

CITY COMMISSION MEETING MINUTES  
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO  
CITY COMMISSION CHAMBERS, 405 W. 3<sup>RD</sup> St.  
WEDNESDAY, MAY 24, 2017

**A. CALL TO ORDER**

The meeting was called to order by Mayor Steve Green at 9:00 a.m., 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  
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 called for fifteen seconds of Silent Meditation.

**3. PLEDGE OF ALLEGIANCE**

Mayor Green called for Mayor Pro-Tem Whitehead to lead the Pledge of Allegiance.

**4. APPROVAL OF AGENDA**

Mayor Pro-Tem Whitehead moved to approve the agenda removing H.6 and Consent Calendar under F.1 as stand-alone and for it to be noted she will be recusing herself for Executive Session. Commissioner Frankel 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.

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Beverly Terfelo, 107 Juniper Avenue, Sierra County Tennis Association addressed the Commission related to:

1) There has been some controversy where there were new locks on the tennis courts and they were denied access on numerous occasions. They are asking that responsible members of the Association and other responsible adults have a key to access them. It is her understanding there has been no vandalism over an eight year period. For the most part, prior to about three weeks ago, the Tennis Association has really been brushing the courts, maintaining the nets, tying up the windshields, and taking care of the weeds. Now there is a controversy about an overuse of electricity of the lights. They are asking that there are no fees levied for there. They feel that in terms of all of the other Parks & Rec. Facilities, they use the least. They feel there has been an error in the bill because the lights have only been on six or seven hours up until this point. They made a request to be put on the agenda and then someone made the decision the issue was resolved and took it off of the agenda. So that's a concern to them as well. She thanked them for their time and consideration and hopes this can be resolved. They do believe there needs to be signage at the Tennis Courts about where tourists, in particular, and children can get ahold of the key to have access to the courts without a lot of bureaucratic paperwork. And they request to be put on the agenda again, if there is not resolution to the problem.

Ron Fenn, 316 Foch addressed the Commission related to:

1) Demonstrated of a picture which he states is like the finances of the city. He brought to the attention of the PUAB of several communities who signed Power Purchase Agreements in the state. Mr. Fuentes negotiated us into the worst most costly Solar Purchase Agreement in the state. He has a chart showing over the 25 year period, we will be spending \$2.47 million dollars more than other communities that have solar. Why is this being done, he doesn't know other than he finds that Wal-Mart who signed with an organization SSA #3 Solar was formulated before the T or C one. But T or C built their Solar Farm before Wal-Mart. He believes Wal-Mart was being subsidized in part by the Citizens of T or C and there's ample reason to believe that.

2) Mr. Bittinger of Florida, the owner of these Limited Liability Companies is another Florida developer who resembles in a lot of ways a former Greg Neal. Look into these things please.

3) The citizens have to pick up the bill for \$36,000 per year for the Solar Farm, while we collect \$2,500 in rent on top of paying the highest solar prices in the state and paying more than we paid for Sierra Electric Coop. You tell me how any of this is green or savings, while the poorest community pays the highest price for solar. Thank you Mr. Fuentes. You folks need to look into these.

Klaus Wittern addressed the Commission related to:

1) At last meeting, you attempted to appoint the City Manager to the Hospital Governing Board. He believes that is not the Commission's best interest, but if necessary a temporary appointment would be acceptable while you find a replacement. Because of the loyalty of the City Manager as a board member and the loyalty to the City Commission. Once Mr. Fuentes votes on that board, he becomes a part of that board and partially responsible for any vote that is taken. He thinks that is not in the best interest for your appointment to the City Manager's position. He's not opposed to a temporary appointment to fill vacancies, until such time that you can select applicants to that board.

2) To the best of his knowledge, there has been no public input on the preliminary budget and he thinks that's not in the best interest of the public. He was here for the Workshop, but no input was taken from the public. He believes he was the only one here. He assured them he would have had some comments. One of the comments he thinks they really need to look at is the Property Taxes collected in the city that's less than in Elephant Butte.

Mrs. DeMarino, MainStreet Truth or Consequences addressed the Commission related to:

1) Thanked them for the support of the Hot Springs Festival. She will come back with numbers for occupancies in hotels and the visitor's center. Really over the past two years, they have increased numbers significantly, so they are really happy about that.

2) They have four different grants that are in with some of the governmental freezes, but some look positive.

3) They applied last year for Great Blocks with NM Mainstreet. She spoke with Rich Williams last week and they were only able to identify two communities last year and they are looking for more money this year for that program. If they find that money it might have been a good thing that we didn't get selected last year.

#### **D. RESPONSE TO PUBLIC COMMENTS**

Commissioner Hechler thanked the Tennis Association for being here. He apologized for them not being on the agenda. He thought it may have been an oversight and wasn't purposely done, but they thought they had rectified the situation. He hopefully offered a couple of solutions. On March 28<sup>th</sup>, they met on the fees regarding the city. Prior to that date, on the Tennis Courts, the fees were actually \$5/day and \$5/night. They made that change to take the \$5/day off and they made the determination they should keep the \$5/night in order to pay for the electric use. He can see that now, we may want to change that. By the way, the Gene Speers Tennis Courts are really nice and you should appreciate it. But he recommend some changes including: He would like to see the netting rehung; additional signage indicating uses or none uses at the Tennis Courts; padlocks removed to allow daily play unobstructed; clean up access from 4<sup>th</sup> Street entrance; come up with an amicable solution for using the lights at night; maybe a drop box to put the key in or timers on lights so they would turn off automatically; ask Police Department to do additional security checks in that area; 3<sup>rd</sup> Street place parking bumpers parallel to the Tennis Courts. He knows there has been some vandalism but he's hoping now, we can trust the public and try to leave them open to make it more welcoming. He is hoping some of those suggestions will meet some of their needs. If not, please contact him personally later on and they will try to work with them on it.

Commissioner Clark knows Commissioner Hechler has put a lot of work into this Resolution. She feels this Tennis Club has been the outfit that has taken care of those courts. She believes they should have 24 hour access to them, if they felt like playing at 2:00 a.m. Maybe something we can consider is a code lock that the Tennis Court Members would have and that out of state people could get from the City Clerk. Her question about the lights is something we talked about before, but if we are paying for the lights at Armijo Park, why are we not paying for the lights for our Tennis Court people. So we may want to reconsider that. She also apologized for them not being on the agenda,

because they are definitely entitled. Thank you to Linda for the Hot Springs Festival, it was definitely the best attended she has seen so far. She also knows for a fact, there wasn't a room to be found downtown which was good. She knows we will get to this question later, but she has the issue of loyalty with the City Manager being on both the Hospital Board and the City Manager position. But she also knows the Hospital is owned, in part, by the city. And the City is responsible for its integrity and its financial health. So with that in mind, she appreciates Mr. Klaus' comments.

City Manager Fuentes responded to the folks in the Racquet Club, he apologized because this issue falls under his shoulders and he will definitely be meeting with staff and addressing their concerns. Because it is his responsibility as the City Manager to address all of their concerns and he apologizes for not doing so in a timely manner. In regards to the issue of loyalty, he can assure the Mayor, Commissioner's, and the Public that his loyalty is for the interest of the City. Whether he's being a member and representative as ex-officio member of the Hospital Board, or as an appointed member of the Governing Board, should the Commission decide to do so. Again because of the loan that we have for the new hospital, it is critical that we oversee it and look out for our interest since we are not only part owners of the Hospital, but of that debt. This is in no way meant to be permanent, but it is something that needs to be done in the interim, until some issues are addressed.

Mayor Green also suggested that Commissioner Hechler's list should go to the City Manager instead of to staff so it doesn't appear that the Commission is bossing staff around. Commissioner Hechler agreed that is not a problem. He thanked everyone for all of the comments.

#### **E. PRESENTATIONS**

1. Proclamation for Law Enforcement Appreciation Week.

Police Chief Alirez reported the Police Department is fully staffed. He presented three of our new Officers from our local community who were raised here and who graduated from the Academy and done an excellent job and we are very proud of them; Officer Jacob Jones, Officer Rafael Marin, & Officer Matt Sokolow.

Mayor Green thanked Mayor Pro-Tem Whitehead and Police Chief Alirez for volunteering at SJOA. With that, he feels it's appropriate for Mayor Pro-Tem Whitehead to present the proclamation today.

Mayor Pro-Tem Whitehead read the history of National Police Week and the Proclamation for Law Enforcement Officer's Memorial Day on May 24<sup>th</sup> from Governor Susana Martinez. She then read and presented the city Proclamation.

City Manager Fuentes wanted to note that today is Ted Ontiveros birthday also.

2. Presentation of Certified Municipal Clerk (CMC) designation for Angela Torres, Deputy Clerk.

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Mayor Green read the background included in the agenda packet and the Letter from Vincent Buttiglieri, President of IIMC. He presented the official Certificate and Lapel Pin to Angela Torres, CMC, Deputy Clerk. Mayor Green added we all work with City Hall and have seen staff at City Hall, but the graciousness, professionalism, and dedication to the job is absolutely evident and it is a trickle-down theory. He congratulated her and added Priscilla will be next.

### **F. CONSENT CALENDAR**

1. City Commission Regular Minutes, April 25, 2017 (removed for a separate vote)
2. Public Utility Advisory Board Minutes, April 17, 2017
3. Public Arts Advisory Board Minutes for April 17, 2017
4. One Year Lease renewal for Geronimo Trail Scenic Byway, Inc., for 301 Foch

**Commissioner Frankel moved to approve the Consent Calendar including the Public utility Advisory Board Minutes for April 17, 2017; Public Arts Advisory Board Minutes for April 17, 2017; and One year lease renewal for Geronimo Trail Scenic Byway. Mayor Pro-Tem Whitehead seconded the motion. Motion carried unanimously.**

### **Removed from Consent Calendar**

- F.1 City Commission Regular Minutes, April 25, 2017**

**Commissioner Frankel moved to approve the minutes of April 25<sup>th</sup>, 2017. Mayor Pro-Tem Whitehead seconded the motion. Motion carried by a vote of 4-0-1. Commissioner Clark abstained.**

### **G. PUBLIC HEARINGS**

1. Public Hearing: Final Adoption of Ordinance No. 680 16/17 amending Chapter 2, Article IV, Division 6 related to Boards, Commissions, and Committees. Juan Fuentes, City Manager

Mayor Green asked for comments. City Attorney Rubin clarified this is for repealing Division 6 which is the Industrial, Economic Development Advisory Board. There being no comments, Mayor Green closed the public hearing.

2. Public Hearing: Final Adoption of Ordinance No. 681 amending Section 2-22 of the Code of Ordinances related to Commission Meetings. Renee Cantin, Clerk-Treasurer

Mayor Green asked for comments. There being none, he closed the public hearing.

3. Public Hearing: Application with the USDA Rural Development for financial assistance for Water System Improvements Phase 1 Cook Street Treatment Facility. Traci Burnette, Grant/Projects Coordinator

Mayor Green asked for comments. There being none, he closed the public hearing.

**H. ORDINANCES, RESOLUTION, & ZONING**

1. Discussion/Action: Final Adoption of Ordinance No. 680 16/17 amending Chapter 2, Article IV, Division 6 related to Boards, Commissions, and Committees. Juan Fuentes, City Manager

City Manager Fuentes notified the Commission, this ordinance will repeal the Industrial, Economic Development Advisory Board. The city through other means promotes economic development, whether it's in house through participation with other entities, and organizations such as, New Mexico Economic Development Department; Rural Council and NM Partnership; MainStreet, and other collaborative organizations. We have held the public hearing and at this time staff is recommending approval of the ordinance.

**Commissioner Hechler moved to approve Final Adoption of Ordinance No. 680 16/17 amending Chapter 2, Article IV, Division 6 related to Boards, Commissions, and Committees by repealing Division 6 in its entirety. Mayor Green seconded the motion. Roll call vote was taken by the Clerk-Treasurer. Motion carried unanimously.**

2. Discussion/Action: Final Adoption of Ordinance No. 681 amending Section 2-22 of the Code of Ordinances related to Commission Meetings. Renee Cantin, Clerk-Treasurer

City Clerk Cantin presented this ordinance for final adoption and the only change to it is removing the days and times of the regular meetings and adding pursuant to the Open Meetings Act Resolution adopted annually. With this change, in the case the Commission would like to change the meeting day or time, the only thing we would have to change would be the Open Meetings Act Resolution.

**Commissioner Hechler moved to approve Ordinance No. 681 amending Section 2-22 of the Code of Ordinances to read as follows: "Commissioner's will hold regular meetings pursuant to the Open Meetings Act Resolution adopted annually". Mayor Pro-Tem Whitehead seconded the motion. Roll call vote was taken by the Clerk-Treasurer. Motion carried unanimously.**

3. Discussion/Action: Resolution No. 35 16/17 Juvenile Adjudication Fund (JAF) Grant for Teen Court. Beatrice Sanders, Municipal Judge

Municipal Judge Sanders presented this is for a grant they apply for every year. It's to help deter juveniles from going into the Court system if it's possible. They have had this grant for several years and it's an important program for the community. It's supplemented by Juvenile Justice Adjudication Grant which seeks the same purpose as this grant does. This program is to intervene, educate, and prevent them from going any further into the justice system.

Mayor Green asked if this is funding that can be cut by the state in related to their fiscal budget process. Judge Sanders said three years ago they could cut the funding and they have wording put in where this money is already earmarked for this purpose and her

understanding is that they are good. She believes the total is around \$154,000 they distribute statewide, so it's not a big deal of money.

**Mayor Pro-Tem Whitehead moved to approve Resolution No. 35 16/17 Juvenile Adjudication Fund (JAF) Grant for Teen Court. Commissioner Frankel seconded the motion.**

Commissioner Clark thanked her for the many years she continues to fight for these young people in our community, and she doesn't stop. Mayor Green agreed that was right on target.

**Roll call vote was taken by the Clerk-Treasurer. Motion carried unanimously.**

4. Discussion/Action: Resolution No. 36 16/17 Budget Adjustment Resolution. Melissa Torres, Finance Director

Finance Director Torres read each of the requested changes provided in the Agenda Packet. They are respectfully requesting these adjustments for the year end budget.

City Manager Fuentes added one of the things that is important to note is the state is making changes in the way municipalities are being asked to report to the state. They take the final budget numbers submitted and put them on a spreadsheet, and anytime there is an increase they want to see it reflected on the revenue side. They are tracking that but they don't necessarily deal with what's in the cash. So while the municipality may have the funds on paper, we have to be adjusting all the time. So you will start seeing more and more adjustments on both sides. In the past, they were mainly focused on the expense side.

Mayor Green added after the budget season, he would like to show us to start to track the expenses of the IT for the history of the contracted company. He would like to see if at the end of the year, we are better serviced by contracting that service out rather than having someone in-house.

**Mayor Pro-Tem Whitehead moved to approve Resolution No. 36 16/17 Budget Adjustment. Commissioner Hechler seconded the motion. Roll call vote was taken by the Clerk-Treasurer. Motion carried unanimously.**

5. Discussion/Action: Resolution No. 37 16/17 Approving the Preliminary Budget for FY2017-2018. Melissa Torres, Finance Director

Finance Director Torres and City Manager Fuentes will partner for this presentation. The presentation will be a part of the agenda packet. She started by distributing a report on the city benefits that Commissioner Clark had a concern on. It gives a breakdown on the benefits and contributions the city pays for their share. Estimated revenues are at \$3.7 million and preliminary expenses are at \$5.4 million; which gives us a shortfall of \$1.6 million. That's where the transfers in come in to subsidize it. She showed a graph which shows the expenses from 2009 to the present which shows how our revenue is going up but still short for the expenditures.

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City Manager Fuentes commented the difference between this year has grown \$34,000 as far as expenses exceeding the revenue. In a prior meeting, a question was asked if we have resources available. We do have resources and can transfer money, but we definitely have work to do to promote Economic Development to bring the revenue up.

Finance Director Torres said we need to look at the longevity for our revenue to sustain us. It's wonderful that we have the projects like our Veteran's Home but that will not sustain us. She went on to the recap of the FY18 Budget. One of the DFA requirements is our reserve which is the \$450,000. Once we pay out all of our expenses, and take in our revenue that gives us an ending cash balance of \$2,020. She went on to other pages on the presentation.

City Manager Fuentes added in regards to some of the estimates they worked on for the GRT, they did receive an increase because of the Veterans Home project. However, they had to take that into account when estimating these figures. The growth was much higher than what was included here. They couldn't estimate that much growth because we don't know when the next project will get started. They had to be more conservative, but they understand the Hospital will be constructing their \$30 million facility, but until that happens they couldn't over estimate.

Finance Director Torres talked about the projection of our revenue. We have included an 11.5% increase for GRT's for next year.

Mayor Green asked about the property tax and what prior means. Finance Director Torres explained those include money that is paid from the prior year's taxes.

Finance Director Torres went on to transfers in. This is constantly in our mind to think of how we are going to start weaning ourselves off of these. They definitely looked at Commissioner Clark's suggestion on a benefit as a whole. If they are looking at premiums we are paying, we would have to look at something that would be stand-alone. This will definitely be part of our radar when we are doing our budgets. She went on to the Expenditure detail and General Fund Summary.

City Manager Fuentes highlighted some of the changes that happened in the salaries. One of the reasons why was because they budgeted for Animal Shelter; they moved some part-time Parks employees to full-time because of the need; and they also added a modest salary adjustment for employees with the exception of Department Heads and the City Manager position. The final budget will included a proposed salary adjustment for those positions.

Commissioner Hechler asked what was given for increases. City Manager Fuentes broke down the increase that was proposed for \$1,000 for all positions with the exception of some. The Department Heads have a little bit of flexibility and authority depending on that employees evaluation and whether they made their training hours and whether they are doing a good job. The \$1,000 is for the majority of those in the General Fund. In some positions there is additional funds because some have taken additional duties, received certifications, and some have been promoted in responsibility and position. In the Utilities side with the exception of Clerical which fall in the \$1,000 increase, there is



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an across the board \$2,000 with the same authority to the Department Head for flexibility. Again, those adjustments exclude his position and the Department Heads which will be addressed in the final. Commissioner Clark asked how many years it's been since they received an increase. City Manager Fuentes said almost every year we have had adjustments, last year we did and he believes there was only one year they were postponed.

Commissioner Hechler feels clerical staff is just as important as those in the field. He would like to see them receive the same as those in the field. City Manager Fuentes understands his concern but it's on the Enterprise side and in an effort to trying to be fair, he proposed for those out in the field to earn a little more right now. Commissioner Hechler feels the Clerical staff are just as deserving, they are the ones that supply tools that the Field Staff need. He would like to see something like this be done across the board as much as we can. City Manager Fuentes said he's not sure if he's talking about all Clerical staff or just the Enterprise Funds. All he could do in the General Fund is \$1,000 per employee. Part of the goal is to bring the wages up to a rate that is more enticing for hiring good employees. No one proposal is perfect, there is always going to be someone who is not happy. The Commission has the authority to make other recommendations as the Finance Authority Board.

Commissioner Clark said her understanding is some of these field workers may be paid far less than the Clerical and that's why he is looking at raising some of those lower paid employees. City Manager Fuentes agreed that is correct, we have Meter Reader which is advertised at \$10/hour who walk the entire city for their jobs. He can assure them if we make those salaries more valuable, Water, Wastewater, Solid Waste, and Electric, will be able to retain those employees longer than we have.

Commissioner Hechler and City Manager Fuentes discussed compensating employees for getting their certification. We have two employees who are CDL trainers and that's outside of their scope of employment and were given additional compensation for those extra duties. Finance Director Torres said in the past comparable pay has not been looked at and we are working on looking at those when new employees come in. It's basically identifying the job and the value of that job. That wasn't done in the past, so we do have a bottom line that we need to pick up. That's why giving those positions that are down on the threshold as a whole a way to get back up the line that we are drawing.

Mayor Green feels that was a great dialogue. As Commissioners working as part of the team, he appreciates the attention to taking care of staff and making these positions valuable. He knows the dollars are tight and there's no perfect world, but at least we are starting.

Finance Director Torres went on with Enterprise Funds. In regards to budget adjustments, a lot of the revenue was going up. Part of that was due to the billing being sent out and coming in on a regular basis. She would predict this fiscal year would be a good year to give us a parallel comparison.

City Manager Fuentes read each of the projects completed this year and those that are included on the list for next year to work on. All are listed in the presentation.

Commissioner Clark had a couple of observations she wanted to put in before we get to approval. One was a \$70,000 difference in Fire from what was on the board and what was in front of her and \$35,000 off in the Wastewater expense category from what was on the board. Finance Director Torres believes we added the \$28,418 debt they will be paying on a yearly basis, so what they presented was not included in that. Commissioner Clark asked about the Fire Department. City Manager Fuentes said he will give us all of his revenue and what his ending cash balance will be and he budgets all of it. He was still kind of working with those numbers. But he wants to show he is spending all of it at the end of the year.

Commissioner Clark also asked when a Department Head brings their budget in to you, how frequently do you end up tweaking their budget by adding in other things or removing things that you know? Finance Director Torres said it is common but we have budget meetings to go over it. They bring a proposed budget and sometimes we have to ask the questions of what we want to expand and changes we want to make. City Manager Fuentes said the standard practice this year and years past is meeting with current staff and where we are at with estimated revenues. If we can cover the personnel and expenses we have, then that's a number one priority. When we see they are over spending, we ask them to be part of the solution. As Melissa stated, a lot of times they come in with big requests and don't have the resources. We are trying to look at things that may be depleting their reserves. We didn't have any department where we really had to cut their budgets.

Mayor Green feels 19 completed tasks by staff is an incredible number and it should be published. We should let them know how their dollars have been spent wisely and well. We should probably make that an annual thing to get the word out there.

**Mayor Pro-Tem Whitehead moved to approve Resolution No. 37 16/17 Approving the Preliminary Budget for FY2017-2018. Commissioner Hechler seconded the motion. Roll call vote was taken by the Clerk-Treasurer. Motion carried unanimously.**

6. Discussion/Action: Vacating the street and alley at West End of 3<sup>rd</sup> Street.  
Robbie Travis, Building Inspector

Removed from the agenda.

## **I. UNFINISHED BUSINESS**

1. Discussion/Action: Lodger's Tax Allocations. Juan Fuentes, City Manager

City Manager Fuentes stated this item was postponed from the last meeting. Hopefully you have the applications that were submitted. We have \$46,000 that was suggested by the Lodger's Tax Board. At this time, they are asking the Commission to either confirm the board recommendations or approve the amounts they would like to allocate. Commissioner Clark wanted to clarify that \$46,000 is just for the allocations and not the Coop. City Manager Fuentes confirmed that is correct.

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Commissioner Hechler feels we have an Advisory Board who have done their due diligence and he feels we should award their recommendations.

Commissioner Clark mentioned the Chamber of Commerce has \$16,000 written down. They were precise in the amount of expenditures they were asking for. \$16,000 for the Visitor's Guide and printing 30,000 copies for \$16,000 and she asked what kind of detriment to our community does not having that amount of guides available for distribution. She agrees with Friends of the Lake. Geronimo Springs Museum there is \$8,200 out of the \$10,000 they were given last year that hasn't been used as of the 25<sup>th</sup> of April, and she doesn't know what that's all about. MainStreet had \$9,000 she assumes, and she knows there will be bills coming in from the Hot Springs Festival and she would like to know what those are. She's glad to see the Twirlers trying to get into our program, because they bring a lot of people in. She questions Sierra County Arts Council, they used no monies last year and there was also a problem with them not having proper documentation, and they don't have the proper documentation this time. Veterans Memorial Park has \$10,000 in expenses in our budget and they have \$4,000 for perpetual care for the wall, and they don't have enough money in Lodger's Tax to pay for one of the two billboards they have up. She thinks they should at least have the billboard on the freeway paid for. Those are her comments.

Mayor Green added since he spends two days a week stocking up, agrees with the Chamber's Brochure and it helps the overall initiative. Friends of the Lake, he knows the Lodger's Tax Board recommend \$1,000, he would like to go back to \$700. He elaborated on the Veterans Memorial Park, he met with Ron Pacourek who brought up at a previous meeting about bringing the Legion Riders and they are talking about producing an event and coordinating around the new Memorial Wall. If it's successful we can bring in over 400 people for a weekend. So he would like to add more money besides the billboards. He added we have to make sure we get the best return on investment for our community and this is not an easy job. He appreciates the efforts and energy of every one of these organizations. However, the real use of Lodger's Tax is to bring people into your community; hopefully hold them here overnight; go out to eat; shop; etc. Some of the organizations he looked at produced events, but they are an hour to two hour events and he really questions how many people are going to travel a great distance to come in to listen to a short presentation. He's asking if those are the type of events we want to support, as opposed to, the type that last two days. He presented his requests for funding including: \$11,000 Chamber; \$700 Friends of Elephant Butte Lake State Park; \$9,000 Geronimo Springs Museum; \$12,000 MainStreet T or C; \$2,000 NMSRDA/Sierra Twirlers of T or C; \$3,000 Sierra County Arts Council; \$4,000 T or C Fiesta; \$4,300 Veterans Memorial Park & Museum

He suggested the Commission entertain the idea of having a workshop with the Lodger's Tax Board so they will understand our thought process and how we would like to move forward with Tourism.

Commissioner Hechler also suggested next year we have a marketing/Events Coordinator who can be a part of it and help us.

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Mayor Pro-Tem Whitehead kind of feels the same as Commissioner Hechler that we have the Lodger's Tax Board that gives us the recommendations. But also, in looking and listening to Mayor Green, she would like to leave the Chamber of Commerce at \$11,000; Friends of Elephant Butte at \$700; Leave Geronimo Museum at \$10,000; MainStreet at \$5,00; Twirlers at \$2,000; Sierra Arts at \$3,000; Fiesta at \$4,000; and increase the Veterans Memorial Wall to \$3,300. That is her recommendation. Mayor Green pointed out that Lodger's Tax can't be used for air conditioners. Mayor Pro-Tem Whitehead understands that but she's just putting out there are other expenses that are incurred by museums that Lodger's Tax doesn't pay for. She thinks we should not cut them in their funding.

Commissioner Frankel is comfortable with most of these numbers. He would like to go on record about the museum for a moment. There are a lot of these applications where it's very hard to attract the attendees for an event that is just in the street or a parade. He would expect from a museum, you would have very accurate numbers of attendees because you pay at the door to get in. He would hope in the future there would be a specific number of attendees. Of all of the groups applying for funds, they are the one group that has an admission fee at the door and the ability to track every single person that comes into the museum. He would encourage them to have specific numbers for the next year. Besides that, he's comfortable and in-line with the recommendations from the Lodger's Tax Advisory Board minus the adjustments to the Veteran's Memorial Park, and Chamber of Commerce.

Commissioner Clark asked if we are writing down numbers and taking an average. Commissioner Hechler said something which is once we get the Tourism Director hired that these organizations work closely with that person, so that next year will come in a more streamlined direction. She's still concerned if we need those Visitor's Guides printed, how we are going to get them printed if they are \$5,000 short? She's willing to go along with the Lodger's Tax Board with the exception of those two comments of the Veteran's Memorial Park needs more money and it's critical that we keep that asset in our minds. And she does question the unspent monies allocated to Geronimo Springs and MainStreet and whether they have spent the money allocated to them.

Ms. Marilyn Pope and Mrs. DeMarino both confirmed the money has been spent. Commissioner Clark said then they will concede to the other comments and to make sure the Veterans Park has a few more dollars.

**Mayor Pro-Tem Whitehead moved to approve the Lodger's Tax allocations as:**

- \$11,000 Chamber of Commerce
- \$700 Friends of Elephant Butte Lake State Park
- \$10,000 Geronimo Springs Museum
- \$12,000 MainStreet T or C
- \$2,000 NMSRDA/Sierra Twirlers of T or C
- \$3,000 Sierra County Arts Council
- \$4,000 T or C Fiesta
- \$3,300 Veterans Memorial Park & Museum

**Commissioner Frankel seconded the motion.**

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Mayor Green pointed out that next year if we have a Tourism Director/Marketer that we handle this Lodger's Tax differently. If that does not happen that we have got to impress upon the recipients of this free money, that they turn in bills in a timely fashion so that staff is not inundated. He understands that Fiesta is in May, he gets it. But to hold on to bills that occurred in January or February and still haven't turned them in puts unnecessary burden on staff that's uncalled for.

**Mayor Green called for a vote. Motion carried unanimously.**

2. Discussion/Action: Appointment to the Governing Board of the Sierra Vista Hospital. Renee Cantin, Clerk-Treasurer

City Clerk Cantin reported the Clerks Office published this on April 12<sup>th</sup> and April 14<sup>th</sup>. We received one application back then. It was postponed from the last meeting and we published it again on Friday, May 19<sup>th</sup> requesting applicants with a financial background. Since that time we have had two other resignations from the other two sitting members. Attached in your packet is the application we received from Peggy "Cookie" Johnson.

Mayor Green feels Peggy "Cookie" Johnson has excellent experience and he suggested she be appointed to the three year term position which is being vacated by Zenith Baker. He thanked James Hunt and Warren Cross for their service on the committee representing T or C on the Governing Board.

**Mayor Green moved to approve appointing Peggy "Cookie" Johnson for the three year term to the Sierra Vista Hospital Governing Board. Mayor Pro-Tem Whitehead seconded the motion. Motion carried unanimously.**

Mayor Green continued saying we have two more positions that first of all should be temporary. At the present time he thinks it's important for the city to fill the three seats on the Governing Board, and that we have people who have gone to the Governing Board meetings, understand the operation and function of the Governing Board, and has a financial background as well. On that, he would like to ask City Manager Fuentes, if he would feel comfortable in filling one of those spaces on the Governing Board. City Manager Fuentes confirmed he would be willing to. Mayor Green nominated City Manager Fuentes to serve as our second representative for a temporary period of time and we would proceed with advertising the two open positions.

**Mayor Green moved to approve City Manager Fuentes to serve on the Governing Board for the City of Truth or Consequences. Commissioner Hechler seconded the motion if he will amend the motion to include it would be for a temporary period of time.**

Mayor Pro-Tem Whitehead asked what a temporary period of time would be. Mayor Green responded for a temporary amount of time until he is no longer needed and he feels comfortable in stepping down. Which would be when the city will be well served by having someone stepping in.

City Manager Fuentes feels it's important to note that the City of Elephant Butte also appointed their City Manager to serve on the Governing Board. The Mayor and the Council recognized the need for the temporary appointment because of some of the issues that need to be addressed. So it goes in line with some of the mindset of the other entities. The intent is not for any of those appointments to be long-term and to make sure the interest in the financials is protected.

Commissioner Clark suggested that we continue to look to fill the two positions as to the determination of the Commission as to when he will be taken off of the board and Mr. Fuentes should not determine when he should not serve any more.

**Mayor Green moved to appoint on a temporary basis City Manager Juan Fuentes to serve as our representative on the Sierra Vista Hospital Governing Board. Commissioner Hechler seconded the motion. And added until we have a suitable candidate the Commission would vote on. Mayor Green added that wording to his motion. Commissioner Hechler seconded the motion. Motion carried 4-1-0. Commissioner Frankel voted nay.**

Mayor Green asked City Clerk Cantin if we received any other applications. She responded no we have not. He added we have another position available that we need to determine someone to serve. We do not want to leave an empty chair on the board. He understands County Manager Bruce Swingle has been allowed to go into Executive Sessions, so he understands what the hospital is all about. There will be no down time or training time. He's actually been on the board when there was a County vacancy.

**Mayor Green wanted to nominate County Manager Bruce Swingle to serve on the board as the third temporary appointee of the City of T or C. Commissioner Frankel seconded the motion.**

Discussion. Mayor Pro-Tem Whitehead commented that she is voting in favor with the idea that these are temporary positions and we very strongly look for someone other than these two individuals who can take on the reins and will be a strong advocate for these positions. Commissioner Clark agreed.

**Motion carried unanimously.**

Mayor Green asked City Clerk Cantin to notify the Governing Board of the appointments.

## **J. NEW BUSINESS**

1. Discussion/Action: Request for payment of 3rd Quarter Subrecipient Grants- Recipient Grant by Geronimo Springs Museum. Marilyn Pope, Geronimo Springs Museum

Ms. Pope first thanked Commissioner Frankel for his comments and she had done that, but one of the things Steve asked him to put in, and nobody mentioned that page. She thinks they are talking to the Lodger's Tax Board and one of the things that is missing is them getting to talk to the City Commission. She continued with the item stating this is the first time they are requesting a payment they did not receive. One other time it was turned in couple of days late when they had a death of a board member, which was a good friend of all of them. When she found out that she was late, she said don't worry about it because it was their fault and was the last thing on her mind that week. This time,

she thinks she took the papers in. The documents in your packet has the first and third documents stamped and the second and fourth were not. She doesn't know who made the mistake or whether it was them or the city. She mentioned to City Clerk Cantin that it makes it difficult when someone is not there and you have to take it someplace else and there is another step for someone to make a mistake, including her. But they would like consideration in making that payment.

Commissioner Clark is looking at the Subrecipient Quarterly Report that says received April 11<sup>th</sup>. Her understanding is it is due on the 15<sup>th</sup>, so why are we having this discussion? Ms. Pope responded it's because the first page isn't stamped. Mayor Green thinks there are two different documents we are talking about, one is a report of how they spent the money; and the next is the request for payment. And that happened when the city offices might have been closed, or it might have been the weekend. Ms. Pope said it might have been that she laid it on the counter and that may have been why only two pages were stamped. She added on these reports, she just learned from Linda that she doesn't have to do two reports, which she had been doing. Commissioner Clark mentioned if they were not stamped why didn't they send it back to her that it was not complete. Mayor Green added next fiscal year the Commission passed if you're late that's it and if you're late on your quarterly draw, you can be reimbursed at 50%.

**Mayor Green moved to approve authorizing staff to pay the \$875 to Geronimo Springs Museum. He reiterated the reports should be received in a timely manner. Mayor Pro-Tem Whitehead seconded the motion. Motion carried unanimously.**

2. Discussion/Action: Appointment to the Impact Fees Board. Renee Cantin, Clerk-Treasurer

City Clerk Cantin notified the Commission Ordinance No. 679 creating the Impact Fee Board was adopted on April 25, 2017. The publication has been out for three weeks. We received the attached application for Sidney Bryan who is interested in serving on the Impact Fee Board. There will be one additional vacancy for which we are still accepting applications.

Commissioner Clark asked if we are violating something because we had a board in place back in 2000 and there was never a board put into place, are we violating some particular issue from not putting that board into place to oversee the funding. She asked if we can put that board in place, is it too late? How long do they have to be on there? There are too many questions for her to be comfortable with. City Attorney Rubin stated the other ordinance is more recent. Commissioner Clark believes this one was back in 2006 or 2007. City Attorney Rubin said we should still move forward, the fact that we haven't done it, doesn't mean we should not appoint somebody. He doesn't know the answer about the financing off the top of his head to her question. Commissioner Clark just doesn't want to get in trouble if those funds weren't overseen prior to today's date. Her concern is if we put it in place today, is it things for the future they can discuss or can it be retroactive. The reason she is saying this is she has listened to Mr. Ashbaugh many times and she doesn't think we've done due diligence in our research.

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City Manager Fuentes responded the original ordinance did show the Impact Fee Board to be made up of the Public Utility Advisory Board. As far as legalities, Mr. Appel has been working with staff on the Impact Fees. He showed them the make-up of the new ordinance that put the Impact Fee Board in place. The previous make-up of the Public Utility Advisory Board did not have the required criteria for the board. That was why we expanded the PUAB by two members. He further explained the funds have been spent by the Water and Wastewater Funds, but they have never been reimbursed to the city funds. One of the requests is to reimburse the Water and Wastewater because they need those funds for the improvements they are making right now. He added when we looked at the current makeup of the Public Utility Advisory Board, it did not represent the need for the Impact Fee board. Commissioner Clark said her preference would be to have City Attorney Rubin talk with Mr. Appel.

City Manager Fuentes said the bulk of the money was the Hot Springs Land Development. It builds up slowly but staff has been working on getting all of the projects lined up and setting up a meeting before the next PUAB Meeting where Mr. Appel will be attending to answer any legal questions that need to be answered. City Attorney Rubin can certainly be at that meeting also to help clear up any questions. Mr. Ashbaugh has submitted a letter demanding reimbursement of \$11,000. There is obviously a difference of opinion between what Mr. Ashbaugh feels we should be doing versus our legal opinion through their recommendation.

Commissioner Clark asked if we could make a motion to have him appointed subject to a conversation between our two attorneys having looked at the original intent of the ordinance from 2006 and what we've done so far to be certain they are confident that we are not creating a mess for ourselves. City Attorney Rubin responded they are two different things. You can make a motion to appoint Mr. Bryan and then we can follow up with the second issue.

**Commissioner Clark moved to appoint Sidney Bryan to the Impact Fees Board as defined by Ordinance No. 679 16/17 with the proviso that we would have clarification of the Impact Fee Board from our lawyers. Mayor Pro-Tem Whitehead seconded the motion. Motion carried by a vote of 4-0-1. Commissioner Frankel abstained due to a conflict.**

City Attorney Rubin suggested a one minute break. We have a time issue related to Executive Session.

**Recessed at 11:37 a.m. and reconvened at 11:43 a.m.**

Commissioners requested to Move to Item L.2 for the second item on the Executive Session  
Threatened or Pending Litigation (Geothermal Water issue – Sierra Grande Lodge)  
*Pursuant to 10-15-1(H.7)*

**Commissioner Frankel moved to approve going into Executive Session at 11:44 a.m. to discuss Threatened or Pending Litigation (Geothermal Water issue – Sierra Grande Lodge) Pursuant to 10-15-1(H.7). Commissioner Hechler seconded the**



**motion. Roll call vote was taken by the Clerk. Motion carried by a vote of 4-0-1. Commissioner Clark recused herself from the meeting.**

Mayor Green stated that the Commission was now in Open Session at 12:04 p.m.

**certified that only matters pertaining to Threatened or Pending Litigation (Geothermal Water issue – Sierra Grande Lodge) Pursuant to 10-15-1(H.7) was discussed in Executive Session and no action was taken.**

**ACTION ON ITEMS DISCUSSED DURING EXECUTIVE SESSION, if any.**

**Mayor Pro-Tem Whitehead moved to authorize staff and legal to proceed with an application to protest regarding the Cloverleaf Trust Organization’s Application No. HS-1131 for New Appropriation of 400 acre feet per annum of Groundwater from Hot Springs Underground Water Basin. Commissioner Frankel seconded the motion. Motion carried unanimously. Commissioner Clark was absent because she recused herself.**

**Mayor Pro-Tem Whitehead moved to approve going into Executive Session at 12:06 p.m. to discuss Purchase, Acquisition, or Disposal of Real Property (714 Kopra St.) Pursuant to 10-15-1(H.8). Commissioner Hechler seconded the motion. Roll call vote was taken by the Clerk. Motion carried unanimously. Commissioner Clark was in attendance for this portion.**

Mayor Green stated that the Commission was now in Open Session at 12:14 p.m.

**Mayor Green certified that only matters pertaining to Purchase, Acquisition, or Disposal of Real Property (714 Kopra St.) Pursuant to 10-15-1(H.8) was discussed in Executive Session and no vote was taken.**

**M. ACTION ON ITEMS DISCUSSED DURING EXECUTIVE SESSION, if any.**

**Mayor Pro-Tem Whitehead moved to authorize staff and legal to proceed with the Easement at 714 Kopra St. which references the concrete drainage structure. Commissioner Frankel seconded the motion. Commissioner Clark asked if it needs to say the drainage structure. City Attorney Rubin suggested it be included in the motion. Mayor Pro-Tem Whitehead moved to authorize staff and legal to move proceed with the Easement at 714 Kopra St. which references the concrete drainage structure. Commissioner Frankel seconded the motion. Roll call vote was taken by the Clerk-Treasurer. Motion carried unanimously.**

3. Discussion/Action: Application with the USDA Rural Development for financial assistance for Water System Improvements Phase 1 Cook Street Treatment Facility. Traci Burnette, Grant/Projects Coordinator

Grants Projects Coordinator Burnette reported this application will address Phase 1 of our Water System Improvements, specifically the Cook Street Treatment Facility. Phase

1 is a new tank, new chlorination system, and upgrades to our SCADA system. She provided all of the background information in the packet.

Mayor Green asked if we are successful do we have to do something with our Wastewater Treatment Plant fees to make sure they are sufficient enough to pay the debt. Grants Projects Coordinator Burnette confirmed that will be determined through a study done by RCAC. City Manager Fuentes clarified the cost of the study will be rolled into the loan. Mayor Green said he is assuming this starts the whole process. Ms. Burnette confirmed.

**Mayor Pro-Tem Whitehead moved to approve Application with the USDA Rural Development for financial assistance for Water System Improvements Phase 1 Cook Street Treatment Facility. Commissioner Clark seconded the motion. Motion carried unanimously.**

4. Discussion/Action: MOU between Western New Mexico University and City of Truth or Consequences. Juan Fuentes, City Manager

City Manager Fuentes distributed a revised document with two small recommended changes from WNMU for the Memorandum of Understanding. He, Representative Dow, and County Manager Swingle have been working on this to try to keep the Gardner Learning Center to continue to be used for classes for Western New Mexico University. It's important to note this is going to be one of probably other MOU's for using this facility for adult education and classes for WNMU and potentially with other partners. This MOU before you is between WNMU and the City of T or C. He explained the two changes in the revised document. We do want to commend Representative Dow in her due diligence in helping to put this together. Right now, unfortunately, she's at the Special Session for the Legislature, so that's why she couldn't be here today.

Commissioner Clark asked him to define equipment. City Manager Fuentes responded he's not specific on the exact equipment they will take, but they are leaving the necessary equipment to operate the facility for online courses.

Mayor Green referred to B.8 on the agreement. Where it says, "*Provide staff to operate which may include two things...*" He asked if that is going to be on the city's dime that we provide someone to help there if their computer jams up or who puts the key in the door and makes sure no one leaves with things they shouldn't, and closes up. Is that going to be our responsibility?

City Manager Fuentes said we already provide custodial and grounds keeping services, as well as, some IT. With some of the other agreements that will be forthcoming, it will address some of those issues of access and being open. We are not necessarily committing a paid city employee or staff to be there so many hours. We are working with different partners to have this facility available for classes. One of the partners is Workforce Solutions who have an office here and we are working with them, to relocate to that building out there and free this space up for other activities.

**Commissioner Clark moved to approve MOU between Western New Mexico University and City of Truth or Consequences with the two changes presented in**

**A.2 and A.5. Commissioner Frankel seconded the motion. Motion carried unanimously.**

**Mayor Pro-Tem Whitehead moved to authorize staff and legal to move proceed with the Easement at 714 Kopra St. which references the concrete drainage structure.** Mayor Green congratulated all of those people who saw a problem and all came together to find a solution.

## **K. REPORTS**

### **a. City Manager**

- 1) Reported on Saturday's Rodeo the Ribbon Cutting Ceremony, it was well attended and the arena looks 100 times better. It was a great event and hopefully we can continue to partner with the county to make more improvements.

### **b. City Attorney**

None.

### **c. City Commission**

**Mayor Pro-Tem Whitehead** thank you again to all Law Enforcement, T or C, State Police, Boarder Patrol, Animal control and everyone. Thank you, you all do a great job and you're in our thoughts and prayers at all times when you are on our streets.

**Commissioner Frankel** announced for the next meeting he's invited Van Clothier to make a presentation on Water harvesting and have an action item at the next meeting. He has some people who are concerned about light pollution at City Hall on our flag at night. It's no longer pointing at the flag its pointing off in town.

**Mayor Green** reported at the Rodeo there was a Rough Stock Handler who was very impressed and said he wouldn't even come to T or C before and they received very good comments on the upgrades. They will have a meeting with Socorro in June to review some ideas about their Rodeo. He mentioned a picture and caption from the New Mexico Magazine on the Rodeo Action during the 2013 Truth or Consequences Fiesta. We had a writer who was living in T or C many years ago and his family owned a business here, and he spent a day in town and realized the day did not give our community justice and she could not do it in one day. In the next month's issue it will say 25 things to love about Truth or Consequences. He reached out to the Editor to see if we could have access to that to put on our tourism website and our city website, as well. He wishes the Commission and staff a very happy holiday.

## **L. EXECUTIVE SESSION**

1. Purchase, Acquisition, or Disposal of Real Property (714 Kopra St.)  
*Pursuant to 10-15-1(H.8)*
2. Threatened or Pending Litigation (Geothermal Water issue – Sierra Grande Lodge)  
*Pursuant to 10-15-1(H.7)*

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Discussed previously.

M. ACTION ON ITEMS DISCUSSED DURING EXECUTIVE SESSION, if any.

Nothing further.

N. ADJOURNMENT

Mayor Pro-Tem Whitehead moved to adjourn at 12:30 p.m.

Passed and Approved this 14<sup>th</sup> day of June, 2017.

  
Steven Green, Mayor

ATTEST:

  
Renee L. Cantir, CMC, City Clerk