land Development) *Pursuant to 10-15-1(H.7)*. Commissioner Hechler seconded the motion. Roll call vote was taken by the Clerk. Motion carried unanimously.

Mayor Green stated that the Commission was now in Open Session at 11:45 a.m.

Mayor Pro-Tem Whitehead certified that only matters pertaining to Threatened or Pending Litigation (City vs. Hot Springs Land Development) was discussed in Executive Session and no action was taken.

Mayor Pro-Tem Whitehead moved to authorize staff and our legal counsel to move forward with their legal recommendations made to the Commission. Commissioner Frankel seconded the motion. Motion carried unanimously.

2. ADJOURNMENT

Mayor Pro-Tem Whitehead moved to adjourn at 11:46 a.m. **Mayor Green** seconded the motion. Motion carried unanimously.

Passed and Approved this 14th day of June, 2016.


Steven Green, Mayor

ATTEST


Renee L. Cantin, CMC, City Clerk