

CITY COMMISSION MEETING MINUTES
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
CITY COMMISSION CHAMBERS, 405 W. 3RD St.
WEDNESDAY, JULY 26TH, 2017

A. CALL TO ORDER

The meeting was called to order by Mayor Steve Green at 9:02 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 (Absent-Excused)
Hon. Kathy Clark, Commissioner
Hon. Rolf Hechler, Commissioner
Hon. Joshua Frankel, Commissioner

Mayor Green announced he received a call from Mayor Pro-Tem Whitehead and she will be excused from this meeting.

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 and asked us to keep our veterans in our thoughts and prayers.

3. PLEDGE OF ALLEGIANCE

Mayor Green led the Pledge of Allegiance.

4. APPROVAL OF AGENDA

Mayor Green requested Consent Calendar Item #F.2 will be removed from the agenda. Commissioner Frankel moved to approve the agenda as amended. Commissioner Hechler 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.

Cathy Bagdorf addressed the Commission related to:

1) Here to register discontent and frustration with the lack of oversight on our water infrastructure. We have wasted water allowing it to run down the street on Pershing for 36 hours last week. It took the Water Department three hours to fix it, once they got there. She understands there were multiple breaks at the time. However, this is not an unusual circumstance, this is a common occurrence. We have several places in town that break and a cone is put on top of them and they go off to something else. She is frustrated with the fact that she's told, don't water on Monday, but we can allow water going curb to curb to the river. Who is paying for that water? When our water towers aren't at full capacity, our water system has leaks everywhere. Somebody has to take responsibility because we the taxpayers have to deal with the rate hikes. That's not our issue, if you aren't taking care of it, we shouldn't have to suffer. You work for us, and taxpayer's expect that if you're not going to fix something, you'd better have a good reason why. You spend money on a computer system that is only going to benefit those in the office. Keep people on the street, you need eyes, you need people who can do the work. You've got sidewalk going in that could've been done by contractors. Instead, our streets have suffered because the street department has been tied up putting in curbs and sidewalks. Yes, we need them, but we also need our streets tended to. You don't have what you need and you're frivolously putting money into areas that could wait. You now have an idea to put in new meters, why? The old ones work fine, until you get the system straightened out. Don't put any money into your part of it. You're building it for yourself, you're not building it for us. Get on the streets, get on the water. I don't want to be another Artesia, where we end up with e-coli or something else in our water system due to lack of attention.

Martin Nigel, Lyona St. addressed the Commission related to:

- 1) He started by thanking the Council, he calls volunteers. Lots of complaints, lots of complexity, requirements to study, and research for proposals, so thank you.
- 2) The water meter company came again two weeks ago and handed out a report that has wrong data in it. A concerned citizen caught this and the professional company did not.
- 3) He heard a smart meter costs \$100, the company would charge \$1,100 to install it. So it's a \$1,000 gross markup times around 3,000 meters which will give a gross of \$3 million and our local contractors can install them for less. In addition to the new smart meters, he imagined new antennae and computers and possibly new office space will be required to use this new technology. To him it's similar to the pool cover where it's expensive, but the monthly cost of keeping it inflated is another significant monthly expense.
- 4) Our City has worn out infrastructure. Some of the water has pipes installed 50-60 years ago, needing replacement. Doing this seems more important than water meter replacement. Delivering water to citizens with less water leakage, to him seems a priority. Especially in the desert.

5) The water meter company has an attractive proposal. Don't worry, this will be funded by the Federal Government. We get our three million gross from the Federal Government, not from you. But to him, the national debt is a problem that's serious and keeps getting ignored as it gets higher and higher. Now if this federal money was used for needed sewer and water pipes, it might be worth it. But the water meters at this markup seems a waste of our taxes. Thank you.

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

1) He's afraid he's following the path of the last two speakers. He thinks we put money into things that are not necessary. We may believe it's a kudos but it's not. Six or seven months ago he remembers Commissioner Hechler suggesting we take one of the city trucks for three weeks to send them around the alleyways to clean them up and it never happened and they are getting worse. There is junk everywhere and anyone who uses the alleyways can see it and it's a growing problem. And the water pipes are a problem. They are very old. We lose water and you can see them running all over the place. We've repaired leaks on Date St. twice in the last six months. It seems to be getting very impractical and as they mentioned before him the pool roof was the biggest waste we ever did. A half a million dollar roof would've gone towards a brand new pool that would've been practical and could've been money making from visitors. He really feels the City needs to look at potholes as a necessity and not as something on the side we can do if we get all of these other things out of the way. If you look at other cities that don't have a million and a half dollars coming in, they have to manage and they have to fill their potholes. We have to tone down where we want to go and what we are trying to do. He doesn't think radio water meters is a practical idea. He thinks the position we are in and the jobs we need to do, we should be looking at the necessities and not looking at some big advances in technology that we don't need right now until the basics are sorted out. He's very much behind the comments of the last people. He knows the Commission is doing their best but we really need the money in the necessities and not in things that look like a great idea but cost a lot of money and don't really improve anything but get rid of a job. When you have someone who will do the job, that's all you need. He can't see that the water meters is going to be saving money. He really doesn't see it and he's sorry. He hopes that they will go more along the lines of getting necessities done and not big ideas.

Ron Fenn addressed the Commission related to:

1) For those who do not read the packets from the Commission meetings, etc, he wanted to read an excerpt from the end of the Budget Hearing Workshop Minutes. *Mayor Green wanted to put on the table the projects list to his mind. We are advertising for a Tourism/Events Coordinator position and one of the hooks we are using is the Civic Center. Depending on our fee structure, he's concerned that we have taken one building away from the Senior Activities, and now we are going to hire someone to fill the Civic Center. We should look at the Water Building on Fourth St. to see if we can find the money to convert that building into a Senior Center for all things we are getting nailed on every month of the year.* Mr. Fenn continued by saying, Mr. Green you are getting nailed every month because your shingles are coming loose. That's the long and short of it. The

building that you're proposing is to be given to the city by the Board of Education because they don't want it and don't want to tear it down, so the city can pay to tear it down with taxpayer money. This is a slap in the face to propose or instead of proposing lets put the Seniors back in the Lee Belle Johnson Center which was illegally taken from them.

2) As far as the streets are concerned, lets talk about the Sidewalk Project which he understands is on hold for an \$80,000 shortage. Well that's fictitious the shortage will be astronomical to finish it, because labor hasn't been billed since April 28th and he's sure three more months of billing at about \$1,000 plus a day. If you need another \$80,000 in a day, close the Golf Course, we don't need another \$150,000 into a golf course for half a dozen golfers. They can go to Elephant Butte and enjoy the fine course there. Thank you very much.

Ron Pacourek addressed the Commission related to:

1) Standing before you for the third time, asking about the newest member on the Impact Fee Board. He is not understanding how he got put on their board without their board not seeing his application or having the opportunity to interview him or recommend him to the board. So for the third time he's asking why that process got bypassed.

Audon Trujillo, 503 W. Third addressed the Commission related to:

1) He thanked Mayor Green, Mayor Pro-Tem Whitehead, and City Manager Fuentes for replying to his public comment last week. With that said, he stands by all of his observations. While Mr. Fuentes adamantly stated he bought property in T or C, and thereby are a resident, he asked him to formally change his registration to Truth or Consequences to become a voter of this community. That still hasn't happened as of yesterday. This week he was to address Item E. Presentation on the Audit. On page 117 there is an audit find about the extension of a contract for Mr. Rubin. He quoted statute 13-1-150 NMSA 1978, regrettably the City's response said the city was unaware of the state statute. Similarly, in the section with the finding on the Impact Fees said the City wasn't aware that state statute required that separate bank accounts were required. In fact, Deborah Toomey brought up the issue in 2012 and Randy Ashbaugh brought up the issue on various occasions since 2015. He served on three years as a Peace Corps and years with the USA Development Agency whose purpose was to help development efforts in third world countries. He returned home in 2009 to be shocked to see well intentioned individuals attacked by City Officials. And the City Commission's activity actions, he has endorsed who has endeavored to use his skillset to address issues that would improve his hometown. He will continue to do so. He has often tried to communicate with Commissioners outside this forum to address issues and violations before they come up in a meeting. The City Manager shows no appreciation for input, no matter how the information is presented. And the City Commission, especially Mayor Green, is costly protecting the actions of the City Manager or such support by the Commission of our City Manager is important, when the support is earned it is detrimental to this Commission when it's supported by this Commission and not rectified. He urges the Commission to have the city responses to findings on Impact Fees and procurement violations changed to reflect the truth. Because there are lies in there.

Anne Gibson, Attorney at 417 Broadway addressed the Commission related to:

1) She wanted to speak to the Women's Recovery regarding the statutory authority and have them at the location on 9th and Date. The 2016 Statutes which have been the same since she cannot tell them how long, but as long as she can remember under Chapter 47, Article 8, Subsection 9.A which she placed in the box for the record. When you have a hotel/motel situation there has always been concerns about how you get rid of somebody. When she was a prosecutor, they were involved in these. She said they should get extra time for lawyers because they don't know how to shut up. Anyway, she was instrumental in having people removed even from this property and the former residents, who claimed they were running a recovery center and in that instance it never was. For this Commission the concern everyone might have is ok the Recovery Program which she said we do need more than anything else, and being run by the most efficient, most qualified person as Phyllis Mecca. But what do we do if people get in there. Basically, the bottom line is that the state decided through its legislative authority that this is not a tenancy or kind of property where you check into a hotel or a month to month to go through the notice for eviction. In this case, there is an exemption in 47-8-9 which says unless it's created to avoid the application of the Uniform Owner Residence Relations Act, which would allow for tenants, the following arrangements are exempted: A. A resident at an institution whether public or private, if incidental to detention or the provision of medical, geriatric, counseling, educational, where room and board or entity or similar service. This is exactly what the Women's Recovery Program is all about. A program she understands is, and she'd dealt with dozens in her career, would be a program where women were either sent by the court or voluntarily placed there. They would undergo counseling, and treatment, learn job skills, and learn how to be a productive part of the community. The biggest part of it is they can get kicked out if they do not provide the necessary requirements of the program. They have no property rights there. The city wouldn't have to go there to remove people. This is a program she would support as an attorney and a program we need. It allows for complete control by the Director of the program. It's not something where you are putting someone who is incapable of making the right decisions into a room you would have to get them out. This is a program this community needs. And the statute allows it. You can challenge the statute but you'd better take it to the legislature to be changed. They want these programs to be exempted and that's what this is. Any other concerns you have, please set it aside. She will talk to them about that. But this is a program that we need and will provide a necessary service to T or C.

Bobbi Sanders, concerned citizen that has worked with juveniles addressed the Commission related to:

1) She is here in support of the Women's Recovery Program. She moved here in 1985 where the biggest concern for adults and juveniles was alcohol and cannabis. Over a course of decades, she has seen this community become just a disaster without recovery assistance. They don't have anywhere to go. We have a similar situation with Domestic Abuse (DAIC). She would encourage them, because she's not aware of what their concerns or questions would be, but she strongly recommended they give this program the opportunity it deserves and what they are requesting if it's at all possible, to make it happen. These communities are devastated by drugs, we are talking hard core drugs, cheap drugs, prescription drugs, and we just need to have something in the community. She understands their goals, you're in law enforcement, Commissioner Hechler. You've

seen enough there at Elephant Butte so give it all the consideration you can. If she can be of any assistance or to serve on a committee, she will. This is something she truly supports. She added Phyllis Mecca and her have not always seen eye to eye on things, but she knows she is the right person for this program. She agrees with what was said before, where this should not be an issue of not having the knowledge of the law of what may happen in this program. You do the research, ask the questions, and ask her to provide the proof. She wanted to make it clear, she is not here as the Judge, she's here as a concerned citizen who has worked with juveniles for the last 30+ years and she's seen them grow up to become addicted adults in this community. And we are just looking the other way and not looking at what could be done in rehabilitation. She thanked them.

Carolyn Cazares addressed the Commission related to:

1) She moved here four months ago from San Antonio, Texas. She fell in love with the Land of Enchantment 45 years ago and she feels like she has come home. Has questions and concerns as a general nature as a first time sole homeowner and taxpayer. Some of these have been patiently heard and kindly responded to and visits with Mayor Pro-Tem Whitehead, Police Chief Alirez, Traci Burnette, Jagger Gustin, Mayor Green, and Renee Cantin. It was way beyond the call of duty because she can tell they all love T or C and she appreciates all of their time and attention.

2) A few of the issues she would like to be addressed with her very own Commissioner. She knows districting is not required in towns of less than 10,000. It seems impossible for all five Commissioners at large to be familiar and in touch with the whole town, whereas intimate dealings with their own districts people and their concerns would better serve an involved population and also define a more focused area for the Commissioner. She talked with someone who had been here for several years, who said she tried to get involved but nothing ever changes here and she just doesn't care anymore. But things have to change, they are always changing, the question is how to direct those changes toward the wellbeing of the town. Without access to someone who has a particular interest in a particular area, how can we the population know who to contact. Districting would solve that problem. Giving each an area would allow them to not spread themselves too thin and give their constituents the sense that there is someone who knows them and can do something on their behalf. This all made sense to her until she spoke to a couple of very well warm people that said besides the expenses and complications, districting would further divide the town, putting up walls between political, social and economic factions. There are more important issues that need to be addressed. There are always two sides. Is there a middle way? She has some ideas and she would like to present them at the next meeting. She thanked the Commission.

Sophia Person, Truth or Consequences addressed the Commission related to:

1) She agrees with all of the previous speakers. She commented on the drug problems and her friend who filled prescriptions at Walmart said the majority of them is for narcotics. So somebody is putting them out there, and somebody needs to take care of it.

2) She is here to talk about a huge national event that is going to be occurring in Truth or Consequences on September 22nd – 24th about eight weeks away. It's called the Second Annual Spaceport Drone Summit. There is no registration form on the website page and no schedule of events. Our own Sierra County site that we pay lots of money for, says

you can visit Spaceport Visitor's Center any day at the Lee Belle Johnson Center and you can call 894-1544 which is disconnected for she doesn't know how long. She is just so happy the County Manager, Mr. Swingle, Mr. Hechler, and the Chief Drone Mr. Green are all here because she is not taking the blame for the Spaceport Drone Summit failing. She was blamed for the failure of the Rocket Party and this Drone thing is coming in eight weeks and we haven't heard a thing about it. So please don't blame her or any other Spaceport critics for making the Drone Summit fail. You'd better get out there and do something, you dropped the ball the last time.

Lee Alirez, 507 McAdoo addressed the Commission related to:

1) He is very thankful for our first responders and volunteers through the Fire Department during the incident last week on July 19th, they had a strong cell come through and cause significant damage. Captain Apodaca was the Incident Commander, everyone from dispatch to all city workers and volunteers came out in force. Within hours they had power restored, trees removed, and response time was in minutes. We lost a radio tower and the fact that everyone came together and saw the need. There was no lack of communication. Our local Emergency Management could not have gone better. Everyone who was called to assist. He just wanted to say thank you. We has several broken power poles, two lines that were actually down on the ground. They came and did a great job. Everyone from dispatch and countywide who came, he just want to say thank you.

Hugh Hacket, neighbor adjacent to 819 N. Date St. where the Women's Recovery Center is to be constructed addressed the Commission related to:

1) Commissioner Hechler read the letter for comment he submitted. He wished to object to the proposed Women's Center at 819 N. Date St., they own property adjacent to it which has been vacant for a number of years. During the last couple of years a Rehab Center has been operating out of 819 N. Date St. during this time their property has been broken into a number of times and considerable damage was caused. Doors kicked in, windows broken and property stolen. Also considerable trash was dumped in the alley with syringes, rags, old clothes and mattresses. This Rehab Center also caused a spike in crimes which the Police Department can roll out. They feel this proposed rehab center is at odds with the ongoing evolution of new business which continue to locate here. They believe there must be better locations for this than right on the edge of the city.

D. RESPONSE TO PUBLIC COMMENTS

Commissioner Clark wanted to comment on the water issue. She has the same concerns as many of the citizens do. The Commission has discussed this many times. We have had engineers do a study on what it would cost to do the water lines downtown and along the whole city and it's extremely expensive. And when you talk to our Water people about the leak along Third Street, they know that we've got 70 year old cast iron pipes delivering water. About 1/3 of the delivery line have inside corrosion and we also have lateral breaks on them. When you have the ground shift in a big storm, that's what causes those lateral breaks. She wants them to know, this is not something they have not discussed, and they are very concerned about it. Her understanding is it's about \$30 million that our first

intent would be to replace the downtown water lines which are under six layers of pavement and approximately six feet deep. She does want them to understand this is critical, it's a serious issue and they are losing a tremendous amount of water from the pump and the wells into our delivery system. They understand it's a serious problem and they do get it.

City Manager Fuentes appreciates those who expressed their concerns on the infrastructure side. He can tell them, they are working on finding grants and funding for the infrastructure. But they are talking millions of dollars just for water lines. We also have to look at the wastewater, lift stations, and the electrical distribution system. There is a tremendous need but we also have to look at the dollars we can access. That's why it's so critical to use any opportunity we can get to find revenue streams. He invited people to the ICIP Public Hearing at the first meeting in August to hear from the public and to help prioritize the projects we need to do. All of the working on our needs has been going on for years. And we welcome input and ideas as we look at our five year plan.

Mayor Green responded to Mr. Pacourek, he reviewed our procedures and did not find a requirement for a person to be approved for a board to be taken to the advisory board. He explained in deference to time since their meetings are once a month, we didn't want to waste another month, so it was approved by the City Commission. He thanked Mr. Pacourek for his perseverance in waiting for an answer on that.

E. PRESENTATIONS

1. Presentation of the FY 2015-2016 Audit. Chris Garner, Axiom

Mr. Chris Garner presented the FY 2015-2016 Audit. The presentation which is a summary of the exit conference is part of the agenda packet. He began by presenting their responsibility and the process in auditing. The opinion they gave is an unmodified opinion, which is the highest level of assurance they can give. Their opinion states that the financials are fairly presented and are materially correct. The second report referred to as the Yellow Book Report references on the findings.

He reviewed the current year findings.

- 1) Deficiencies on Internal Controls over financial reporting. One of ten journal entries didn't have the proper review that it should've had. Other issues includes the issue of a purchase order before purchase and fuel receipts.
- 2) Capital Assets. He knows Finance is working on coming up with a detailed list so this will reconcile in the future.
- 3) Financial Close and Reporting. Six or seven years ago, cities and counties were given the responsibility for drafting their own financial statements. And because of that, there were numbers that were hard to come up with and establish. So if we get a little more involved with helping with that, we have to give a finding on it. They worked extensively with personnel trying to come up with a new system to try to figure out how things are going. A lot of this relates to the computer conversion and trying to figure out how we were going to come up with certain numbers to support the financial statement.

- 4) Travel and Per Diem – As a result of the state audit rule, it requires them look at certain compliance issue and Travel and Per Diem is one of them. Out of 10 samples there were three that weren't paying the right mileage rate amount.
- 5) PERA Reporting – They test all of the reports sent to PERA. The State Auditor has us test all of the money submitted to PERA to make sure the right amounts were being submitted. This has been corrected and shouldn't be a problem in the future.
- 6) Late Audit – Because of the computer conversion, the city had some issues with accounts receivable in utility billing. They met with staff and determined they could do some work now and issue a clean opinion. As a result the audit was late. The end result was they were able to give a clean opinion.
- 7) Procurement – During testing it was noted we did extend beyond what was allowed by state law in the amount for the attorney.
- 8) Impact Fees – violated in the fact that we have to separate out the cash received. They have worked with staff to make sure we have properly accounted for these fees.

Commissioner Clark said we got dings for Impact Fees and all of that happened before they were here and she understood there was an issue with having a lawyer. With that being said if we are dealing with it, are we really being dinged for that or is there an exception. Mr. Garner said there is no exception as far as he knows, its state statute and they have to follow it. They will come back next year and look at the status of what has happened and if we have no violations or issues with additional purchases, this finding will go away and if you have the accounts set up for impact fees, that finding should go away.

City Attorney Rubin takes responsibility for the procurement problem on the attorney agreement. They agreed to have the one month extension, but when they decided to extend the agreement for another three months, he drew up another contract as a small purchase and it's reflected back to the one done on October 30 which is the one he thought made the action more clear. So he thought they rectified that with corrective action. He just wanted everyone to be aware of that. Commissioner Clark said that's what she remembered, it was a different procedure they used. City Attorney Rubin added the first one should've said Small Purchase Agreement.

City Manager Fuentes appreciates the work Chris has done, he also wanted to recognize Melissa and Mr. Gaylord who has been working hard on this and we are making good progress and we are addressing these issues. Mr. Gaylord is a CPA and is working on setting up things for internal controls. The state doesn't look at the fact that we are smaller than the City of Albuquerque. We are required to provide those financial statements and the preparation. Unfortunately, we don't have the resources, but this year, we had to find the resources to find somebody like Mr. Gaylord who is a CPA and is working closely with Melissa to help us take care of those things.

Mr. Garner responded audit findings are a tool to help us get better. If he was a Commissioner, what he would want to see is that we are dealing with the issues. Auditors

have to change their approach every year. There are certain things they have to do, but the standards require them to change. So they are always going to find things that may be new. But the question that needs to be asked is how are we going to fix it. To be honest, there are millions and millions of transactions that float through your financial records and stuff is going to fall through the cracks. Especially since you don't have a lot of resources to build the perfect internal controls. As long as your reactive to the problems to correct them you will be fine. His interaction with the Finance Department, during, since they finished, and subsequent, he knows that they are working on these things and he's expecting to see improvements because of the questions that have been asked and the supporting documents that he's been asked to give. That is his expectations for the next audit.

Mayor Green said in the past when there has been findings, the city has not been able to receive certain funding. We have had to go out and get a fiscal agent, in one case it was the COG which has cost the city money. Has anything changed with our status with DFA where we have cured some of these findings where we don't have to find a fiscal agent? Mr. Garner said it's something they have to depend on the judgement of DFA. The one finding that could cause problems, is the Capital Assets one we still have. As a city, you need to go and say you made a lot of progress. You need to deal with the modification and going from a not clean opinion to a clean opinion. Mayor Green noticed we are the fiscal agent for the Housing Authority and they had four findings which is incorporated in our audits and out of our control. He mentioned some of their repeated and modified opinions. Mr. Garner is not sure they are holding that against you, but you should ask DFA.

Finance Director Torres said in regards to their question about the DFA, they have been in contact with our Analyst at DFA because that is our goal to be able to be our own fiscal agent. She has been talking with Paul Ludi who is our DFA Financial Analyst, and he's still waiting to hear the official word, but he did give us hope that we will not need one. Once we received official word, we will relay that to the Commission. The one thing she just wants to say is though, on the Federal & Capital appropriation grants we are in now with SCCOG, we will have to continue with them through the grants. Then if they allow us we can be our own fiscal agent, then we can.

F. CONSENT CALENDAR

1. City Commission Budget Workshop, May 3, 2017
2. ~~City Commission Regular Minutes, June 14, 2017~~ – Removed from agenda
3. City Commission Regular Minutes, June 28, 2017
4. Public Utility Advisory Board Minutes, June 19, 2017
5. Impact Fee Advisory Board Minutes, June 19, 2017 – pulled for discussion
6. Airport Advisory Board Minutes, April 4, 2017
7. Fourth Quarter Lodgers Tax Quarterly Reports for FY16/17 and Third Quarter Reports for Chamber of Commerce, Veterans Park/Museum – pulled for discussion
8. Acceptance of the FY 2015-2016 Financial Audit. Melissa Torres, Finance Director

Mayor Green read the Consent Calendar and asked to remove Item #5 and #7 for discussion.

Commissioner Frankel moved to approve the consent calendar as noted. Commissioner Hechler seconded the motion. Motion carried unanimously.

ITEMS REMOVED FROM THE CONSENT CALENDAR

F.5 Impact Fee Advisory Board Minutes, June 19, 2017

Mayor Green was concerned and wanted to discuss that during this meeting with the lawyer present, a member was asked to recuse himself and it created a very hostile and uncomfortable setting to hold a meeting. He looked at our Rules of Procedure and he noticed if a conflict was perceived, even at the Commission level we do not have a process to deal with a conflict of interest. We have left it to the good graces of our Commissioners to make the choice that this is not good business and they walk out the door. He asked City Manager Fuentes to see us visit our Rules of Procedure and put in something where there is a conflict of interest, that person actually steps out of the room until that issue is over and done, until they are invited back in the room. He thinks it will prevent this issue from happening again. He doesn't want to lose this board, we have good people on this board. If we lose this board the City Commission is just taking on another role. But he thinks we need some type of structure. City Manager Fuentes said we can look at the Rules of Procedure and include the advisory boards. Or we can look at revising the ordinances for these boards, and put in a conflict of interest clause in there. He can certainly work with legal on what the best approach will be to bring back to the Commission, and to advise the Advisory Boards of this. City Attorney Rubin agreed he has always recommended if there is a conflict, they should leave the room. And he is open to looking into that.

F.7 Fourth Quarter Lodgers Tax Quarterly Reports for FY16/17 and Third Quarter Reports for Chamber of Commerce, Veterans Park/Museum

Mayor Green said for these reports, we have discussed the appropriate use of Lodger's Tax and how much money should be used for the 25% that can be spent locally. He explained the process. 75% should be spent out of the area. He mentioned Sierra County Arts Council has run up over \$1,300 plus dollars on local advertising when it should have only been \$750 and should have been used outside the community to bring people in. He knows we are looking at filling the Tourism Director and they will have to work with staff and these people on the funding to help a broad economy to be built and move on. The other group is T or C Fiesta. He read they reported \$2100 for local ads. We've asked where you are spending your money so we can pool together and say we are spending this much money at the Albuquerque Journal to buy ads. He doesn't know what we can do to force these Non-Profits to pool together. It's inappropriate that they are spending money that's not bringing heads-in-beds in this community.

Mayor Green moved to approve the Impact Fee Advisory Board Minutes, June 19, 2017 and the Fourth Quarter Lodgers Tax Quarterly Reports for FY16/17 and Third Quarter Reports for Chamber of Commerce, Veterans Park/Museum. Commissioner Hechler seconded the motion. Motion carried unanimously.

G. PUBLIC HEARINGS

1. Public Hearing: Final Adoption of Ordinance No. 685 for the sale of 1310 Nickel. Robbie Travis, Building Inspector

Building Inspector Travis said you have before you the ordinance for the sale of 1310 Nickel. At the June 14th meeting the Commission approved to proceed with the sale. Staff recommendation is to approve the sale of 1310 Nickel. He did receive the extension agreement and we do have a backup of someone who is interested. But this person has waited for a long time to purchase it. He referred to Jay for comments.

City Attorney Rubin is glad to hear there is an extension agreement to September 15 because the ordinance will not be effective before the September 10 date. He gave a detailed list which has already been approved by the Commission. And according to the City Clerk, nobody has come by to protest the ordinance. Clerk-Treasurer Cantin confirmed that is correct. He's in agreement with the ordinance.

Mayor Green agreed to allow Mr. Trujillo to speak, he did not sign the public hearing list to speak. He is both an opponent and proponent.

Audon Trujillo thanked the Commission for looking into 3-54-1 for the sale of property. He said it doesn't feel right that the ordinance is being published concurrent to the sale. He feels the ordinance should be done before the sale. He doesn't think that process is being allowed, but he is not sure it's required. He just asked if we are in compliance with that.

City Attorney Rubin responded that is why we did a written explanation approved by the Commission. The appraisal was done in October of 2016 and it came in at \$29,000 and the city advertised it for that amount. There were no offers received and then again advertised for \$25,000 and no offers. We feel this is a good offer and we are getting cash for this purchase and the city is coming out ahead on this deal. It's also important to point out the statute requires the 45 days before it becomes effective. Mayor Green asked if we dealt with a realtor or how did we come up with the \$29,000? City Attorney Rubin responded there was an appraisal done.

2. Public Hearing: Special Use Permit for a Woman's Recovery Program at 819 N. Date St. Robbie Travis, Building Inspector

Mayor Green explained the Battershell procedures will be used during this public hearing.

City Clerk Cantin did the swearing in for Building Inspector Travis.

Building Inspector Travis gave the background on this item. It's a Special Use Permit for a Women's Recovery Program at 819 Date St. The complex has been there for many years and a Transitional Living place tried to go in with many problems arising and he had to shut down the business. Staff recommendation if this were approved would be several conditions the applicant would have to meet. We didn't specify those conditions, there could be a time period, but we don't know yet. We do feel this is needed in our town, but we're not sure this is the right location for it. In the supporting information, we have the application, the site plan they prepared, and a comprehensive statement. He handed out a staff report to the Commission which gives them the code section which is 11-9-4.D.15 on R-3 Special Use Permits. That should be C-1. He read the staff report which is part of the agenda Packet. Number 1 says the Special Use Permit should not be granted in such cases where the use may result in a negative impact which substantially outweigh the positive impacts of the use. The history is it is the old Oasis Hotel. One comment was something Commissioner Hechler read and they called yesterday to make sure we received the letter. And he did receive one other letter from a business owner in the area and again the staff, if it's approved would have several conditions they would need to meet. Then he knows that Police Chief Alirez did have a meeting with Phyllis and he asked him to come and go over that with them,

City Clerk Cantin did the swearing in for Police Chief Alirez.

He reported on some of the concerns about the location. When it first came to his attention, the address itself was concerning because they've been there before. He also mentioned the big difference here is that Phyllis Mecca did approach him to ask what happened over there. She asked about some of the things that occurred, and how she can work with them to prevent them from occurring in the future. They had some very candid discussion and heated at times because of differences of opinion. The program that was there, before they came into town, didn't tell anyone they were coming. It was very problematic because each one of those hotel rooms was numbered so there was no alleviation of 4th Amendment Rights which everyone was entitled to. The big issue was we came up with the eviction. He reached out to John Appel and Jay Rubin for an opinion and although there is a section under 47-8-9, there is a provision for that type of facility. It could be problematic trying to force someone out, should that occur. He would be derelict if he didn't tell them in that short time span they had 47 calls for service. We had cars broken into at Whitehead Chevrolet, and other instances he explained. They had to go through the eviction process even though it was a shelter and it was a shame because they would bounce around from room to room and they couldn't find them. He has met with Phyllis about some of these concerns and he doesn't stand on the fence one or another on this issue. He is just bringing this information.

Mayor Green said the Chief eluded to what was there before. Some of the "bad actors", were any of them women or was it all men. Police Chief Alirez wants to say there were two women. But the difference here with Phyllis' program is there is going to be one big handle on this. If not all of them, a great percentage of them will be the version, in lieu of being in physical custody. So it is a last chance option they have that could possibly be some self-executing orders because of the nature of how they will be getting in the

program. They will not want to have the Police showing up at their door. One of the discussions was putting a fence which would block all of the front doors. That would be extremely problematic because the last program that was there was selling drugs out of there, and they started switching rooms. So by the time they got out there, it was problematic. Then they started selling drugs out of the back window after the fence was put up. It was all problematic the way they came and set it up without telling anyone. He wants to give Phyllis credit for at least coming and talking to them about what occurred and what can be done to prevent further occurrences.

Mayor Green asked if the Commission has any questions of Mr. Travis.

Commissioner Hechler asked if there was any indications of Ms. Mecca's certification or was there any other information presented. Building Inspector Travis responded just the information that was presented.

Mayor Green said staff recommendation is if they are approved it would have to be with conditions. He asked him to expand on that and what are we talking about. Building Inspector Travis said the fencing is one. We have to work out that situation. As you see in the plans, she brought that around. But the issue is can activities happen behind it. The other one is a probation period where we try it for three months to see what's working. And that's hard because they have to invest in it and we just want to leave an open communication that we've got to work out these details, and go over it more in depth if it goes past this stage.

Mayor Green said next is for those proponents who want to have the opportunity to cross examine Mr. Travis.

Proponents:

Audon Trujillo, wanted clarification on the program. Is that only women who have charges against them, not women who are separated from their husbands and are fearful of their husbands attacking the kids? Not someone who has problems with someone who may have attacked them. Building Inspector Travis responded he doesn't think that's what it is. But he will have a chance when Phyllis comes up to ask her questions. But he doesn't believe it's that type of program.

Mayor Green said we have no opponents signed up and asked them to be sworn in.

City Clerk Cantin did the swearing in for Phyllis Mecca, Anne Gibson, Glenn Hamilton, and Audon Trujillo.

Phyllis Mecca read some statistics. Out of 33 Counties in New Mexico, Sierra County ranks number 10 for Alcohol related death; ranks 6th in opioid overdose E.R. visits; ranks 5th in drug overdose deaths; 4th for frequent mental health distress; 3rd for suicide deaths; 1st for adult mental health depression. Those are just adult's statistics, put out by the 2016 Department of Health. For Juveniles in our County, Sierra County ranks 1st for feeling of sadness or hopelessness; 1st attempted suicide; 2nd for youth who have

seriously considered suicide; and 5th for heroin use. Sierra County is also one of the poorest counties in the state with a 30% poverty rate, and the unemployment rate was 8.5%. It's not a secret that the adult problem in our county, and our communities are having is not a juvenile problem, it's a generational problem. The folks in our community are working hard to try and break these barriers and to stop the generational drug and alcohol abuse. We have The Club, JJAC Team, OSAP Team, Judge Sanders has a great diversionary program. But what programs are specifically geared towards the adults who are supposed to be protecting these children? The answer to that is Outpatient counseling. The counseling centers are very overwhelmed in our community and are able to see clients approximately one hour every other week. That's why she is here today. And you may be asking why a women's program instead of a men's program? Women are typically the caregivers for the youth and typically more challenging. 78% of all women that suffer from alcohol and drug addiction have been abused either physically, mentally, emotionally sexually assaulted. Additionally, 90% of all women in correctional facilities have been sexually assaulted. She has done her research and her homework. As a community member, for over 30 years, she is being transparent. And she wants the same for the Women's Recovery Program. It's time we come together to deal with the underlying issues in our community that affects the economics and the growth and development of our community. She's been working on this for a good year. She has communicated with Gary Whitehead on multiple occasions since his business is closest to the property on what the prior issues were with the motel. She wanted to address those issues so she could incorporate them and move forward. She's talked with the Police Chief on several occasions and Judges to get feedback on the previous occupants and what she can do differently. She's well aware of the drug dealings, drug use, prostitution, and the crime under the prior occupants at the proposed location. She worked closely with the Courts, Law Enforcement, and D.A's Office, for over ten years. Therefore, that is why she is hear today to seek approval and to let you know this is something that's really needed in this community.

Mayor Green asked for questions from the Commission.

Commissioner Hechler asked what qualifications she has to run a program like this. Ms. Mecca said she has a Master's degree in Criminal Justice; she is also certified to do Group Counseling; she cannot do individual counseling and that would be contracted out to local providers.

Commissioner Hechler asked what she envisions for on-site staff. Ms. Mecca says two Full-Time staff, one would be her, one living on site, and she would be living on site until further notice. Then a couple of part-time staff. Commissioner Hechler asked if she had other information as far as operating procedures and things of that nature that's more comprehensive than the package they were given. He feels it leaves a lot of information to be desired still. He asked what other information she may have that they can review? Ms. Mecca said she can provide them with any information they need if they just let her know what they need. If she doesn't have it, she will certainly do the research and get it to them. Commissioner Hechler said he was looking for more of a business model or something along those lines to show the operating procedures. Ms. Mecca asked Mr.

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Travis if they were put in there. Building Inspector Travis said she did have more detailed procedures and we can get those to the Commission.

Mayor Green thanked her for stepping up to the plate. It's unfortunate that we need these kind of facilities. But we can't turn our backs on that need. We have to recognize it and understand it. If you have attended these meetings before and heard me talking about tourism before, he is upset that we lost a tourism asset, but at least its not going to be bulldozed and it's a possibility that it can be repurposed. He is not looking into their checkbook, but he wants to know if the organization is a for profit or not for profit organization and where is the money going to come from? Ms. Mecca said the women will work to pay a weekly fee to be in the program. They will work and pay their rent to pay their fee. The money for salaries and for utilities will come from the women in the program.

Mayor Green assumes she's going to have to put some money out first to make the property workable. He thinks what Commissioner Hechler is referring to is the business model. How do you get from if we approve this permit, you've got some expenses to deal with. How will she get the property workable or livable? Ms. Mecca responded the building is livable. She will purchase the property first off. Mayor Green asked if she will set this up as a Non-Profit? Ms. Mecca said she will eventually set this up as one. But it takes time to build a non-profit. To begin with, it will be a for profit.

Mayor Green said Mayor Pro-Tem Whitehead asked if the vote could be postponed because she would like to participate in the discussion. Mayor Green said his question to her is if they were to postpone the vote and put it on the next agenda meeting which would be two weeks from today. Is she against a time crunch or would two weeks still enable her to move forward with this project. Ms. Mecca responded she would like to get it up and running by September 1st, it will take about a month to close on the deal to get it up and going. She has many community volunteers who have offered to put in time to paint or put furniture together or whatever needs to be done. Her question to them is would it be a conflict of interest with Ms. Whitehead and the business next door? Is it a conflict of interest? Mayor Green said that is something they would have to determine with legal and that is a valid question and he can't answer that.

Clerk-Treasurer Cantin asked them to keep in mind a Special Use Permit has to be published, so if we were to postpone this, would we need to meet the fifteen day publication requirement. City Manager Fuentes feels since this is already a scheduled public hearing that has been duly advertised, the table and notation can be carried over to the next meeting and he doesn't think we would be required to do that. Clerk-Treasurer Cantin thanked them. City Attorney Rubin said he agreed and we could make such a motion.

Mayor Green added the Whitehead organization has not signed up here as an opponent so obviously in her discussions with Mr. Whitehead she laid any fears or concerns he might have, to her credit. Ms. Mecca agreed, he told her he would not oppose it.

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Commissioner Hechler sees the fees are \$165 per week. How would she deal with those who are indigent? Will she have sponsors? Ms. Mecca said they need to find employment. If they can't then they need to be on disability, which they will help them apply for. But everyone needs to pay their way in life, whether it's alcoholism or whatever.

Mayor Green said to Commissioner Hechler's point, if they don't have a job or access to \$167, then they don't have access to your program. Ms. Mecca said that's not necessarily true. And she believes it says it will not permit them from being enrolled to the program. However, they will need to find a job. This model follows the drug court model. And if they are unable to work, they will at least have to provide community service in our community to give back to our community. There is always community service to be done.

Commissioner Hechler asked if part of their services is assisting in getting a job. Ms. Mecca responded yes. She's actually had a couple of employers who are willing to sit down with her and give the women access to jobs first.

Mayor Green sees each room has two women and some are singles. Will those resident rooms have their own utility meter and would the occupant be responsible or whoever's name is on that service address or that is the entity that will pay the utility bills. Ms. Mecca said it would be one meter and the program would pay the utility bills. To answer Mr. Trujillo's question, it's not for women looking to get out of abusive relationships however, she plans to keep one room designated for emergency DB for women if Law Enforcement is called in the middle of the night and a lady needs a place to stay, can stay there for a day or two until they can get them to another program like La Casa in Las Cruces.

Mayor Green said there are no opponents and then called for the public comments.

Opponents:

None.

City Clerk Cantin did the swearing in for Hans Townsend.

Mr. Townsend said he is in agreement with Mr. Taggerts comments. He can see very clearly that part of Date St. and there has been very strange people coming and going from this place that make him wary. He has questions about the management of this place. He is hopefully going to put this off for a bit and he's in the middle of looking up some other things that make him wary. Being a neighbor it obviously affects him.

Mayor Green believes if the Commission votes to put this on the next agenda for the next meeting, we will not have a public hearing but the citizens could use the three minute public comment to express their concerns. Mr. Townsend presumes if he gives something in written form it can be given to the Commission. Mayor Green confirmed and asked him to give it to the City Clerk's Office and she will make sure it's distributed.

Commissioner Clark let Mr. Townsend know they are familiar with his property on Date St. and her understanding is that he lives on site, she asked if that's correct? Mr.

Townsend confirmed that was correct. Commissioner Clark asked how many rooms he has. Mr. Townsend responded they have 11 rooms. Commissioner Clark then asked if he can tell her every single time someone walks in and out of those units. Mr. Townsend responded, no he can't. Commissioner Clark thanked him. Mr. Townsend said but he does have cameras. Mayor Green said it's not a cross examination conversation.

Proponent:

Ms. Anne Gibson mentioned she is going to be assisting Ms. Mecca both as legal counsel and as somebody who has a Master's of Science and Education, and a background in Psychology. She believes this is a program that is necessary here and she hears people talking about the Oasis and trust her it crossed her desk more than she wants to tell them, when she was a Prosecutor. The people that went in there, went in under a cloud of deceit and were people they were watching very carefully for the fact that they believed there was drug trafficking and things like that. And they even had to prosecute one of them for destroying the property of somebody who was a current resident. That is not what is going on here. If it was, she would not put her name behind it. What is going on here is an organization who are going to assist women in recovery. She can't tell you how many times she has seen children walking into the system because women are doing drugs instead of taking care of their children. Because the kids are seeing the drug use in the home. These are the women that are causing the generational drug problem. We are into third generation children. She knows there are Sheriff's Officers here who have seen kids who saw their Mom's doing drugs and now they are having children who are addicted to drugs. This is where Sierra County needs to stop a generation that will make our crime grow. A recovery center is not a place we put people so they can have an opportunity to commit crime. Crime happens in T or C constantly, thank God not very serious violent stuff. But it is a town racked with Domestic Violence and Drug abuse and Trafficking. With that being said, Ms. Mecca has what it takes which is a heart and a soul for this and for working with the community. She is ready to get on her hands and knees and scrub those floors of that old hotel so she can put one women in there to help her to not go shoot up or smoke a joint or something in front of her three year old daughter. And so that her three year old daughter isn't doing that ten years from now. What they are trying to do is intercede in a problem. She is seeing a huge need. There are 10-20 women waiting for beds right now that can't get into them. It's modeled after Drug Court being a highly responsible program where you are monitored on a daily basis; you have consequences; you have to have a job. One of the things the Judges are doing is you are either working full time or you're doing 30 hours of Community Service. And while you're doing that, you'd better be getting your GED. And you'd better be a person that is not a problem when you come out of the program. That is exactly what Ms. Mecca is proposing to do there. They going to learn how to do the things they never learned because their generation never taught them. We are all lucky to have had a substantial family background and a society that held us accountable. We are not living in that society anymore. We're dealing with 20 year old women who have never not had a phone or the interne. Who think they can just have a handout and never learn the skills to say no and the skills to get a job and be happy working at Wal-Mart. And are blessed by that because they never had the skills ever put in front of them before. She can tell them from knowing her as a CYFD Worker, and knowing her personally, she is going to demand that same

quality of each one of her patients. She's going to demand they walk out with that. And if they don't walk out with that they can walk right back into the RDAP, the prison system, or someplace else. This is where they are going to become parts of Truth or Consequences, parts of Sierra County, and people we will be proud to have, versus what we have now and is going on over at the Oasis. This is a plus, this is a thing she would want to tell the world about. And she would ask that they do the same thing.

Mayor Green certainly applauds Ms. Mecca who surrounds herself with people like Ms. Gibson who has passion, knowledge, and also addressed as Attorney Gibson. He thinks that's certainly an auspicious start.

Audon Trujillo said he has a sister who would work with battered women. She was telling him about the plight that women have in this community. And these aren't necessarily people who are arrested. They are people who have bad relationships, get beat up on, and have kids with nowhere to turn. He doesn't know how many units there are or occupants allowed. He would hope the provisions for this facility would allow people who are getting battered to use these beds. He expressed his concern about the location and the children's safety. He has a five year old grandson and he wouldn't want him to live there because it's on a main street. Mayor Green reminded him he signed up as a proponent. Mr. Trujillo said he is in favor, they need a place like this. Are we going to have walls so kids can play in a secure area there? Is there going to be a requirement for them to be drug tested so they aren't around the other kids? He's still a proponent of this, but those are questions he has. Is it going to be a safe enclave for these people? He hopes so and wishes them all well.

Building Inspector Travis in response said he doesn't believe there will be children living there. Mr. Trujillo said that makes him feel better.

Mayor Green asked if any Commissioners have any questions, and they did not. He asked Ms. Mecca.

Ms. Mecca did clarify it's not for children, just for women. There will be cameras, so she will know what's going on out the back window. Additional, they will be tested a minimum of three times a week. Part of the policy is, if you're dirty, you're out of the program. She would like to have more women in a battered shelter but that's a problem for those who are staying clean, if they might be using. It could be a trigger for them. That's the reason for one bed separated from all others, but she can't really do much more than that.

Sheriff Glen Hamilton thanked them for the opportunity to address them today. Of the many boards that he sits on, one of them that is most important to him is the New Mexico Association of Counties Criminal Justice Reform Committee of which he's Vice Chair. Of the many topics they take on in that committee, one of them is the need, the opportunity for alternative to detention or to prison. So this is one of the things they have identified as a necessity or a need in the State of New Mexico. Or additional programs or facilities that encompasses these types of treatment or rehabilitation programs. Sierra County or Truth or Consequences is one of the areas they have identified as lacking not only in the

mental health portion but drug rehabilitation. Annually, he takes about 30% of his budget to transport individuals that come out of our court system who are required through conditions of probation or orders of the court to attend such programs. One third of his budget is for transporting these individual throughout the state for these programs. This would give Sierra County and the County Sheriff and the taxpayers in being able to bring these services on a local level. He will point out that the problems that were present with the previous tenant, we should keep in mind that was not technically an official program. Whether his intentions were good, it had a negative impact in that particular area. He could point out several areas that are extensive in use. In Law Enforcement, the Chief can agree with him or disagree with him, but in Law Enforcement, they know those particular areas within their community that are riddled with that type of behavior. Particularly with the mandates and monitoring that is going to take place, it's going to impact the public safety would increase the type of the number of crimes in this particular area. And nothing again, that they don't already have in other areas of our community. He stands in support of this program and would hope that the Commission would grant this program the necessary permitting.

Mayor Green asked if there were any questions from the Commission or staff. With there being none, he announced now we are finished with that portion of the meeting. He suggested to his fellow Commissioners and those in attendance, we are taking a little bit longer because of the very nature of the public hearing process and it's certainly important that they give everyone an opportunity to be heard.

Mayor Green announced in light the issues with the public hearing he asked that we hear Items H.1 and H.2 and we will take a break and come right back to finish the meeting.

H. ORDINANCES, RESOLUTION, & ZONING

1. Discussion/Action: Special Use Permit for a Woman's Recovery Program at 819 N. Date St. Robbie Travis, Building Inspector

Building Inspector Travis does not have anything else to add. He's here for any other questions we might have.

Commissioner Clark asked him to explain his hesitation on this particular location. Building Inspector Travis responded he thinks its more because it's right in the center of our town. But he's not against it. If she can run it properly, it might not be a problem. This all hinges off management. Jus the comments he's had from other business owners is the only thing he would say, but he really doesn't have one way or the other. He's just not sure this is the best location. He met with one of the other attorneys in town trying to find another location, and he thinks this one will work the best for her because it's already set up. The rooms are there and the low cost of getting into is the best for her.

Commissioner Clark thinks the whole concept is excellent and definitely overdue in our community. She does have a concern about the location. She has an on-site resident at her hotel and she knows it's hard to see everything that's happening, even with cameras.

She wonders if it would be better to have something in the downtown area to be more accessible to some of the things they would need. It's also very visible and she wonders if it would be better to have an oversized home where you can have one entry and it's enclosed. She does have a very good friend who started a recovery program in Arizona and she would like time to talk to him. She doesn't want to put this off but she would like to refer to Mayor Pro-Tem Whitehead's request to defer the action.

Mayor Green asked if there were any further comments from the Commission. Seeing none, he will stand for a motion, keeping in mind Mayor Pro-Tem Whitehead's request and he believes it will give the Commission an opportunity to review and digest the additional information to look at and guide us in making a decision.

Commissioner Hechler moved to postpone until the next meeting to allow an opportunity for Commissioners to do more research and for Mayor Pro-Tem Whitehead to be part of the discussion. Commissioner Clark seconded the motion. Motion carried unanimously.

Mayor Green thanked them for all of their patience during this process.

2. Discussion/Action: Final Adoption of Ordinance No. 685 for the sale of 1310 Nickel. Robbie Travis, Building Inspector

Building Inspector Travis said they are ready for final adoption.

Mayor Green moved to approve Final Adoption of Ordinance No. 685 for the sale of 1310 Nickel. Commissioner Clark seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

Mayor Green recessed the meeting at 11:17 a.m. and reconvened at 11:23 a.m.

Mayor Green moved to approve moving Item I.1 to be the next item. Commissioner Clark seconded the motion. Motion carried unanimously.

1.1 Discussion/Action: SCRDA Contract and future participation. Juan Fuentes, City Manager

City Manager Fuentes said he and Police Chief Alirez met with MVRDA and the Chief met with other entities. He presented a presentation with some of the findings.

The County adopted a county emergency GRT, not all of it goes to SCRDA, but the majority of it. They have an operating budget of \$833,453.00. SCRDA is also in need to update their equipment. He went on to Option Two which would be Mesilla Valley Regional Dispatch Authority (MVRDA). They are a new state of the art emergency communications center, with the latest technology, and resources to meet the communication needs. Then, Option three is going with New Mexico State Police. The New Mexico State Police is a partner with the City of Truth or Consequences Law Enforcement Complex, and will be jointly housed in this facility. The City is already in

discussions with State Police to obtain a Records Management System, and the latest technology including Mobile Digital Terminals. So these are the options we have, there is a potential for significant savings. If the entities want to go with MRVDA they do have openings for dispatchers.

Mayor Green said for the record, he did meet with Sheriff Hamilton and the Undersheriff. He left the meeting feeling that the Sheriff was committed to keeping SCRDA whole and number two, because we did have a seemingly impasse of changing the meeting dates, that he was going to do everything in his power to reach out to the board members and try to change the meeting date.

Commissioner Clark asked if City Attorney Rubin had an opportunity to review the regulation in consolidation for PSAP. City Attorney Rubin asked for clarification in what she wanted him to look into. Commissioner Clark read the NMAC and the regulations. What she is reading is that if we were to do an exception to the consolidation in the county, we would've had to do that within one year from May 28th, and that we are required by NMAC to be within the county, not outside the county, and consolidated. City Attorney Rubin said that rings a bell. He believes the Chief wanted to address that.

Police Chief Alirez said that is about receiving E-911 funds. That would be something for DFA to hold a hearing on to discuss and amend that. Nothing that MVRDA discussed included them wanting to receive the E-911 funds.

Sheriff Hamilton said it was his understanding that NMAC Title 10 was actually the reason they went into the consolidation was for the E-911 funds which will go to one location for a local dispatch. If each entity had their own dispatch services, each would be eligible for those funds. That's why we moved into consolidation in early 1996 so they go to one entity and one location in the county. And yes, if you are receiving those funds, your PSAP has to be located within that county under Title 10. City Manager Fuentes said in regards to the E-911 fund, it does not prohibit exploring the option for another PSAP. That does not limit us from doing that. City Attorney Rubin agrees that was the interpretation he got.

Commissioner Clark said as far as the calls for service there is quite a difference in the charges for service in the City, and Elephant Butte, and Williamsburg, the County, and the lake. They were ranging anywhere from \$.12 a call up to \$.83 per call. How do we determine the billing rate for each one of the entities? Police Chief Alirez responded in 2013 we were being assessed \$200,000 a year, the Sheriff's Dept. was being assessed \$200,000 a year on a contribution scale. When he first got here he asked what the call volume was and was told they can't give me that information. But he went back and asked if he can help them get that information. They placed a milk crate on a desk and said that's all of their calls for last year and they said he could go through them and count them and sort it out. But he ended up getting it from the State Police. When he looked at that, it stood out like a red flag that some agencies were being charged a disproportionate amount. They looked into, and as a board they changed the dynamics of the contribution figures. Some of our calls can be considered a higher risk because

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we handle Animal Control, utilities, water, and all of that stuff. We saw an immediate \$43,000 decline and as you can see now we are like \$60,000 less in 2016 from what we were paying in 2105.

Commissioner Clark said sort of, she explained the amounts and it's seems like the contribution is skewed unless you're on a flat rate. City Manager Fuentes said both the Fire Department for T or C and the County pay a set amount of \$10,000. The amount looks more like \$12.39, but if you look down the State Parks, Williamsburg, and the Hospital pay a set amount. He explained which ones are the main users and how he figured the average. Police Chief Alirez said some have a fixed rate they agreed to.

Mickey Howard, Executive Director of SCRDA. The JPA that was created so the contributions is on a percentage base. It's all percentages except State Parks, Sierra County Fire, and City Fire are a fixed rate. She believes city and county Fire are paid out of State Fire Funds, not out of the city budget. City Manager Fuentes said just for clarification, it's still under the control of our finances. Ms. Howard said when you did the breakdown of calls, they based it out of a percentage base. Obviously the City of T or C has the higher call volume.

Commissioner Clark said so if we went through Mesilla would the towers still come through here? Mickey said the way it would work is DFA comes through their trunking system for E-911 funds. They pay for the landline trunking system and wireless trunking system. She explained if the city moves down to MVRDA, they will lose about 80% of their calls because they can't be rerouted wireless phone calls through the towers. City Manager Fuentes said that's incorrect. Police Chief Alirez said that was discussed at the meeting. Ms. Howard stated they also discussed it with Mr. Acosta of MVRDA. Approximately 20% of your calls, in today's times, more people use cell phones than landline. So you can lose approximately 60-80% because they cannot be rerouted off of the towers.

City Manager Fuentes said he appreciated her opinion on that but they did discuss that with Mr. Acosta and he did not indicate that would be a problem. Since this item may be postponed because Mayor Pro-Tem Whitehead is not here, he would certainly invite Mr. Acosta to be present to answer these questions in person. Because he can tell them they specifically asked that same question, and they didn't raise that issue that we would be losing any calls. So hearing it from him directly to get more information to the Commission. Police Chief Alirez said they would prefer to handle the calls for all of Sierra County. Wireless numbers have to be added an EIN number to address where they get routed to. He says it's challenging but not something that can't be done. The time frame is seven months to a year. Their interest was to have all of the subscribers in Sierra County.

Commissioner Clark said we would be exporting dollars outside of our county. Police Chief Alirez confirmed.

Sheriff Hamilton also spoke to the Director of MVRDA, as well, about making the switch. And taking all of the services and moving down there came up. Because the technology is not there, it's a matter of moving the landlines down there to MVRDA. If we continue to have a PSAP here, E-911 collection center, 80% of the calls that are routed here are over cell phone towers. So you can be in Albuquerque or Belen and call 911, even though you're from T or C, it will run through their towers. If we continue to maintain and all other entities maintain here in Sierra County we still have to have the regional towers directed towards the Regional Center. The only way it would work is if all entities move down to MVRDA. He made it clear they have no intentions to take over all of the entities, but he agreed it might be a good idea to get Mr. Acosta down here. Because we need clarification of the information we were all given. They were assured by Mr. Acosta that in order for this to work, all of the entities would have to go down.

City Manager Fuentes appreciates that comment, but in their discussions, there was no limitation for him. They never said in order to make it work, all would have to go. It would be preferred but they would make it work with just the city. Having him attend certainly would help. They met with him the Chair of the MVRDA Board and their capabilities are more than adequate to be able to accommodate this. Sheriff Hamilton agreed.

Commissioner Clark moved to approve to postpone until the next meeting and we invite Mr. Acosta to come up. Commissioner Frankel seconded the motion.

Discussion: Mayor Green asked how many employees she has. Ms. Howard has 10 full-time Dispatchers who work and live here. She is expecting to hire two more next year. She hasn't had a turnover in about a year, which is a first in a very long time. She knows that it was mentioned that if there was a switchover, they would have openings. Her Dispatchers that work here, most of them were born and raised here. She could not see them having to travel back and forth to another facility.

Mayor Green also had questions about a nice cushion SCRDA has in the bank. How is that going to financially impact the subscribers to the service? If you go out for a grant or funding for equipment, how is that going to financially impact the subscribers to the service? What backs up that \$500,000, he thought he heard the Sheriff mention? And if you decide, new building, is the projection \$140,173 for next year for service. If you go out and buy or build a new building. Ms. Howard explained the E-911 fund is a surcharge that pays for the PSAP's in the State of New Mexico and also 911 and recording equipment. SCRDA is scheduled next fiscal year for upgrades on their list. They have an extremely old system and the last legislative cycle they lost about \$6 million. She explained the cost of a new system. She can give Mr. Fuentes the breakdown of the funding from DFA. They do not fund radio systems. Their system is coming up on eight years. Almost two years over its life. If it was to go down, we are in trouble. That is a priority to obviously have their radios.

Sheriff Hamilton said the board voted to keep those surplus funds in there specifically for a rainy day fund. They are looking to have the new equipment installed so it will be easy to switchover. The question is what do we do with these additional funds, do we credit

them to our users, or do we take care of the issues at hand and get that infrastructure in place and make sure we have something that's going to continue to give the service to those providers. And then we can look at what we can give back to the providers.

Commissioner Clark asked if the Police Department pulled out would we lose that because we are no longer consolidated. Sheriff Hamilton responded it would still be charged and received and designated for Sierra County.

Commissioner Hechler said he just wanted to mention he's in a position where he monitor's SCRDA's radio traffic throughout the week. And he wanted to commend SCRDA in their professionalism in the way they dispatch. And one of the things we need to keep in mind is Officer Safety is one of the premier things we need to keep in mind. One of the things we should be aware of is these Dispatchers are in a position where they know the community, they know the Officer's and they can give that individualized attention to the Officer's. And if we go with someone else, that's something we will lose and we should be aware of.

Motion carried unanimously.

3. Discussion/Action: Resolution No. 03 2017/2018 for FY 2016-2017 DFA 4th Quarter Report. Melissa Torres, Finance Director

Finance Director Torres introduced Mr. Gary Gaylord and gave his background as a CPA. He has been helping us clean up some of the areas that are demanding our attentions. Mr. Gary Gaylord addressed the Commission. He said it's been a real pleasure coming down here and working with the staff diligently on some improvements. The policies will be living documents because as situations change, you have to adapt with the changes. We have to learn what the mistakes are, and see what we need to do differently instead of just trying to cover them up. He explained they are going to make sure everyone is on board and then we are going to be monitoring how things are going. He appreciates the opportunity to come here and help out.

City Manager Fuentes said there are many ways we try to address the issues, and every year they are adopting new guidelines and we have to adapt to. He added there are new guidelines and new accounting standards to municipalities who have limited resources. Even though we have some of these standards, we have never had a certified CPA to help us give staff the resources on the technical side because we don't know that language to address those issues and help us get there. The reality is there is an expense attached to it, but he thinks it's well worth the expense where we have been looking for pennies. These are the resources staff needs to help us get there.

Finance Director Torres began with her revised presentation which is part of the agenda packet. One of the things she wanted to highlight is areas like Capital Projects where the revenue is only showing 75%, but you will also see the expenses showing 70%. You will not see as you have in the past where the expenses were higher. She moved on to the graph with the overall for the revenues, then the graph with the prior vs. current GRT. We can't count on projects like the Veterans Center as an ongoing for revenue. You have to

think outside the box. The next graph gives the prior vs. current on the Lodger's Tax Revenue. This quarter we had \$267,072.

Mayor Green asked if the 1% Convention Fee is a stand-alone and does not reflect in the \$267,702.13 for this year. Finance Director Torres confirmed that is correct.

Finance Director Torres continued with the Fiscal Year End Graph. This is the one that shows the trend and how much revenue and expenditures we have. We want to start seeing that balance out. This is the first time since 2015 that we had a reduction in the expenses and we are hoping to continue that trend. She read the next few slides and the numbers for the fourth quarter report.

Mayor Green asked if there are any questions and stated it looks like we are on a nice trend and going the right way, which is always nice to see. He thanked staff for that and all of the different Department Heads and team members who are looking at spending the dollars as though they were their own and that's a good thing.

Commissioner Clark moved to approve Resolution No. 03 2017/2018 for FY 2016-2017 DFA 4th Quarter Report. Commissioner Hechler seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

4. Discussion/Action: Resolution No. 04 2017/2018 approving the Final Budget for FY 2017-2018. Melissa Torres, Finance Director

Finance Director Torres gave a highlight of what the final budget is. One of the things they heard was about giving merit increases. And that was important to her and City Manager Fuentes and they were successful by giving from 3% to 7% increases. We had discussed getting the bottom line up for the employees on the lower end got an additional increase for the competitive wages. She thanked the Commission for that. Annual health benefits increase will be 1% and you will see that. She named some the Capital Projects we are working on. Our debt, revenue, and expense, and capital purchases are some of the changes you will see.

City Manager Fuentes said in reference to merit increases. He reminded the Commission they already approved merit increases for part of the staff. The second part as he stated during the preliminary was looking at an increase for the Department Heads, and that is already included in there as well. He wanted to highlight one Department Head who was making way less than other Department Heads and he had to find a way to get him a better pay. In his case, he is getting more percentage wise. It is justifiable in his opinion because it's only fair when you look at the salaries other departments are making and he is running one of the largest departments and has done a great job.

Commissioner Hechler asked if the bottom line goes up when we bring in new employees, or just existing employees. When we do new hires is it going to be easier for us to provide more incentives. City Manager Fuentes said in the preliminary budget we just included a set amount for each employee to make them more competitive. Finance Director Torres

added their goal is to do comparables as an overall as to other entities. Then they make that recommended to Mr. Fuentes in regards to that information. That will help us continue to keep the bottom line going up.

Finance Director Torres went on to the general fund. Our estimated revenue is \$3.7 million and our transfers out will be \$1.1 million. Once we take our transfers out, minus our expenses, minus investments, minus our debt, then our required DFA reserve, the only amount that is left is \$1,412. So we definitely want to just point that out because once we start looking at other projects, our revenue is dedicated already one way or another. So we are going to make those changes as an entity to make our revenue go higher and our expenditures go lower so when we make that cash bucket, sometimes it looks pretty good, but again, we have a lot of our debt that is already dedicated to a lot of that revenue. Mayor Green has a question about how the numbers don't come out to \$1,412.

City Manager Fuentes added in regards to the picture you see right now, is the picture the DFA will be looking at going to the new fiscal year. So if we want to add \$50,000 in one department. DFA will say, well you only have \$1,400 left, where is that other money going to come from? You have to somehow amend the revenue side to provide for that. In the past we had the flexibility for those kinds of adjustments. Right now, we are showing them a picture of what it's going to look like. And he wanted them to keep that in mind, because we have to come back if there's any additional expenses. And if there's an issue to transfer out from the General Fund, they're going to expect the city to cut somewhere else for the expense. We were conservative on the revenues as well, because the Veterans Home was just one time money for those capital projects. Internally we have to keep that in the back of our minds that we don't have a lot of money. We can't just look and say we have to increase our GRT because we need money on the expense side. It's not advisable that we do that, because DFA will look at this snapshot and make adjustments in the future.

Finance Director Torres asked them to keep in mind this is an overall picture and they will look to see that this money has already been or has commitments to it. We can't just say our checking account tells us that we have \$3.3 million, it doesn't work like that. We only show \$1,400 as uncommitted money. This last fiscal year was a big eye opener in regards to how much DFA is requiring of municipalities now. She said her hair used to be straight and working with DFA and the adjustments, it's turned curly. That's one of the things we have DFA involved now when it comes to reporting.

Mayor Green asked in the numbers with the estimated revenues, the net transfers, and expenditures, he doesn't come up with \$5,497,000. He asked her to explain that breakdown. City Manager Fuentes said he went straight into the budget recap, he thinks if she starts with the first column and explains it to the end. Finance Director Torres explained the breakdown from the recap sheet. By state statute the DFA requires us to have a reserve of \$453,439 that we can't even touch. City Manager Fuentes thinks one of the amounts that's missing is the ending cash balance. That's where the difference is.

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Finance Director Torres went on with the recap; General Fund Revenues; General Fund Taxes; and Revenues and Transfers In.

City Manager Fuentes said one of the differences is the transfers in from 505 Solid Waste and 507 Solid Waste Collection Center because of the projections on the revenue side which were still coming up short. So we consider it an Administrative Fee. In this case we had to find some money somewhere.

Finance Director Torres went on with the Revenues and Transfers In; Expenditures & Detail; Enterprise Funds;

City Manager Fuentes reported the Capital Projects Funds that were already reported at a previous meeting. These are all of the challenges we have going into the fiscal year.

Mayor Green asked Commissioner Clark if we can use Lodger's Tax for transportation systems. He sits on the SCRTD and they pay for part of the operation of the transportation system. He thanked Commissioner Hechler because he hounded for staff and it was forefront on his mind. He's pleased to see the equity in fairness has exhibited itself with bringing up a certain persons salary because it was warranted.

Commissioner Clark moved to approve Resolution No. 04 2017/2018 approving the Final Budget for FY 2017-2018. Commissioner Frankel seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

Mayor Green asked if City Manager Fuentes could send an email to all department heads thanking them for controlling their budgets and staying in their budget. We just want to say good job.

I. UNFINISHED BUSINESS

1. Discussion/Action: SCRDA Contract and future participation. Juan Fuentes, City Manager

Discussed earlier on the agenda.

J. NEW BUSINESS

1. Discussion/Action: Lease Agreement between the Southwestern Area Workforce Development and the City of Truth or Consequences. Juan Fuentes, City Manager

City Manager Fuentes said this is a contract we want to enter into with Southwestern Area Workforce Development to have them located at the Gardner Learning Center. They are currently located at the Civic Center. The agreement you have incorporates some of the fees which would help offset some of the expenses with a lease amount of \$600 a month. But at least the benefit we will get by having this facility to be used and open throughout the day.

Mayor Green really appreciates Representative Dow jumping on this and bringing all of the players to the table and getting it done.

Commissioner Hechler moved to approve the Lease Agreement between the Southwestern Area Workforce Development and the City of Truth or Consequences. Commissioner Clark seconded the motion. Motion carried unanimously.

2. Discussion/Action: Appointment of a Voting Delegate for the NMML Annual Conference in Clovis on August 15th - 18th. Renee Cantin, Clerk-Treasurer

City Clerk Cantin presented the item. As you know annually the Municipal League has their annual conference. This year it will be held in Clovis, August 15th – 18th. She requested they select a voting delegate and an alternate.

Commissioner Clark moved to approve City Manager Fuentes as the Voting Delegate and Police Chief Alirez as the alternate. Commissioner Frankel seconded the motion. Motion carried unanimously.

3. Discussion/Update: Update on the short term rental ordinance. Renee Cantin, Clerk-Treasurer

City Clerk Cantin reported she did not hear from her contact in Taos, but has received some information from Gina Kelly in Ruidoso. She presented the draft flyer she plans to get in the utility bills to get the word out about this ordinance. She is scheduled to present it to the Lodger's Tax Board and the next step is preparing the Resolution for the fees for Lodger's Tax Registration. She also found more than just Airbnb and VRBO. She included the notice in the utility bills so they will contact our office so we will have a list of those who already have a home listed. In the future, they will have to do more detailed research depending on the responses they get.

Mayor Green thanked her for the update and understands it will take time and as long as the process is moving forward, he's a happy camper.

K. REPORTS

a. City Manager

- 1) Today there is a Governing Board Meeting he will be attending at 1. And of course the JPC Meeting will be at 4:00 p.m.
- 2) The rest of the week he will be attending the City Manager's Association meeting.
- 3) He requested the Item L.1 for Executive Session be postponed to the next meeting so we can get some additional information.

b. City Attorney

None.

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c. City Commission

Commissioner Hechler thanked City Manager Fuentes and staff for all of the hard work they've done on the budget and reconciling the audits. They are very complete and well put together and he appreciates all of the hard work.

Mayor Green thinks one of our shortcomings is dissemination of information before the public. He would like to see us go out and make presentations to the public. He doesn't think the public realizes we are going to the state and USDA looking for money. It might serve staff and the Commission to get the message out to the citizens of what we are doing to try to find funding options for things we need to get done.

Mayor Green moved to approve removing Executive Session and let staff decide when they want to bring it back. Commissioner Clark seconded the motion. Motion carried unanimously.

L. EXECUTIVE SESSION

1. Sale, Acquisition, or Disposal of Real Property (T or C Airport) *Pursuant to 10-15-1(H.8)*

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

N. ADJOURNMENT

Meeting was adjourned at 1:03 p.m.

Passed and Approved this 23rd day of August, 2017.


Steven Green, Mayor

ATTEST:


Renee L. Cantin, GMC, City Clerk