

CITY COMMISSION SPECIAL WORKSHOP MEETING MINUTES  
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO  
CITY COMMISSION CHAMBERS, 405 W. 3<sup>RD</sup> St.  
THURSDAY, MAY 3, 2018

**A. CALL TO ORDER**

The meeting was called to order by Mayor Steve Green at 1:00 p.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  
Hon. Sandra Whitehead  
Hon. Kathy Clark, Commissioner (absent)  
Hon. Rolf Hechler, Commissioner  
Hon. Paul Baca, Commissioner

Also Present: Juan Fuentes, City Manager  
Renee Cantin, City Clerk-Treasurer  
Melissa Torres, Finance Director

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

**DEPARTMENT HEAD PRESENTATIONS & FY 18/19 BUDGETS**  
**Overview of the day's events/format – Juan Fuentes & Melissa Torres**

Finance Director Torres started by giving the Quarter Report numbers and the Expenditures and Gross Receipts Tax Revenues are what they are focusing on this year. Our Gross Receipts Tax is down by \$591,367. Lodger's Tax is also down \$18,667. Our goal is to try to wean ourselves off of the Electric Department, and a lot is due to our GRT being down.

Mayor Green mentioned the Gross Receipts Tax and if we have to accept their numbers. City Manager Fuentes let them know it's been an ongoing problem to get the actual numbers from Taxation and Revenue. It's been a difficult process trying to access that information. City Clerk Cantin also let them know we had attended a training and now have access to a report that shows whether taxes have been paid, you just cannot obtain the amounts. City Manager Fuentes added it's not just us experiencing a decline in GRT, it's other entities as well. We will continue to look into what may be causing that and use it as an example of why we need that information. Mayor Pro-Tem Whitehead asked if there is a way we can check on contractors doing big construction to make sure they are

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contributing and paying their share. City Manager Fuentes said if it's a public project we can reach out to the organization to make sure they are using the right reporting. Finance Director Torres indicated it is part of our budget process to look at projects. She has also called to see if a certain business related to a project has paid their taxes.

Finance Director Torres said we are taking a different approach to the budget this year. Going into Revenues they estimate \$3.2 and expenses are estimated at \$5.3. 2018 City Manager Fuentes called their attention to the General Fund Unaudited beginning cash balance which could be higher depending on this year's ending budget amount. Their hope is that number is a little bit higher so the number of the Ending Cash Balance will be much higher. Finance Director Torres continued and called their attention to the Small Cities Assistance which is also \$40,000 less. This year the General Fund taxes are estimated at \$1.4 million and last year it was \$1.69 million. The majority of our General Fund is Salaries & Benefits. We were also hit in benefits with a 4% increase when it's generally 1%. On top of that, insurances have gone up also an additional 5%. At this point the transfers in are the same as they had last year.

City Manager Fuentes showed some of the expenses per the requests they received throughout the year. Most have been pretty steady, and some have shown an increase because of things like Code Enforcement that have been asked to get taken care of. Some of the projects numbers will go down once we know what we have spent and what we need for next year. Once we have requests from departments, we will have to keep in mind when an expenditure is requested, we will need to increase the revenues.

Finance Director Torres continued with how they met with the Department Heads and they explained our shortfall of \$435,000. They took that time to get suggestions from the Department Heads for the shortfall. Some of the suggestions included: Increase Fines – Court; Increase rental(s); Special event(s); User fee(s); Animal license fees; More special events – Increase development program(s); Vacancy savings; 6% Operational reduction; Increase Transfer In from Enterprise Funds; Reduction of staff by attrition; Reduce our services; Increase M&J; Increase water & effluent rates; and adjust Police Department Baseline.

Mayor Green asked her to explain the Police Department Baseline. Finance Director Torres responded in the Police Department GRT there is a baseline of what we are giving them. City Manager Fuentes said before the GRT the General Fund was paying about \$1.2 million plus operations. Anything above that amount was being paid by the GRT. We had a similar situation a couple of years ago and the baseline for operations was used. The GRT pays the additional cost. Juan also added we need to also incorporate some of the Strategic Plan action items into the budget to make sure we are working that action plan.

Mayor Green asked if we have taken a look at all of our loans to make sure we could not renegotiate for savings. Finance Director Torres responded Mr. G. has done that with all of our loans and debt service to make sure that's what we were paying. City Manager

Fuentes said they will put it on the list to see if we could refinance some of the existing debt.

Mayor Pro-Tem Whitehead asked if when they are talking about insurance if they have gone out to see if we can get the same insurance at a lesser rate as Commissioner Clark mentioned last year. Finance Director Torres looked into it last year and for us to stand alone it would almost be double the price. With so many paying into the New Mexico Self Insurers' Fund the rates are better and there are incentives and possibilities for credits with Worker's Comp. City Manager Fuentes added some municipalities that are much larger and have the resources can do their insurance in house and we do not have the staff or capacity to do it ourselves.

### **City Clerk's Office – Renee Cantin**

City Clerk Cantin gave her presentation. She highlighted some of the services they provide, including: Meeting Administration; Records & IPRA Requests; Business Licenses & Various Permits; Liquor Licenses, Special Dispenser's Public Celebration Permits; Lodger's Tax; Parks & Civic Center Reservations; Animal Licenses & Tags; Cemetery Plots; Utility & Weed Liens; Distribution of Payroll & Accounts Payable; Surplus Property disposition; Boards & Committees; Vehicles & Titles; Filing Documents with County Clerk; Tort Claims; Issue & maintain credit cards & Fuel Cards; answer Main Phone lines; Collect & Distribute mail daily; website; Notary Public Services; Banding; Elections; and Accounts Receivable. Priorities this year are: Moving Accounts Receivable to Finance; Short Term Rentals Project; New Records Retention Schedule; Ready for first destruction; and bringing other Department on board with Records Management and scanning.

She reviewed the Clerk's Budget and current budget requests. Operations this year's preliminary budget is almost \$6,000 less, but should be \$13,000 less due to the cost of the Regular and Special Election last year. She did ask to keep a little in the Election Line item for additional signs and she would like to include a TV and Chairs for the conference room next to the Clerk's Office, but that's not included at this time.

Commissioner Hechler wondered if we when we move the Accounts Receivable to Utilities if the Clerk's Department would be willing to have the vacant position as a part time position and to allow it to be a floating position to work at different departments where it would be needed. City Clerk Cantin said that would be up to the Commission, they will still have the responsibilities, just the receipting part is going to Finance. There are still animal licenses, business licenses, and other duties that will need to be done.

Mayor Green asked about the Maintenance Contracts which shows an increase. Recommend responded that is for Records Destruction. Mayor Green asked about BnB's they would like a copy of a list of all of the people who have registered. City Clerk Cantin has the list prepared as they register.

### **Fire Department – Paul Tooley**

Fire Chief Tooley presented where they are with the funding for this year. They were supposed to get \$312,000 this year, minus \$23,000 for the new Fire Truck payment, which left them with \$289,000. The first quarter they didn't receive any money and went a year and a half without receiving any money. Here at the end of the year, in the last seven-eight weeks they received \$200,000 of their budget. They have a grant out asking for a new Fire Truck and they will pay 95% of that. They have a City Reimbursement Fund of \$42,500. They have a balance left from last year of \$21,500 along with call volume down. This will be a savings to the City of \$21,000.

The next fiscal year he gave a breakdown of when they will receive money. They are trying to put \$500,000 in there as a carryover and if they don't get the grant they may be able to purchase it next year with the carryover. They will be applying for another \$100,000 from State Fire Funds as well. So they are actually in good shape right now. We will have a good problem if we do get that grant this year.

Mayor Green thanked him for being the voice in the State on the distribution of the Fire Fund monies.

#### **Library – Pat O'Hanlon and Angie Torres**

Angie Torres made the presentation. During the second week of March 2018 they were visited by 748 people, which would be 38,896 visitors in one year. She provided statistics on how many books were checked out and how often the computers were used. She highlighted some of the services they provide including: Library Outreach; Reference Services; Interlibrary Loans; Southwest History Collection; Audio/Visual Materials; and Meeting Room Services.

Mayor Green asked since they have been tasked with taking away \$400,000 from our budget. He asked if we need an Annex Library on Foch St., and what the usage is. Ms. O'Hanlon said first they estimated the electricity at \$27 a year and second it virtually doubles the state funding they receive to have it. Mayor Green asked if we were to take over the School Library if it would help with additional funding. Ms. O'Hanlon responded the High School Library is part of the School District and they are absolutely independent and not related at all.

#### **Municipal Court – Beatrice Sanders/Margaret Clanton**

Ms. Clanton gave the presentation and included the duties of the Municipal Court. They basically requested the same amount as last year. There are two line items that are different. The first one is the reimbursable line items. One of the reimbursable items is from the Automation Fee funds. They received a list of things to consider to be replaced through this program. Their server is over the 7 year lifespan and they will also need to update equipment when it's renewed. The System's MD quote was between \$5,000-\$6,000. And the JAF Grant they apply for that is used for the Teen Court Program hasn't been awarded yet, and is estimated.

Mayor Green brought up the Court Fines, which was an option that was given to possibly do an increase and how we would go about doing that. Finance Director Torres said it's set by the ordinance and the range of that fine. Ms. Clanton said right now it's between \$0 - \$500. Finance Director Torres added one of the fines they talked about was the Code Enforcement Fines which could be increased.

### **Service Center – Juan Fuentes**

City Manager Fuentes presented the Service Center budget. The only Capital Outlay they are requesting is for a Tire Changer for \$10,000. The tires that are coming out now have bigger and higher profile tires which need a better changer to make it safer and easier when mounting tires. Their budget has been kept pretty much the same other than the request and Fleet Director Joe McDonald has submitted his request to retire in July.

Commissioner Hechler asked what Fleet is actually responsible for. Having gone through this in another Governmental entity, their fleet was reduced to oil changes, tires, and minor repairs because major diagnostics can be taken out of the city and can we look at it and make a reduction in staff. City Manager Fuentes responded it might be an opportunity to look at the equipment and services to see if we need to handle that in a different manner. For example, the big trucks have to be shipped out because they have computer systems we can't handle. We can look at outsourcing and partnering with the county for the operations. Commissioner Hechler said for safety purposes you should always have two in the shop but they should look at it.

Mayor Green asked if we are not going to advertise for that position. City Manager Fuentes said we will look at all of the issues and vacancies and see what we can do with the direction from the Commission. They want the public to understand what the Commission and staff has to deal with in approving a budget. Sometimes throughout the year people forget the struggles of putting together a budget. Finance Director Torres added the DFA is getting more involved with municipalities because some have gone bankrupt. Whatever budget we submit with DFA, our revenue has to coordinate with our expenditures. We have to keep in mind what is in our checkbook. City Manager Fuentes confirmed they are getting more involved and want to see the revenue on paper.

### **Electric Department – Bo Easley**

Electric Department Director Easley went over his budget first. The revenues are about the same, they did go over on their fees with the switchover on Tyler and the problem with Meter Reading. Expenses went down, full-time wages went down. One Meter Reader went to the Utility Department. He reviewed his expenditures. They created another line item for outside tools for electrical. Dues and Subscriptions went up due to the payment of Tyler. The Wholesale Cost and rates for Sierra Electric may go up, but we are not sure yet. They will be working on that around October. Mayor Green asked if that will have to be dealt with this year. Electric Department Director Easley confirmed it will be in this year if it happens. We should know by November. Finance Director Torres

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brought their attention to the projected revenue which is the best they have had in a few years.

Mayor Green asked how we would deal with rates if it happens. City Manager Fuentes said in the past the city has chosen to absorb that cost and we may have to make adjustments.

Electric Department Director Easley gave his presentation on the requests, which include: a Dump Truck; Merchant Testing Raises for motivation or completing the 5<sup>th</sup> and 10<sup>th</sup> tests; an MT-1/NT9 Portable Meter Tester; Underground Fault Finder; a 42' x 52' Metal Carport for Bucket Trucks and Boom Trucks to keep the sun off of them; a 47 Foot Hydraulic Digger Derrick Truck (old one would go to Water/Wastewater Dept.); Cielo Vista Distribution Renovation; Substation Battery Replacement; and the Smart Meter Project. They got a price from Mitron AMR Mobile Reading System which will be brought to the Commission again. They are still having problems getting into the customer's property to the meters. Every month there is something different with new residents and it's getting harder to get in to read the meters. One of the customers put a bucket over the meter and put a baby monitor fixed on the bucket and put a deal on the front window so when they come to the property, they have to look at the window for the reading because they don't want them on their property. It's getting to be a challenge. City Manager Fuentes said another third option would be to buy a lot of baby monitors. Electric Department Director Easley said it's really a challenge and some they have to read from the neighbors and different ways to get a reading.

Mayor Green said so for the Smart Meter Project the estimate here is about \$500,000. He asked if that was doing it in-house. Electric Department Director Easley said no, that would be for them to come in and do the work. City Manager Fuentes said this is just one of the proposals they are looking at. If this system is selected all of the water meters would be in there and would be ready to put into place. Commission Baca asked if this is something we can budget now. City Manager Fuentes responded the double-edged sword is we have the shortfall and need to decide if we want to cut the transfer out to do the project. Commissioner Hechler asked if it would create more revenue for Electric. Electric Department Director Easley confirmed it would. City Manager Fuentes added the upfront cost would have to come from the city.

Mayor Green mentioned at one time there was someone from wil who were going to put in a subdivision and if that's why we were doing the Cielo Vista Subdivision. Electric Department Director Easley responded no, the lines are very old and needed to be replaced. But they are being replaced with that subdivision request in mind.

Commissioner Hechler asked if we could use the USDA funding to purchase the new truck. City Manager Fuentes said USDA changed their funding allotment where we are only getting \$35,000 and this is a \$224,000 truck. He asked Electric Department Director Easley what his priority is between this and the digger truck. Commissioner Hechler said if we had to we could spread it out over two or three years. Electric Department Director Easley agreed.

Commissioner Hechler also mentioned sometimes the city is a training ground where we hire potential employees, don't pay them enough, give them a little experience, and they find a better paying job and they are gone. He has had success in the past in building a team. You pay them a little more wages, and they train together, work together, they are used to each other, they like each other, and they hang around. And the benefit of that is the beneficiary is the community and entity that employs them.

He hopes we can work toward increasing some of the base salaries to do better recruitment so we are not training them and they go somewhere else. City Manager Fuentes responded in the past we have to look at what we have in the budget and whether we can factor in an increase. And the question is do we move on one and not on another department which can also create other issues. Commissioner Hechler said they always looked at their vacancy status. Checking on when to hire and when not to hire positions can make that investment in the savings.

Mayor Green asked if the Merchant Testing Raises is in the budget. Electric Department Director Easley said no, it's part of his wish list.

### **Sanitation & Recycling – Andy Alvarez & Kristen Weddle**

Sanitation Director Alvarez & Kristen Weddle gave the presentation. They have 10 Full-Time Employees and 2 vacancies. They gave an overview of the: Scale House Operations; Recycle Yard; Tipping Floor; Recycle Center; Dumpster Trash Routes; and Poly Cart Routes. 2018-2019 they will be receiving a new Side Loader Trash Truck which costs \$183,896. They submitted two application this year for the Recycling & Illegal Dumping (RAID) Grants. One for paving the Recycle Yard and behind the Recycle Center. They budgeted \$58,296.10 for this project in case they do not receive the Grant. Second grant is for the purchase of a Tub Grinder to chip all trees and wood to recycle it and keep it out of the landfills. The budgeted \$189,980.00 for this project also, in case they do not receive the grant. They will also be budgeting for new Metal Dumpsters this year, due to the old ones rusting out and beyond repair. The cost is \$461.00 per 3 yard dumpster. They are budgeting \$12,000 which will give them about 25 new dumpsters.

Mayor Green mentioned an announcement she made about the tipping fee going up. Ms. Weddle confirmed it will be going up 5%.

**Mayor Green recessed the meeting at 2:55 p.m. and reconvened at 3:05 p.m.**

### **Police Department – Mike Apodaca**

Chief Apodaca gave his presentation. When he did the initial presentation, he had some lofty ideas and when he went into the meeting and found out about the debt. But with that being said, he's not saying they don't need a Detective, but he offered to vacate his 13<sup>th</sup> position which would give the city \$58,000. They are looking at a USDA Grant for 2 – 2018 Ford Taurus Patrol Units for a total of \$80,256. The Grant will pay for 55% of the vehicle price for a total savings of \$28,740.80. They have two Ford Crown Victoria's that

are still in service and are safety concerns. Their next request would be for 2 Animal Shelter /ACO/Code Compliance Officers. They would be Full-Time to assist with the care of animals; assist with ACO; and assist with Code Compliance. The \$12.00 an hour for these two positions will be about \$60,000 a year. He added that we are no longer paying the previous Shelter \$12,000 a year and that would help with this cost.

Mayor Green asked for the need for storage at the Armory location and assuming it will be their building at some point. What would they need to make that building more effective and to be able to work for the team members? Chief Apodaca said it needs a face lift and upgrades. And using the Armory for Records Storage has been nice because of the Sally Port which helps for loading. Mayor Green appreciates his candor, he's obviously looking out for his staff. Commissioner Hechler asked who the Officer is who is coming back. Chief Apodaca responded its Mark Peterson who is a People Person and a good Officer. He announced some of their successes. Commissioner Hechler asked if their salaries are good now for retention purposes. Chief Apodaca responded he things so.

Mayor Green asked if we still have the program where restaurants would give the Police Department coupons when there are people in need. Chief Apodaca said they still have the Ministerial Alliance who offer that. Mayor Pro-Tem Whitehead asked what they offer. Chief Apodaca responded they have \$10 of gas; \$5-\$6 for Fast Stop; and some things for Albuquerque or Las Cruces. Lt. Baker said they have to be careful people are not taking advantage of that also. She and another officer have also pitched in to help when people need it.

### **Water & Wastewater – Arnie Castaneda**

W/WW Supervisor Castaneda gave the presentation beginning with the Water Department. They currently have 6 Full-Time Employees responsible for: Production of potable drinking water; maintenance and repair of water distribution lines; maintenance of wells, booster & storage facilities; and monitoring and testing. They have a 7.2% increase in personnel. It has been difficult keeping employees, they have tried to recruit and keep certified operators on staff. He let them know retaining the employees has been a problem. They can retain Laborers, but the Certified Operators have been hard to keep. Moving on to their budget, the expenditures has been decreased by 9%. The Capital Equipment requests include: one 2018 Ford F150 estimated at \$24,732 through state contract; a New Mueller 30' x 60' Metal Building and concrete foundation estimated at \$34,404.12; for a total of \$59,136.12. The Metal Building will help them centralize both operations at the property the city owns by the Wastewater Treatment Plant. With their Net Income and including the Capital Outlay Request they will only need \$14,450.12 to cover the requests.

Mayor Green noticed the maintenance equipment has dropped from \$10,000 to \$2,000. Water & WW Supervisor Castaneda responded they have had some problems with not using the right line items and some of that was spread out to other line items to be more accurate. Finance Director Torres said you have to remember the accounting for the



financial aspect has to show true data. We are now educating our Department Heads on using the right lines in their budgets.

Mayor Green also asked about utilities which shows a decrease from \$127,000 to \$95,000. If those numbers are right the percentage is wrong. It's not 3%, it's more like 30%. He wondered why it was just a radical drop. Water & WW Supervisor Castaneda responded they are following the trend of what they used this past Fiscal Year. City Manager Fuentes said in the past the way they structured Water & Wastewater was sometimes a purchase for Water was taken out of Wastewater. We are now cleaning that up and separating what items are Water are paid from Water and that will give us more accurate data for each department.

Commissioner Hechler asked if the Filtration System for the effluent pond was included in this year's budget or will it be included in next year's? City Manager Fuentes said the Sulfur System was planned for this year and he wants to get it installed by the end of this Fiscal Year.

Wastewater Budget – W/WW Supervisor Castaneda went on with the amount of employees and the duties they have including: treatment of the Wastewater; effluent recycled water testing and distribution; composting of Bio-solids; Lift Stations operation; and monitoring and testing. Their Revenues have a slight decrease of 5% and transfers out went up a little bit. He showed the employees they currently have and their certifications. They do have a position open and the personnel expenses are less. They are working on the Phase 2 WWTP upgrades. AS of today the structures are up and have been tested for leaks and in the next couple of weeks they plan to have them operating by June or July of this year. Their operating budget is 18% less this year.

Their Capital Outlay Request include a much needed dump truck and heavy duty hoist for the extraction of pumps as illustrated in the next slides. The cost of the new Dump Truck would be \$87,500 and the New Crane & Body would be \$27,821.00 for a total amount of \$115, 312. He reviewed the Projected Revenues minus the Transfers Out; Personnel; and Operating Expenditures, leaves a net income of \$127,466 which is enough to cover the Capital Outlay Request of \$115,312 and still leave a balance of \$12,154.

Commissioner Baca asked if they could do without that one position like the Police Department offered to do? Water & WW Supervisor Castaneda responded absolutely not. They are hurting on both departments for personnel and are operating with minimal employees. For example today they had an employee call in sick and they were scrambling asking other departments for help. The operation of Water and Wastewater doesn't stop and he can't stress that enough.

### **Public Works – Don Armijo**

Benny Fuentes presented the Streets Department who currently has 6 employees and one vacant position. Their duties includes: Construction & paving, Potholes/Utility Cuts;

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Demolition; Sidewalk, curb & gutter repairs; Small ditch/Unpaved Street Maintenance; Special Events Assistance; Street Cleaning; and Vegetation Control. He showed pictures of the Broadway sidewalk project; the Kruger St. project they did with LGRF money; and they are currently working on the Sidewalk, Curb & Gutter on McAdoo by City Hall.

Mayor Green asked if the Street Sweeper is doing that five days a week and is it on a rotation basis. Mr. Fuentes let him know when he has a big project like the sidewalk project, they put the sweeping on hold. Otherwise, the city is separated into four sections and he spends one week at each section. If they have any special events, they send them right out there. City Manager Fuentes wanted to show them part of the Streets Budget is in the General Fund which is mainly the personnel. And they also have the Municipal Street Fund where they have the revenue and also the projects which includes: IGRT for Streets; Gas Tax Revenues; LGRF; NMDOT project; and NMFA Loan Proceeds are accounted for. City Manager Fuentes continued the Capital Outlay is down for this year because some of those projects have been completed like the South Broadway sidewalk project.

Streets Supervisor Fuentes continued with the differences in the expenditures. There is also a slight increase in the Per Diem and Training lines so the employees can be sent to classes for driving and we need certified flaggers also.

Finance Director Torres added another thing that needs to be kept in mind is the increased cost of fuel. No increases have been included.

Parks Supervisor Hechler presented the Parks budget. He presented a Mission Statement and some goals for the year include: Building a Team that is Goal Oriented; Professional Development & Certifications in turf management, pesticides/herbicides, equipment operations and Master Gardner. Salaries should be appropriate with Staff's abilities; and he would like to develop Parks to include a Manager, a Team Leader; 2 Park Maintenance Worker 1 positions; and the Summer Youth Employment Program. He reviewed some of the improvements they have plans for this year including: the Tennis Court windscreens, nets, new backboard, and trash receptacles; upgrades at the Louis Armijo Sports Complex such as fencing, soil, bases, irrigation systems, new UTV and trailer to drag in-fields and replace bleachers. He has a three year plan to automate the sprinkler system. Vista Memory Gardens has some erosion and drainage that needs to be addressed either through contract or in-house support. The Cemetery also needs fertilizer and grass seed, as well as, the implementation of an automated timer system for irrigation. They are requesting an increase in personnel and the operating budget they have left the same. We need to be more competitive with the job market in the area. He reported they have a couple of Emergency Hires which is great to have the help, but when their three months is up, they are gone and they need consistency. He worries about wearing out the current staff. The Cemetery budget and Parks expenditures have no major changes from last year's budget. The contractual services is used for Port-a-potties. Parks & Recreation is asking for an increase of 5% for the Personnel Budget and the same operating budget as last year. The total Capital Outlay shows an overall increase of 3%. He will be overseeing the Summer Youth Program and will work toward

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having all staff positions filled on a more permanent basis necessitating a continued strong budget as they move forward in improving our Parks & Recreation Facilities. He also see using the Summer Youth Program to assist other Departments with labor and duties.

Mayor Green asked if Judge Sanders has ever given someone who has a fine to do some labor. Mayor Pro-Tem Whitehead recalled some people years ago who were in jail had to come out and clean yards etc. to help. Mayor Green asked City Manager Fuentes if that is something we could talk to Judge Sanders about it. City Manager Fuentes responded she already does refer some of them to some departments like sanitation. But he can look into if she has a program.

Mayor Green mentioned some discussion about putting a Recycle Bin at Louis Armijo Park where there has been so excess dumping.

Commissioner Hechler asked if they were ok for equipment for now. Parks Supervisor Hechler responded this year he is ok with the Mower and the Kubota. They are not contracting out the Parks this year, the goal is to keep it all in house. He said in the next couple of years, he can see the need for a new truck.

City Manager Fuentes added he also needs to have the necessary staff to help with the Golf Course. He thinks in the long run that will help us and right now we don't have the ability to help maintain that. Mayor Green asked if the vacancies are being advertised. And it was confirmed. Discussion was held as to the challenges they have with hiring and finding applicants that can make it through the whole process.

David Johnson presented the Facility Management duties including: providing support services for maintaining well-functioning, safe facilities for a quality work environment for city facilities. They have been helping install benches & trash receptacles; working on upgrades to the Utility Office; and helped Rotary with the installation of the Sun Shade at the SJOA Meal Site. In Personnel, he has two vacancies. 1 for Janitorial and the other one they are holding right now to decide what they want to do with that position or if they just want a Tech 1 at this time. They are handling the jobs they need to do right now, with the employees they have. In the Expenditures, he move some of the money around. They have worked hard at conserving fuel and not driving around if they don't need to. He increased Building Maintenance a little to use for upgrade and if a cooler goes out, they will be able to take care of it. Overall the expenditures are 5% less than last year's final. He doesn't have anything added for equipment or any Capital Outlay at this time. Commissioner Hechler asked if the installation of a drive-through at City Hall was something they have the expertise to do. Facility Management Supervisor Johnson responded he's in the process of getting the certification he would need for that construction.

Tammy Gardner, Interim Pool Manager presented their budget. Revenues were left the same. Personnel – they are in the process of hiring. They have six applicants and four have made it through the tests, etc. so far. They didn't increase the Operating Expenses,

they just shifted some of the money around. Some of the Goals they have include: Focus on improving revenue; Stricter cash handling; More control over accounts receivable; New cash registers to keep better track of all transactions; entries, passes, rentals, etc.; Keeping better track of daily entry fees and pass use; Better control and regulation of passes; being more consistent internal control; and better management of employee schedules to minimize pool closures. Some of the Capital Improvements they would like include: replace the Kiddie Pool area with an Office and shaded picnic area for \$15,000; they would like to look at getting an entry level or higher end Bulkhead. A Myrtha Bulkhead would be around \$90,000-\$100,000, not including installation.

There were questions about the increase in Full-Time positions and eliminating part-time positions. Commissioner Hechler asked if there is anything we can do to keep our lifeguards. Ms. Gardner is hoping with the changes more people will be interested. City Manager Fuentes responded Tammy will be doing a more detailed presentation to the Commission about the Pool. There will always be a challenge in finding Lifeguards. Pool Manager Gardner said it seems to be a wide spread issue. Even Las Cruces has a problem keeping Lifeguards.

Mayor Green asked how we can work on the revenues. Can we have some merchandise to sell for revenues like goggles, and flippers, etc? City Manager Fuentes let them know it's hard for a municipality or public entity to spend public funds on merchandise to be sold. Finance Director Torres said we have to start looking at the fee structure for our services including the pool and the Airport. Tammy Gardner added they also need to look at opening it up to the public for more hours. They are pretty comparable price wise when she asked other entities. Discussion was held about hours of operations. Finance Director Torres said one of the things they were working on with the reorganization was the sale of passes. They are optimistic of the changes we will see. Mayor Green thought we could let the hotels who don't have a pool know the schedule so people can use our pool.

#### **Airport – Randy Malone, Airport Attendant**

Mr. Malone gave his presentation. They are looking at ideas for Rental Revenue increases. They are also focusing on: Total Revenues On track to Finish 110% this Fiscal Year; Committed to Growth in upcoming Fiscal Year; Hangars Rentals to be at 100% occupied for full Fiscal Year; and adjusted rates for land/hangars/billboards by mid FY18/19. They were looking into if there are hotels that might have a driver come to pick up visitors or personnel. They feel if they were to offer billboards there, it could bring in more money to help. In the last three years, the Fuel Revenue has increased. They have worked on: Outreach to Experiment Aircraft Association (EAA); Outreach to Aircraft Owners and Pilots Association (AOPA); Outreach to flying clubs; Outreach to Recreation Aviation Foundation (RAF); AOPA Destination for Individuals and clubs; EAA Fish Fry; RAF training; a RAF back country hub for Gila; and having an Aircraft Maintenance company onsite. It's more attention for the city and more business for the city. For a new Revenue Stream, they are looking into: a State Maintenance Grant \$10K this FY/\$20K next Fiscal Year; looking at building shade hangars on south end of apron; and

renting to waiting list and transients. In order to have increased sales, they must have the ability to buy more fuel. They have to buy it in bulk. So they are looking at increasing the Fuel Budget by 20% for Jet-A and 12.5% more for AV-GAS. He continued with the Personnel Increase. They could use a Full Time Airport Manager; New Part-time attendant to ensure 24/7 coverage; Part-time attendant will allow Airport Manager to pursue other economic opportunities for the City. He added we have a Multi-Million Dollar facility and we must continue to invest with the goal of self-sufficiency in the future.

Commissioner Hechler asked about the increase in Fuel. City Manager Fuentes responded if we buy more fuel for a cheaper price, we should end up getting more than our money back. There were some questions about Military contracts. Mr. Malone responded we do not have any but are open to that definitely. Mayor Green asked about the Courtesy Car that the Chamber had out there. Mr. Malone said it's still there and in good shape. Mayor Green asked if we have any brochures or information for visitors. The response was there is not much for them to view and not always access for visitors to get them. Mayor Green asked they are just closing early because of lack of personnel. Mr. Malone agreed and because of lack of overtime.

### **Community Development – Robbie Travis and Traci Burnette**

Building Inspector Travis gave the presentation. They currently have 3 employees and when they hire a Zoning Compliance Officer it will be less pay than he makes and that will help the budget. Once he leaves they will need to have a Planning & Zoning Coordinator. He commented on what a great job Susanna has been doing. City Manager Fuentes said because of changes in the state, we will need to make adjustments to our Code. He reviewed their responsibilities including: approving permits (for hot wells; fences; signs, etc.); Zoning Approval (Setbacks, development standards, and Permitted use); Zoning Enforcement (Send letter for zoning violations, follow up with property owners); and Planning & Zoning (Special Use Permits, Alley vacations, home occupations, business licenses).

Grant/Projects Coordinator Burnette explained her duties with the Grants/Projects including Grant Applications; Project Management; Documentation; and overseeing the sale process of City properties.

Building Inspector Travis went on with GIS which includes: Maintenance; Creation; and Development for the mapping, 911, streets and all GIS Data. Ms. Burnette added Water and Wastewater spent two days digging for a line because they didn't have any plans. And the

Mayor Green asked how GIS ties into tourism. Building Inspector Travis responded she is looking into doing mapping and adding the trails and great things like that.

The Budget requests include: Demolition and Cleanup; Professional Services for property appraisals, legal services, real estate fees, etc. We are not into taking people's money or property, we just want to get it cleaned up. Mayor Green asked when they reach out

to get an opinion from legal, if it's charged from different departments. Finance Director Torres clarified all legal services are paid out of one line item. Building Inspector Travis continued with a request for an increase in Per Diem and Mileage for training opportunities, and workshops staff need to attend for valuable professional development.

### **Administrative Services, Utility Office – Melissa Torres**

Mrs. Williams presented their mission. The overview of duties include: Customer Service; Meter Reading; Meter replacement; Service Orders; Billing; Electric, water, trash, & sewer Connects & disconnects; Rereads & red tags; Transfer Station; Effluent water; Accounts Receivable; Equipment; Computers; Postage; Training Tools; Customer support; and Citizen Outreach. She presented an organization chart for the department which include the new positions of Accounts Receivable Supervisor and Meter Reader Supervisor.

Finance Director Torres wanted to add one of the things they are doing different is when we have the Meter Reader, they will also do other duties and help other departments when needed. And when they bring in the two new Utility Clerks, they also rewrote their job descriptions to include the Accounts Receivable. Finance Director Torres said on the Revenue side, it's looking a lot better because we are charging the penalties and disconnects. And then when you look at Personnel they are increasing their staff but they are also increasing their services. They will be handling Accounts Receivable and all of the contracts. It worked out great to change to the in-house billing instead of outsourcing that. Finance Director Torres added they laugh sometime at how many complaints they used to get and now there are very few.

Mayor Pro-Tem Whitehead brought up we have two new supervisory positions and two new employees when we are in a budget crunch right now. Where did this money come from? Did these employees get increases? And how do the rest of the employees feel who have been with the city for a long time and they are barely making anything. Yet we have two people who haven't been with the city for very long and they get Supervisor positions with big increases. And there's probably not any money out there for salary increases for all of the other employees. The benefits are going up 4% and you've got people hollering and screaming. Where do we find this money? You just asked these other people if they can do without these employees. We work other departments to death and then when we don't hire if there is a vacancy, employees are having to do double time. Yet we can go into the cozy atmosphere and create two new positions and other's will suffer.

City Manager Fuentes said some of these changes came from him. Sometimes when the Utilities were needing someone to do a meter reading and they were busy responding or other duties, nobody was available. They couldn't calculate the bills or send them out. Since the Meter Reader was moved to the Joint Utility it's helped tremendously because of the issues we were having with billing. It gives more accountable and responsibility to the Utility Office. With the history they have had with turnover, that's another problem. There is more duties when reading the meters. In response to the Accounts Receivable, you heard of the problems we were having. Now that the Clerk's Office is separated, the

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Finance Director can have all of the finance under one umbrella. In regards to it being a Supervisor position, when Sonya is out, you need people who are capable of taking care of everything in the office. He added we are advertising for many positions but unfortunately we don't get very many qualified people to fill those positions. From his side, he saw that we had some issues we needed to deal with and that's why we decided to handle it this way. They were trying to make it a Supervisor Position and the pay range has to reflect that. He assured them he does not forget others that we have on staff and the need to take care of them. Mayor Pro-Tem Whitehead feels we burn these people out because we don't hire when there is a vacancy and we are burning people out. The Supervisor's need to get out there and help when they are needed and especially when we are shorthanded and in a deficit. Again, we need to bring our city back up from losing revenue and GRT. That's not where we want to be. City Manager Fuentes agrees 100% with what she is saying is another thing we want to recognize that we want to hire people who will take us to the next level. He hopes the employees recognize they have to step up as well. We need to start hiring the A level players but we have to be able to maintain them. Mayor Pro-Tem Whitehead said it's a great compliment for Brian and Chelsea, but just because they were promoted, doesn't mean they let it go to their head. They need to learn to be that support for the employees.

Utility Supervisor Williams let them know there has been times when they when to read and meter and Brian would come back covered in mud. He's not afraid to get out there and that's not an issue. Finance Director Torres just wanted to say when they were approached to handle this, we had meetings to discuss how we were going to handle it and break it down. He is confident the Accounts Receivable will be up next year because they have a team and will make it happen. Ms. LeClair has done an excellent job and stepped up and they are the future of the city. We have to start looking at strategic plans to make it happen. City Manager Fuentes added when we try to get applicants sometimes we can't. So if we see an employee that has potential, we try to encourage that.

Commissioner Hechler said overall we haven't increased personnel, we have just moved personnel around and retitle personnel. A good Manager will take a look at his assets and move them around to deal with situations you had on hand. You had a problem with meter readers and moved them around so they would work better. He likes the picture of a career ladder in that office, and he appreciates that part of it.

Mayor Green agreed with Commissioner Hechler. He does believe in the philosophy when there are positions open to encourage everyone to apply. But to also keep in mind those who are part of the team already and are ready to be moved up. They can also be a great asset. He has seen Arnie and Jesus in their departments and they do realize what their roles and responsibilities are and they do lead by example. He thinks that's one way to build a team that works cohesively together.

Finance Director Torres presented the Finance Department Mission. The overview of the duties include: Customer Service; Human Resources; Accounts Payable; Purchasing; Accounting; and Department Tools such as, training, Equipment, and software. They also cover IT Services; Staff Training; Job Opening Advertisements; External Audit Services;

Internal Control Officer; Drug Screens and Lab Fees. One of the things that has helped them be so successful was having the Internal Audit Services with Mr. G.

## QUESTIONS & ANSWERS

Mayor Green asked where we will go next. City Manager Fuentes mentioned as they said at the beginning, they wanted to show what we are facing. As he mentioned all of the departments were conservative. He asked if they have any thoughts or ideas. They will go back and balance it out with Department Heads to prepare a budget DFA will accept.

Mayor Green asked if he could distribute the list for the cost saving mechanisms to the Commission so they can get back to him in a timely fashion. City Manager Fuentes agreed. He inquired of the Commission, because this may affect some of the services we provide, as well as, some of the community requests when they put pressure on the Commission for certain items. Do they want this to also be presented at the next meeting to show what we are facing? Just like the Hospital, nothing is off the table.

Commissioner Hechler stated they are going to have to make some hard decisions, and they are going to need to have some guidance and give the public some guidance in the decisions they will have to make. It would be nice to have that ammunition provided to them ahead of time. The biggest thing he sees with the list that could affect us the most is the Vacancy Savings. We can look hard at when and if we hire people to help balance the budget. City Manager Fuentes responded when we present the budget to DFA, if we are going to look at vacancy savings, you still have to show it, but it can be with a six month cost savings.

Mayor Green said the public is entitled to know. They are elected to serve them. And they are going to hopefully be part of the cure or to have the understanding of why they have to make certain decisions that in normal times they would not be making. In all respect to the Department Heads, only one responded that they cannot get along without filling their positions. City Manager Fuentes agreed and stated some of the positions are essential. Such as Water and Wastewater. If a line breaks, it breaks. You can't just call a contractor to come in.

Mayor Green asked if the City's portion of Lodger's Tax has been earmarked for anything. Some of those buildings are tourist related, that we use and/or attractions. Maybe we just need to play hard ball with Lodger's Tax this year and try to support the departments to build up some revenue to do a job. Half of a million dollars is a lot of money to try to make up. That is for sure. We have to be creative and let the Citizens know that we have less GRT than anticipated.

Mayor Pro-Tem Whitehead brought up she liked the idea of having a floater that can help other departments. For example Parks, it would need to be someone who can handle the different options. You never know when someone is going to be on vacation or you are shorthanded. Then what do you do? City Manager Fuentes mentioned another idea is



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to look at consolidating some positions citywide. They will ship the list to the Commission. He hopes the public realizes it's not easy being on that side of the desk.

**M. ADJOURNMENT**

Adjourned at 5:40 p.m.

Passed and Approved this 27<sup>th</sup> day of June, 2018

  
Steven Green, Mayor



ATTEST:

  
Renee L. Cantin, CMC, City Clerk