

CITY COMMISSION MEETING MINUTES
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
CITY COMMISSION CHAMBERS, 405 W. 3RD St.
WEDNESDAY, JANUARY 24TH, 2018

A. CALL TO ORDER

The meeting was called to order by Mayor Steve Green at 9:01 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)
Hon. Kathy Clark, Commissioner (Absent)
Hon. Rolf Hechler, Commissioner
Hon. Joshua Frankel, Commissioner

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

Mayor Green asked to let the record show Mayor Pro-Tem Whitehead and Commissioner Clark did call to let him know they could not attend today and are excused.

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

2. SILENT MEDITATION

Mayor Green announced County Commission Fletcher in your thoughts and prayers who is in the hospital and he had an email from Mayor Pro-Tem Whitehead which she asked him to read before silent meditation. She asked that we keep the family of David "Bubba" Bryant in your prayers. He passed away on January 20th and will be greatly missed. David worked with the City of Truth or Consequences Police Department from 1988-2002 where he served as Chief from 1999-2002. He was the Nephew of the late Commission Freddie Torres and Commissioner Bobbie Allen. He then 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 called for Commissioner Frankel to lead the Pledge of Allegiance.

4. APPROVAL OF AGENDA

Mayor Green asked to move presentations as the next item and then follow the format as listed. He also requested items F.6 and F.7 to be removed.

Commissioner Hechler moved to approve the agenda moving the presentations before the public comment and items F.6 and F.7 removed from the agenda under Consent. Commissioner Frankel seconded the motion. Motion carried unanimously.

PRESENTATIONS

1. Presentation related to the Spaceport. Chris Lopez, VP of Land Operations, Presenter

Mr. Lopez gave his presentation. He wanted to give a good update of where they have come and where they are going. Most of the questions they receive is when they are going to open. They have been open for quite a while and have over 100 rocket launches to date. Now that we are in the legislative session, they are promoting the Legislation to protect some of the private company's information so they can proceed. They also have a budget increase included in this Legislative Session due to an increase in activity and they asked for the Commission support there. To date, they have over \$9 million in revenues from outside customers. So those are dollars that are coming out. Another item is the New Mexico State Agencies, and those tax dollars stay here where over 80% stay here.

He stated New Mexico has been in the space race since the 1930's. He showed slides of events including competitions, open houses, and the Spaceport America Cup with over 1,500 students who visit for a rocket competition. These are new opportunities which are growing the business and customers.

Their emergency teams when they are not in the middle of missions have been working with and responding to emergencies when needed. They call it the Good Neighbor Policy and they feel they are a good resource and average 3-6 calls a month now to assist where they may be needed. They appreciate the work of the City Manager and the Commission in allowing them to work with the local Law Enforcement to do that.

The first Spaceport built in America. Most of the other competing sites are old Airports or NASA sites. The resources, land, weather, and all of these items are still very much important to the customers. Each of these attributes are reasons why they are want to move their operations to Spaceport America. Again talking about the 100 plus launches, 60 were students, and 40 were private commercial space. Of the Commercial Space, we have Virgin Galactic; Ex01xos who announced their development of rockets; and of course Energetics which is another company from Washington State area, and they are taking new ideas of how to launch rockets and small payloads into space. The sea level and being almost up a mile high seems to be compelling their marketers and the runway is compelling. They are starting to see that sales pipeline of customers coming to them and negotiating with them. There is more activity now than there was 18 months ago. The industry is staring to mature and they are still well positioned to take advantage of it.

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And they will keep pushing forward. They all wish the rocket launches would happen more often but the increase is coming. He showed a trend line of the increase. They just got word that a division of Virgin who have always operated out of Mojave are assigned to move to New Mexico within the next month.

He showed a snapshot of the Commercial space industry. Includes experimentation, scientists, and other materials and development. That's not just focused on DoD Government which is what is needed for a more healthy economy. Other states are recognizing the future of the Spaceport Industry. So we are the future and we are the first Spaceport Industry. So when they go to different shows, and conferences, we are recognized as a leader. The Air Space is what is most compelling about Spaceport America. The Air Space here goes from ground to infinity. In Mojave, they have to fly through what's called a keyhole to access Air Space. There are only two places that has the ground to infinity. The only other space with it is at the White House. He showed a chart with the Air Space that is shared with White Sands. That partnership with White Sands has helped them gain successes and it will continue to grow. Recently the flight providers have said they want to fly once or twice a week. There is orbital and suborbital when it comes to launching. They have to clear out Delta, Southwest, and American Airlines for launches. And the commercial airlines are not going to be happy if we have launches twice a week. But they do have Air Space that does not have to manage that, and as time goes on, we will be very well positioned. And we have an inherent advantage than others.

He explained that to go orbital you need two gas tanks and one of them has to be dropped off. And he's pretty sure Texas doesn't want them dumping gas tanks. So today they are focusing on the suborbital. Eventually they will focus more on orbital. He explained how the weightlessness can help determine better manufacture techniques.

The U.S. Government is only about 10% of the funding they receive. There is mostly private funding at this time. In the year 2025, that industry will be \$2.7 Trillion Dollars. Virgin Galactic just got a Saudi Arabian commitment of over a billion dollars last quarter, and then CNBC reported there are billions coming from other sources.

Last year's accomplishments. Boeing is working with White Sands to test the next Man's Space Crew. They received word about how they may be pulling out, but that has been worked out and they will be leading the charge for space craft. He showed a video of a capsule reentering the atmosphere. When they need to launch they don't just stay for the day. They bring a bunch of Engineers and stay for the week. He showed another video of the microgravity which their customers can get launching at Spaceport America.

Last year they hit a new milestone with testing of some motor rockets which can be tested on site. They have an agreement with Space Ex to test their rockets out there. The other thing they are exploring is how do they get more data? Do they put more solar planes in the atmosphere and keep them in the air? But they are learning once they get them up there in the restricted Air Space, they need Spaceports to operate out of. They can't just

take off from a regular Airport for a variety of reasons. They also have a diversified customer group out there and not just the Space Industry.

He then showed a video from Virgin Galactic and how they are coming closer to commercial transportation. Overwhelmingly the Pilot Crews will probably live in T or C and want to be closer. The other item is on the education side where they are working on virtual trainings for classrooms with students. It's a field trip zoom to put that product in the classrooms virtually. They said they were willing to participate but every student in New Mexico will need to be able to access this content for free. And they are willing to do that. They are proud to say every T or C student has had personnel training time and they will continue to improve that. These students are the next business and company owners. June is Spaceport America Cup event, he explained the program. One of the students had a drone in a rocket and had to eject it from the rocket and fly it down on his own. It's a project that is literally growing the industry. When they look at where they want to base their business, we want them to stay here. He showed a video of that event and he believes it was a good effect on the tourism for that one week. So its multiple countries, with all of the students, the companies want to come in to recruit these students. So the third week of June he invited everyone to come out there for the rocket launches. During this competition, it's also a lesson in compassion for the failures that also happen. United Airlines were also carrying payloads from around the country. They also work with local Law Enforcement and Paul Tooley for safety issues. University of Michigan was the First Place Cup Winner. There were 1,500 students. They also had a New Mexico Tech launch and they hold they will come back, as well as, USC, and other colleges. He showed other Spaceports but the use old infrastructure we are working on getting businesses to come here long term. The weather is also a big deal, you can't launch rockets through cloud cover. Open to any questions the Commission may have.

Commissioner Hechler asked what impacts they expect over the next year.

Mr. Lopez responded the month of June will grow by expansion. And in the April time frame, they will have another Open House; and the Relay Race will come through again. In regards to customer base, Boeing will be coming and they expect them to stay a week to up to three weeks at a time. We will see more evidence of a Corporate Customer to start coming. They can't release who that will be, but they will be sending teams into the area. It's important to remember they are in the competitive market. We need to show them this is a good place to do business and roll out the red carpet for them. But we will see an increase and we won't even know where they are from. In regards to Virgin Galactic and their continued experience, he expects 100 plus jobs to be here within the year. More and more of them are moving here and they are out of space in Las Cruces. And the entire security team lives here. It won't move as fast as we all want it to and growing a business never does.

Commissioner Hechler asked as a community how can we support them better?

Mr. Lopez said the support they've gotten from the City and the County has been fantastic. There has been an open dialogue and new ideas. And if he could speak to every member of the community, T or C has a neat opportunity; he is a native New Mexican and he knows they love that personal touch. Sometimes we discredit ourselves and say "Oh we

can't provide that White Glove, Limousine treatment that someone may want. He doesn't think that is what his customers are looking for. Their customers are looking for ease of business and we can also rally as a small community to give a good cohesive message, saying we are open for business and we can be here. We don't have to strive to be the white glove, champagne service, but we can strive to be the best customer service and show them and adventure and culture they can't get anywhere else.

But remember nothing is going to be perfect, but a single voice can fracture that and can have a negative impact. They do get asked about a negative comment at a Press Conference or on Social Media and they do get asked about that. And their customers do ask if it's easy to do business in T or C. He has also been asked if they will get harassed, and they assure them, they will be fine. But the city has reached out to them on the Open House and the Cup on how you can help. Don't get discouraged that we are not hitting a grand slam, but we are not at the first mile and the evidence is there that we are running the correct race and are on our way. We are all in the customer service driven industry. Even McDonalds, had some problems with the ordering and they all got free apple pies and they went bonkers because they remember the hospitality of McDonalds.

Mayor Green also understands sometimes people want to come into town unannounced to check it out. And some would like to have a more one on one experience and this Commission is willing to take the time to spend with them and show them our assets. And the County as well.

2. Presentation related to the Copper Flat Mines. Omar El-Emawy, Presenter

Mr. El-Emawy represents New Mexico Copper Corporation. He's here to present a brief status update on where they are with the Copper Flat Mines project. If you're not familiar with the project, they are trying to start the Copper Flat Mine which is located in Hillsboro, New Mexico. The project was purchased in 2010 by THEMAC Resources Group and is traded on the Toronto Stock Exchange. This is a Copper Mine, they will also be mining Gold, Silver, and Elyptinum. As it stands right now through the feasibility is about 12 years once the mining begins. He gathered information about the private sector, as well as, government. If you look at how much money was invested in Facebook, the Copper Flat Mines was right behind that. So far \$55 million was spent in New Mexico on that project. Approximately \$3.5 million in Sierra County alone. It's been their goal from the beginning to spend as much money as possible in bringing this project into production. This was spent on consultants and contractors, as well as, materials they purchased. He showed the indicator or employment they will need. There will be 270-300 employees needed at the Mine Site. Annual salary will be \$35,000-\$60,000 depending on qualifications and benefits. The last time he looked at the average household income in Sierra County, he believes it was around \$28,000. He honestly believes this will be a tremendous boost to the Sierra County economy and a reason for people to actually stay in Sierra County. A huge factor for the population reduction is employment opportunities, so they have to resort to other places because of the opportunities that will be available.

He showed a slide that focused on the tax contributions and of that \$53 million is devoted to the State of New Mexico. There is \$7 million in GRT that will be a direct benefit to

Sierra County. It will take \$360 million to get it off the ground and actually online. The actual annual operating expense to run the mine will be \$115 million. There will be \$24-\$30 million in annual labor which will mostly be spent on people who live in Sierra County.

One of the major focuses in the Environmental Plan will be building with the environmental concerns in mind. Up to 65% - 70% of the water used will be recycled water. The site is designed as a zero discharge facility. Which means none of the water will be released to the environment. They are taking extreme measures to contain the amount of evaporation that does happen on site. They will have caption ponds and cover them to reduce evaporation. They will also have a liner to prevent any seepage into the ground. They are not going to be using any lethal or toxic materials or solutions to process their ore. It ends as a concentrate slurry and actually goes into the smelter somewhere else in the world. Another thing they are focusing on is the Air Quality and dust control. They know that that's a major concern for folks who live in that area, and they take it very seriously. They will have control trucks spraying water to reduce dust flying in the air. They are also fencing off areas where wildlife can potentially enter.

The main topic most are focused on today is on the Water Rights. They were in a legal case with the State of New Mexico Office of the State Engineer. They did purchase 7,500 acre feet a year and will need 6,100 acre feet per year for operating. On December 28th the Judge ruled against them and provided up around 8,900 acre feet for them, which is obviously not enough for them to continue. But it's not the end of the road for them. They've spent \$55 million so far on the project and there are other options for them in terms of acquiring the needed water rights to put this into productions. They can either lease or purchase new water rights, and actually even appeal the Judge's decision. They are also submitting a new application with the Office of the State Engineer. So they are all ready to restart this mine. There is already a footprint there and back then there was not a mining law with the standards there are now. And since purchasing the property in 2010, they are responsible for that land and required to follow those standards. Before you are able to start and begin construction, you are required to have financial insurance in place so if you do go under as a company, there is money left behind so that taxpayers aren't left with this bill. Their reclamation plan as it stands right now, has been submitted to all state agencies, as well as, the BLM. In the plan they will be instituting a reclamation that will bring the site, if possible, back to the way it was before. There is a footprint their now that is not reclaimed due to the mining law not being in place in the 1980's. they plan to meet that and in some areas, exceed it.

The Permitting Status as it stands right now, the BLM is actually getting ready to announce a final EIS, hopefully by the end of the month. They feel they have addressed all of the all or most of the concerns submitted by a third party and community members, as well as, federal and state agencies. That will allow them to put in a schedule that puts the record of decision hopefully to a deadline of the late third quarter of this year. The permitting side of it is actually is going exceptionally well for them right now. Last week they met with the NMED about the Discharge Permit and they deemed it administratively complete. They will be publishing a draft permit of it and the public hearing and comment portion of it will most likely take place in March or April. The Mine Permit is also under

technical review and they hope to have it completed by late this year or early next. They've been involved with the community since 2010. They try to do their part to attend local events including the local Fiesta and the County Fair and they plan to do the same in the future. They are always available for a Site Tour, so let him know if you're interested in that. They did receive Resolutions of Support from the Sierra County Commission, City of Elephant Butte, and Village of Williamsburg also and City of T or C in 2012. They did renew them in 2015 and the City of T or C took a more neutral stance. So he's here today to formally request the City of Truth or Consequences to consider reinstating its Resolution of Support for the Copper Flat Mine Project. And with that he will end and take any questions.

Mayor Green said you talk about the Gross Receipts Tax, he assumes that will be created by the paychecks that are circulating in the community, not sales tax collected. Mr. El-Erawy confirmed that is correct.

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.

Diane Lombardo addressed the Commission related to:

1) She put a copy of the New Mexico Guidelines for Sheltering and she asked City Clerk Cantin to be sure the Police Department gets a copy. And the important information starts on page 32. On what's loosely called the board, they have well over 100 years of experience on that board for information which the Police Department has not taken advantage of. They have a CAAT sister group in Hillsboro called SCARS whose sole responsibility is to help with the shelter. She personally emailed Acting Chief Apodaca and offered assistance and said it's on the agenda. Then he went ahead without asking anyone who knows. And owning a dog does not qualify you to make rules for a shelter. She has been asked by a lot of people if the Shelter will be like it used to be. Well they can't kill animals, can't use them for target practice anymore, it's against the law. They had high hopes for this Shelter. With that being said it's been put in the hands of people who know absolutely nothing about shelters and no included people who do know about them.. They have decided not to let volunteers interact with animals. We will probably be the only shelter in the state that she knows of that doesn't allow volunteers. There are very good reasons for it and they have had offers of help for training from an organization that has had seven years with no attacks. CAAT has had several events and no one has been bitten.

Susan Curry addressed the Commission related to:

1) In support of volunteers at the shelter and being able to interact with the dogs and walk them. Last night she went online and the Shelter volunteer thing came up. It says in most of the state, volunteers are allowed to walk the dogs, feed the dogs, socialized with the dogs, clean the cages (which she knows nobody really wants to do). The Shelter Manager is only one person and she doesn't know how she can do it. If you're afraid of

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dogs, then don't do it. But all of them want to help and the whole object is being able to socialize with the dogs. We have a great Dog Park and it's a problem. She doesn't know Erica or Chief Apodaca and hasn't had any interaction with them which is probably good. Ileana has Tuesday morning that you can go and play with the dogs. If they are not socialized they will bite you and cower. So she's in favor of volunteers.

Carolyn Cazares addressed the Commission related to:

1) People, good work. This is big. We the people have wisely chosen against the City Governments Police Department project. Ron Fenn should be thanked for bringing this issue and referendum and giving the voters their right to choose against the city government. He has saved tax payers untold money for the 25 year loan and the ongoing expenses of maintenance and utilities. How's that compared to the \$8,000. The next step will be the plan to designate those GRT dollars for Public Safety to do any work on the Water System, Sewer, and Streets. Proportionate to police needs and to start making a better T or C for everyone.

2) You must register to vote by February 6th for the March 6th Municipal Election where seats number one and three are coming up for election. Let's put some new energy and new ideas in these seats with a sense of priorities, wise use of our tax dollars and a vision of a better T or C. Please use more about the candidates and vote in March. Yes, together we will make a better T or C. But we need your vote. Thank you and God Bless us all.

Michael Simpson addressed the Commission related to:

1) He believes in the future of this city. He believes in the future of the Spaceport. He's been watching space his whole life. He believes that this is the way of the future for so many things, private industry and so many things. He is a member of the public, it appeared to him the fairness of the public and their wishes was not being heard by the government. That's problematic to democracy. His only interest is application of process and equal application of law and democracy. That's it. And when that takes place, what happens is growth. If we are resistant to change, we are resistant to the fluidity of democracy. It is fact, its fluid, it's always changing. And the moment we are resistant to it, we hinder ourselves and hindering the votes of everyone that surrounds us. The things taking place is reinvesting over and over is Amazon. Virgin Galactic and Ellen Lust is doing the same thing. We have a voice that's heard and it's not being heard in Social Media. He utilizes Social Media to the maximum. He goes in and talks to every one of his representative and insists on what the will of the people is. And when we do that we see magnification, we see growth, and we see unity, community and democracy. It is what it is. He's spend his whole life fighting because he was a state kid and was thrown away because he had inactive parents. He fought for every city he lived in. That's his interest and his interest for everyone who is here and this town. We have Warm Springs, Copper, Silver, Gold, Hospitality, and good attitude. We have everything we need for growth and we are not utilizing it, that hurts everyone.

Cathy Rosenquist addressed the Commission related to:

1) Has never heard of an Animal Shelter not having volunteers. They need volunteers because they cannot take care of them properly without them. Without volunteers there

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won't be public access to the animals. And she hates to think what could happen to these animals just because they don't have enough help. Also many of the shelters, when volunteers come in, there is no liability of the volunteer signs a waiver that they are responsible if anything happens with an animal. It does not happen very often. She hopes the council will say yes, we need volunteers here in this shelter. We really really do.

Mickey Nichols addressed the Commission related to:

1) Read a letter she wrote to Police Department about a message on 1/18/2018 about an experience she had with Officer Sokolow. And she was concerned with how he handled the pilfering matter she experienced. Be advised she received no return call. She went to the Police Station and spoke to Lt. Baker who was very defensive and she believes disrespectful when she explained her incident with Officer Sokolow. She was defensive and said she was attacking one of her Officer's. That was not her intent. She merely wanted to take the information and to arrive at resolution. Lt. Baker advised her that she would discuss the matter with Officer Sokolow and said she would contact her the next day. Lt. Baker failed to contact her. This is one of the major reasons that the Police Department has an unacceptable reputation in the state of New Mexico. She suggested that they have a meeting with her and Officer Sokolow where all parties concerned could resolve the issue and arrive at resolution. Lt. Baker declined. Another reason things don't work relative the Police Department in the state is by copy she asked for kind assistance and request an appointment in order to consider this matter. The Police Department needs communication skills and good business activity. They don't need to be defensive. They need good people skills so they can act with the public in an amicable manner.

Ron Fenn addressed the Commission related to:

1) Yesterday, we saw for the first time, the people actually had a voice. They spoke and the message was that they do not want to be ignored. When you make decisions you must take into consideration what the people that you theoretically represent, have to say. If you act without their say, they will act as they are able. He believes the vote would have been higher if the Commission didn't spend so much time trying to make it a Ron Fenn issue. It was not a Ron Fenn issue, it was an issue of financial importance to this community. And you took your action unanimously without the support of the people. The support needs to come before the vote and not after the vote and hoping that the people will not do a referendum against your ordinance. It can be done against any decision you make. In order to do that you have to give full disclosure, full truth and let the people decide what they want to do for their community.

2) Another issue is the City of Truth or Consequences is getting \$3,600 from Spaceport America. Senator Cervantes of Las Cruces is getting \$46,000 for a smaller rent and El Paso Electric gets \$4,800 for electricity. And the city is only getting \$3,600 for one of the finest buildings in the city. If you keep letting them get away, there will be nothing left for the people here to look forward to.

Audon Trujillo addressed the Commission related to:

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1) First is the extension of the Golf Course contract. He doesn't think it should be renewed with the current Manager. Look at the Golf Course today and how it was when he took over. He use to see the former pro watering the grass himself after hours. He doesn't see that since Mr. Taylor has taken over, look at the posts along Marie St. There are three that are uprooted. There are also weeds,

2) Article on where is the money for the GRT tax for Public Safety. They estimated \$235,000 a year would be generated by this new tax that was put into effect in 2012. That's a good question. The vote we had yesterday is one thing. We do not need to spend money on a building when we do not need it. The building we have is a nice building and we need to utilize it. Why are we not using that money generated for salary increases for City Police? He was arrested in 2014 for a DWI, and the only reason he was arrested was because none of the Officers were certified to give a breath test. According to Chief Mullins. He could have been released right there, but three months and \$350 out of his pocket because the Commission didn't do their job in making sure they were getting certified. Under Police Chief Alirez, he understands all of the Officers are now certified to do those tests in the field. We need to keep their certifications and give more money to retain them.

Randy Ashbaugh 1023 Poplar St. addressed the Commission related to:

1) He's been around this country and traveled quite a bit looking at things. He's never been away from this town for more than ten days. He took that back he had a job in Arizona for three months. This city has more potential than any other town, he's ever seen. We have a river, a lake, mountain, cattle, farming, hot mineral water, Spaceport, and almost a mine. We have interstate and railroad and we have lost population in the last ten years. The census comes out in 2020 and if we lose more population then we will lose out on larger companies in this town. He had a deal cancel last year and they told him the demographics look bad, which they do. Our per capita income per household is about \$22,000. In Dona Ana it's \$44,000. We have to get back to the basic things in our city. Like cleaning our streets, keeping up the alleys, fixing potholes, etc. That is incompetence on somebody's part. Not to mention hundreds of others around town. Yesterday's vote expressed one thing. There are a lot of mad people. That's a pretty good turnout for a one issue item. The Police Department the Mayor said it was restricted money and in May, Mr. Fuentes said it was for salaries, equipment and new hires. It's been for everything but that. A lot of that money has gone in the General Fund. That money ought to be put in a restricted account and used properly. For new Police Officers its better wage, better equipment, better training. We are going in the wrong direction. He hears rumors about doing something different with the Golf Course and the city would lose money. He sees people downtown all week, but they could be going and cleaning the ditches at the Golf Course. He also asked for all of the expenses for the sidewalks on S. Broadway, where is the other money coming from. It's a gift from the State of New Mexico and the federal government.

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

1) He hopes they are listening to a lot of these comments. Because you don't really do things the way they should be done. You have to listen to the advisory committees you

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are appointing. That's why he's not on the Lodging Board anymore and that's why four of them left at the same time. When you try to say something you need to do, nobody listens and it gets overridden. Unfortunately, the City's becoming not a democracy anymore but ruled by the City Manager. Instead of telling the City Manager what he should get done, he tells you what should be done. So that's the picture they get more and more and he thinks they got the reaction yesterday that you aren't going in the direction you should be going. To him it was the end with the city paid a half a million dollars on a blow up roof. There was no logic and common sense in a lot of things. And you don't react until people get angry and that's sad. Listen to those committees and people, they do it because they want to see it better. You don't improve the city for people who come in and see it. On a better note, they printed 35,000 Visitor's Guides and distributed it all over. If you haven't see it, he really believes it brings people in. He's talked to people in Northern Colorado who are coming. He told them about the new things in the Visitor's Guide that weren't there before,

Sophia Peron, 316 N. Joffre addressed the Commission related to:

1) She is so happy to be here the day after they won the election. She commended her friend and colleague Ron Fenn who did so much work to make it successful. Running around town over 70 years old and making the greatest fake money that's ever been made in the world.

2) They met ten years ago in 2008 and this will be the big one where 300 people sat down at the Civic Center in August 2008 and they told Mr. Green, and a whole bund of others there shoving the Hot Springs Motorplex, down our throats and we told them we don't want it, don't take a fake town 12 miles away and bring it here. We were overwhelmingly against it and they said screw you, we're doing it anyway. And it's cost us over a quarter of a million dollars to get out of that stupid deal. Any sheister that comes to town is wonderful in T or C, lay the red carpet out.

3) Zoning. There are many thing in this agenda that are zoning. She sees something about going out and allowing a trailer to be dropped into 623 Garst St. and that's under ordinances/resolutions/zoning. Then we have H.2 Discussion/Action: Use for a mobile home on the Airport property. These things should all be done by a Zoning Commission. Get people back on those boards. We have a lot of smart talented people with a lot of common sense who can get things done.

4) And finally please condemn and empty this urine soaked residence being occupied by four dogs and God knows how many people. Please Mr. Apodaca and Mr. Chavez Travis who do nothing.

Stanley Rickert addressed the Commission related to:

1) Has concerns with the property adjacent to him which he thinks is being changed to a Home occupancy permit. But he's not sure. He was curious as to what is being done because the operations seem to be continuing as far as allowing vehicles to be stored there and parked and changing the views of the property. There was a Code Enforcement Officer who came and looked it over. He doesn't know what he found there but he did write a citation for a parked RV. But it needs something more than allowing it to continue to fester as far as what is taking place. The owner has brought in more vehicles and taken others out. He's brought in more oversized damaging the infrastructure of the

streets. Something has to be done with all of the noise and listening to all of the vehicles running around and not being a very laid back atmosphere like he envisioned. He's just wondering what he can do?

D. RESPONSE TO PUBLIC COMMENTS

Commissioner Hechler first wanted to thank the people who get up to make the comments. Sometimes it's painful to hear some of the things we have to hear. But he appreciates the information. And maybe they are up for a readjustment. But he thanked the folks for getting up and speaking their mind. Regarding the volunteers at the animal shelter, he worked with volunteers for years. And for many organizations they are the backbone and important in many things we do. But in order to have volunteers you have to have a volunteer program. And you have to grab job descriptions, interviews, and a selection process. It's important that the volunteers share the mission of the organization that's recruiting volunteers. He's hoping we can get this in place to find volunteers who share the same mission and common goals. And to Mr. Rickert, and the issue that you have with one of your neighbors. You could certainly contact one of the Commissioners like him and they can certainly make a request to have them go back out there again. He doesn't think it should be necessary for him to come to the Commission every time he has an issue. But feel free to give him a call and he would be happy to speak with him about the issue.

Mayor Green responded to Mr. Rickert that he felt that at some point this might come before the Commission and he felt it might be inappropriate for him to talk about things that he might have inside knowledge of that no one else did. We did talk about the process of coming to the Commission and he didn't feel it was appropriate for him to have any inside knowledge or any other Commissioner who might then have to recuse themselves when the vote comes. There is always that possibility of a stale mate. And also under advice of legal counsel, he was told he could talk about process.

Mayor Green also echoes Commissioner Hechler's comments on volunteerism. He understands the value of volunteerism and has done so for many years but you have to have a program and it has to be done right. He is concerned of the willingness and wanting this to work to make the animals lives better.

PRESENTATIONS

3. Presentation related to the Spaceport. Dan Hicks, Presenter
Discussed above.

4. Presentation related to the Copper Flat Mines. Omar El-Emawy, Presenter
Discussed above.

E. CONSENT CALENDAR

1. Public Utility Advisory Board Minutes, December 18, 2017
2. Airport Advisory Board Minutes, November 14, 2017
3. Lodger's Tax Reports – 1st Quarter late filings and 2nd Quarter Reports
4. Subrecipient Reports – 1st Quarter late filing and 2nd Quarter Reports

5. Notice of Candidates and appointing Precinct Boards for March Regular Election.
6. MOU with Elephant Butte for Animal Control Services. (Removed)
7. JPA with Sierra County for Animal Control Services. (Removed)
8. JPA with Williamsburg for Police Services and Animal Control Services.

ITEMS REMOVED FROM THE CONSENT CALENDAR

F.6 MOU with Elephant Butte for Animal Control Services.

F.7 JPA with Sierra County for Animal Control Services.

Commissioner Frankel moved to approve the Consent Calendar as noted. Commissioner Hechler seconded the motion. Motion carried unanimously.

Recessed the meeting at 10:48 a.m. and reconvened at 10:57 a.m.

Commissioner Frankel will be joining by conference call for the rest of the meeting.

F. ORDINANCES, RESOLUTION, & ZONING

1. Discussion/Action: Resolution No. 22 17/18 Budget Adjustment. Melissa Torres, Finance Director

Finance Director Torres started by notifying the Commission the Second Quarter projected numbers look pretty good and we are already passing that number. She then read each of the transfers that are being requested and included in the Commission Action Form.

Commissioner Hechler moved to approve Resolution No. 22 17/18 Budget Adjustment. Commissioner Frankel seconded the motion. Roll call vote was taken by the Clerk. Motion carried unanimously.

City Manager Fuentes said before we go on to the next item, Finance Director Torres is going to give an update on the 2nd Quarter Report.

Finance Director Torres went on to present the 2nd Quarter Report. She summarized areas where they may have questions or concerns. As a 2nd Quarter they are looking at the 50% threshold. Some areas of concern are the Capital Projects, the Debt Service, and the Golf Course. The Capital projects has the Animal Shelter, Colonias, Fuel Farm and they are still waiting for reimbursement. The Golf Course is lower in revenue and they are looking at that. The Debt Service is part of the New Mexico Finance Authority. As they may recall it was one of the findings as to the posting of the payments for that. They are proud to say that has been resolved on the book side, however, on the back side of the new financial system they are having a little bit of trouble and they are trying to work through that. She then showed the breakdown of the General Fund Revenues. She explained the detail of the payments for some residents. The Fines and forfeits have jumped tremendously because of the Code Enforcement cases that are being filed.

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Mayor Green has one question where she talked about being proactive for expenses. Does that mean we are curtailing all wants on purchases to determine if there is a true need? Finance Director Torres agreed definitely they have to make hard decisions to make sure it's something they need and not just a want. If it has safety or affects their day to day operations, they will definitely look at how it will be funded.

2. Discussion/Action: Variance request to allow a 1995 mobile home onto lot at 623 Garst Street. Susanna Diller, Planner/GIS Tech and Robbie Travis, Building Inspector.

City Attorney Rubin wanted to add a procedural recommendation. Ordinarily, he would recommend the Battershell Process and in looking at the application, it doesn't really affect any setback or parking or traffic or any other issue that requires a Battershell. However, he did recommend that the Commission consider finding out if anyone may want to speak on the issue. Mayor Green responded he will take that advice.

Planner/GIS Tech Diller presented the information. The property owner has done significant work to clean up the property at 623 Garst. The mobile home is close to the maximum age allowed per our ordinances. And it's in good condition. Staff feels that approving the Mobil home doesn't affect the approving the Mobile home Ordinance. In the packet you should have the Variance notice, for the mobile home in question and the variance property layout.

Commissioner Hechler asked if this home was going to stay and not be moved to another location. Building Inspector Travis responded no he doesn't think so. Mr. Oakes is here to answer any questions they may have.

Doug Oakes said the add-on is being torn down as we speak. So it will just be the motor home. They would put a small porch in front of the entryway. Commissioner Hechler asked if it will be new construction. Mr. Oakes confirmed it would. Commissioner Hechler also asked about the skirting for the Mobile Home. Mr. Oakes said it will be replaced. Commissioner Hechler then said he noticed a window was broken and asked if it was going to be fixed. Mr. Oakes said yes, they do fix them. Commissioner Hechler said so from what it looks like in the photo it will be more attractive once it's set up. Mr. Oakes confirmed that was correct.

Mayor Green inquired as to whether it will be a rental home or if he will be living in it. Mr. Oakes responded it's a rental. There's a duplex on that piece of property and there was an old mobile home that was unusable and unfixable and was torn down. Mayor Green said he only concern is we have passed an ordinance for the year of the mobile home that is allowed. And you are the first person who has come before them asking if it can be approved. We certainly do not want to discourage people from picking up their property. He is most concerned if they approve this one, more would come forward for an exception. He also asked what they meant by the Spirit of the Mobile home ordinance. Planner/GIS Tech Diller responded to his first to remind them about when the ordinance was approved on July 12th, Commissioner Hechler asked what would happen if someone

had a unit in good repair that was within a few years. And Building Inspector Travis said in situations like this they could apply for a variance. Next referring to the Spirit of the ordinance. It's really about making sure people don't bring old dilapidated mobile homes to the town which would bring the property values down and being an eyesore. As she understands it, the 20 years was chosen by looking at the age limits surrounding communities have and find a date people could be comfortable with. So you had to draw a line somewhere and 20 years was that line. But the spirit of the ordinance has to do more with the condition of the city and the property. Mayor Green said so the 20 years was just a touch stone that they could work off of.

Building Inspector Travis added they have had three or four come to them and they have turned them down. He explained those incidents, and two were just too old. They are not going to bring every one for a variance. The goal is to help clean up the town.

Commissioner Hechler is there going to be significant improvement if we approve this? If we improve the situation itself then he's more likely to vote for it. We are trying to make it more improved.

Commissioner Hechler moved to approve Variance request to allow a 1995 mobile home onto lot at 623 Garst Street as presented. Mayor Green seconded the motion. Motion carried unanimously. 2-1. Commissioner Frankel voted nay.

H. NEW BUSINESS

1. Discussion/Action: Appointment of Lodger's Tax Board Members. Renee Cantin, Clerk-Treasurer

City Clerk Cantin notified the Commission, we currently have five vacant positions on this board. The former Tourism Director was working on soliciting names to serve on this board. She also received an additional application from Theresa King for the Sierra Grande Lodge which was handed out to the Commission. The requirement for that board is there has to be two from the Lodging Industry; two from tourist industry and one from the general public. With that we have the following applications.

Jake Foerstner, Riverbend Hot Springs (Lodging Industry)

Linda DeMarino, MainStreet T or C (Tourist Industry)

Moshe Koenick, Tourism, General Public, Business Owner

Theresa King, Sierra Grande Lodge (Lodging Industry)

City Clerk Cantin continued we don't have any veteran members left on that board. So once we have some new members we will need to do some training with them to show them their responsibilities before we designate Lodger's Tax this year.

Commissioner Frankel appreciates those who applied for the positions. He thinks Linda DeMarino has her plate full with MainStreet and all other applicants sound great. Mayor Green added with his experience with Lodger's Tax, he appreciate Commissioner Frankel's input.

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Commissioner Hechler thinks with the list of applicants, he would refer to Commissioner Frankel and his opinion.

City Attorney Rubin said just one thing he noticed on one application it said it was for the Public Art Board. City Clerk Cantin responded and it may have been sent to him with that already added. She believes he is interested in the Lodger's Tax Board. Mayor Green noticed the bottom of his has a reference to seeing Heads in Beds. City Manager Fuentes notified the Commission of the importance of having a quorum appointed to get started on the process.

Commissioner Hechler moved to approve Jake Forestner. Commissioner Frankel seconded the motion. Motion carried unanimously.

Linda DeMarino fails for the lack of a motion.

Commissioner Hechler moved to approve Moshe Koenik. Commissioner Frankel seconded the motion. Motion carried unanimously.

Commissioner Hechler moved to approve Theresa King. Commissioner Frankel seconded the motion. Motion carried unanimously.

Mayor Green would like the record to show, he has had the privilege of serving on the MainStreet Board almost since its inception and is the Ex-Officio on that board. And he appreciates the job Linda DeMarino does as the Executive Director. And even though he would love to see her on this board, he would like to say he appreciates the comments of Commissioner Frankel.

2. Discussion/Action: Use for mobile home on Airport Property. Mark Bleth, Airport Manager

Airport Manager Bleth presented the item requesting for a Uniformed Officer to live onsite in the Mobile Home just purchased on the Airport Property. It makes sense to use the security with someone who is onsite. Chief Apodaca echoed what he said it makes good sense to have security. And with the Fuel Farm there is potential for fuel theft.

Commissioner Hechler asked how it was going to work with utilities. Airport Manager Bleth said their thought process was they would pay for their own utilities. We are just supplying the residence and the meter and propane tank will be separate. The water will be furnished by the city because it's part of our water system. Commissioner Hechler also asked if there was going to be a contract. City Manager Fuentes responded yes, we will have an agreement in place. It will have to be documented for HR reasons. Finance Director Torres came from an organization that housed Law Enforcement agents. So she is obtaining that contract to help build ours.

Mayor Green asked if it would also be available to the State Police or Sheriff's Department. Airport Manager Bleth responded any of those including State Park Law Enforcement representative would be allowed.

Commissioner Hechler moved to approve authorizing City Manager and staff to move forward to make the mobile home ready for occupancy and developing a contract to allow a law enforcement representative to occupy it. Commissioner Frankel seconded the motion. Motion carried unanimously.

3. Discussion/Action: Approval of Airport Annual Lease renewals. Mark Bleth, Airport Manager

Airport Manager Bleth said the current leases are 12 month leases that occur when that person takes possession of a unit. On every month we probably have about 5 that need to renewed. So essentially we would like to have one annual renewal that would be done by the Clerk's Office to get all of the agreements in place. During this process he's meeting with City Attorney Rubin to go through our existing contracts to address insurance and other things. We can take this opportunity to update it.

Commissioner Hechler asked if this would be an appropriate place to talk about fees. City Manager Fuentes said that would be a separate issue. As you can see these three items came from the Advisory Board and he believes the next thing will be revisiting the fees which will have to be adopted by resolution.

Mayor Green asked if we are fully rented. Airport Manager Bleth said yes and we have five on our waiting list. Mayor Green said at one time those hangars would not be using them for hangars. Airport Manager Bleth said the majority have planes and they are weeding through them. They will basically have a month to month extension with those hangars until they can show air worthy certificates, liability insurance, and a current inspection to show they do have a plane. We will not offer the new leases to those who may only have a boat. This is not a boat storage.

Commissioner Hechler moved to approve the request to renew every February and when renewed we can use either 6 months or up to 18 months for those who come in to renew. Commissioner Frankel seconded the motion. Motion carried unanimously.

4. Discussion/Action: Land Leases for vehicles on Airport Property. Mark Bleth, Airport Manager

Airport Manager Bleth reported they currently have a need for some tenants to park their vehicle inside the fence. They either have homes in Elephant Butte or T or C that they fly in from some other place. They don't necessarily need a hangar but they need to have a car available for them once they get here. They have some land that's located within the Airport that's not particularly usable for any kind of hangar development. However, the City stores some vehicles on that piece of property. This is to the East of the LaFont

Hangar. And we can use that for a small vehicle or perhaps an oversized vehicle if they have an Airplane that's hangered here, but their go home vehicle is too big to fit in the hangar. He said they will do this on a case by case basis because they don't want it to turn into boat storage or anything like that. This is intended for Aviation use that will only be for those using the Airport. Plus, we will gain revenue on this as well.

Mayor Green asked if they will sign a liability waiver? What happens if someone picks up a rock or for a malicious reason cracks someone's windshield. Airport Manager Bleth said they will be doing a standard lease just like they do with the hangars. And they will be talking with Jay about that next week.

Commissioner Hechler moved to approve to allow the Municipal Airport to develop a parcel of land for future parking of vehicles for tenants of the Airport and to have a fee structure in place so they can collect fees for that service. Commissioner Frankel seconded the motion. Motion carried unanimously.

5. Discussion/Action: Extension of Golf Course Contract with Terry Taylor, LLC.
Melissa Torres, Finance Director

Finance Director Torres notified the Commission they are not proposing an extension to be approved today. At this time they want to delay this because there are areas that they definitely have concerns with and they want to take care of it before we do any kind of extension. She has been working with Mr. Gaylord, Mr. Fuentes, Mr. Rubin, and Mr. Appel in regards to this contract. What makes it sticky for us is we also have our liquor license that is a custodian of Mr. Terry Taylor. So our liquor license is getting ready to expire and we definitely don't want that to happen. She was able to make contact with Mrs. Garcia with the New Mexico Regulations and she was definitely willing to work with us and advised us that we have until February 28th to get back with her in writing to say how we are going to pursue. If we are going to pursue extending the contract, we have to have it signed prior to renewing the license, all one package. If we are not and we are going to take 100% control of the Liquor License then all we have to do, as a city, is respond that is what we want to do.

City Manager Fuentes recommended the Commission to table this item so staff could do some additional work and contact Mr. Taylor and bring it back to a future meeting before the 28th.

Commissioner Hechler was going to ask when the contract expires and if we are ok? Finance Director Torres responded unfortunately the contract has already expired back in October. Commissioner Hechler asked if we are still able to maintain this property with Mr. Taylor there. City Manager Fuentes responded yes, he thinks we will go month to month. Finance Director Torres notified them they checked with our attorneys and that's where we are at right now based on the clause we have on our existing contract. City Attorney Rubin let them know the parties involved have been acting as if the contract is still in effect. He's still providing services.

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City Manager Fuentes notified them he did meet with Mr. Taylor yesterday and discussed some of the concerns with him. He will be coming before the Commission at a future meeting.

Mayor Green wanted to make sure he understands, the license is in the name of the city and Mr. Taylor is the custodian and we are the renewing agent. Finance Director Torres confirmed that.

Commissioner Hechler moved to postpone any extension of the Golf Course Contract to Mr. Taylor until we get a chance to visit the issues and have a discussion. Commissioner Frankel seconded the motion. Motion carried unanimously.

I. REPORTS

a. City Manager

- 1) Will be traveling to Santa Fe tomorrow for the NMFA Board Meeting regarding the Sierra Vista Hospital.
- 2) Last week he delivered our Legislative Requests to the Legislators Offices. So we will just have to wait for the 30 Day Session, and hopefully there will be some Capital Outlay this year. If he has the opportunity, he will stop by and visit with Senator Smith and Representative Dow in regards to our requests.
- 3) In light of some of the questions on Code Enforcement and Animal Control, he will be meeting with the Chief to address some of the issues moving forward.

b. City Attorney

- 1) Said in response to the volunteers at the Shelter. The implication seemed to be that the Police Department is not willing to accept their help. He visited with Chief Apodaca and Lt. Baker and as a general rule we're always delighted to accept some help from the public. But one of the concerns is liability. There was a suggestion about a waiver being signed. But they will look into it. Chief Apodaca commented they may be looking at hiring a part-time person to help once they get a better assessment to the cost. Between Animal Control, himself, and Lt. Baker, they will make sure it's covered. City Manager Fuentes said we did have a similar arrangement with volunteers at the pool. And there are some legitimate concerns. Unfortunately, if something happens and report or lawsuit is filed. We also need to consult with our insurance company.

c. City Commission

Mayor Green gave kudos to Jesus and his group who saved people a lot of aggravation. He added, we heard some comments that the city operates in a vacuum, we don't listen, or do anything. And that's just not true. The Law Enforcement project was discussed for years. To say that they do not listen is incorrect. Mr. Fenn was given an opportunity at a City Commission meeting to please his case. He just wanted on record that they do

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listen. They are not going to make everyone happy all of the time. But if their votes are made honestly with no money coming into their packet and no game, that's the way it works. But to say they don't inform the public, is not a true statement. They hold public hearings, public forums, etc.

J. ADJOURNMENT

moved to adjourn at 11:56 a.m.

seconded the motion. Motion carried unanimously.

Passed and Approved this 28th day of February, 2018



Steven Green, Mayor



ATTEST:



Renee L. Cantin, CMC, City Clerk