

*Steven Green
Mayor*

*Sandra Whitehead
Mayor Pro-Tem*

*Kathy Clark
Commissioner*



*Rolf Hechler
Commissioner*

*Paul Baca
Commissioner*

*Juan A. Fuentes
City Manager*

*505 Sims St.
Truth or Consequences, New Mexico 87901
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REGULAR MEETING

THE REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO, IS TO BE HELD IN THE COMMISSION CHAMBERS, 405 W. 3RD ST., ON **TUESDAY, JULY 24, 2018; TO START AT 4:00 PM. PLEASE NOTE DATE & TIME CHANGE FOR THE MEETING.**

A. CALL TO ORDER

B. INTRODUCTION

1. ROLL CALL

Hon. Steve Green, Mayor
Hon. Sandra Whitehead, Mayor Pro-Tem
Hon. Rolf Hechler, Commissioner
Hon. Kathy Clark, Commissioner
Hon. Paul Baca, Commissioner

2. SILENT MEDITATION

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

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

D. RESPONSE TO PUBLIC COMMENTS

E. PRESENTATIONS

1. Special Presentation by Representative Rebecca Dow.
2. Presentation of the Fiscal Year 2018/2019 Final Budget. Melissa Torres, Finance Director and Juan Fuentes, City Manager

F. CONSENT CALENDAR

1. City Commission Regular Minutes, June 27, 2018
2. City Commission Regular Minutes, July 11, 2018
3. Impact Fee Board Minutes, June 18, 2018
4. Public Utility Advisory Board Minutes, June 18, 2018

CONSENT CALENDAR *(Continued)*

5. Public Arts Advisory Board Minutes, April 17, 2018 and May 15, 2018.
6. Authorization to open separate interest bearing account with First Savings for all Stale Checks collected by the City of Truth or Consequences.
7. Amendment to Resolution No. 38 2017/2018 revising the surplus property Auction List (Exhibit A).

G. ORDINANCES/RESOLUTIONS/ZONING

1. Discussion/Action: Ordinance No. 697 for publication amending the code to allow the operation of Recreational Off-Highway Vehicles and All-Terrain Vehicles on maintained streets or roads owned and controlled by the City of Truth or Consequences. Jay Rubin, City Attorney
2. Discussion/Action: Resolution No. 02 18/19 4th Quarter Financial Report. Melissa Torres, Finance Director
3. Discussion/Action: Resolution No. 03 18/19 Approving the FY 2018/2019 Final Budget. Melissa Torres, Finance Director
4. Discussion/Action: Resolution No. 04 18/19 designating signatory for USDA Rural Funding Application and related documentation. Traci Burnette, Grant/Projects Coordinator
5. Discussion/Action: Resolution No. 05 18/19 and Resolution 05-A 18/19 approving the required Community Development Block Grant (CDBG) Annual Certifications and Commitments and Fair Housing Policy. Melissa Torres, Finance Director
6. Discussion/Action: Resolution No. 06 18/19 amending the Finance Policies and Procedures for the City of Truth or Consequences. Melissa Torres, Finance Director

H. NEW BUSINESS

1. Discussion/Action: Reappointment of Bonnye Warwick to the Library Advisory Board for a 3 year term. Renee Cantin, Clerk-Treasurer
2. Discussion/Action: Accept the City of Truth or Consequences Title VI Plan. Traci Burnette, Grant/Projects Coordinator
3. Discussion/Update: Notification of all current Board Member Vacancies. Renee Cantin, Clerk-Treasurer

I. REPORTS

1. City Manager
2. City Attorney
3. City Commission

J. EXECUTIVE SESSION

1. Threatened or Pending Litigation (City vs. Ron Fenn) *Pursuant to 10-15-1(H.7)*
2. Threatened or Pending Litigation (City vs. McGeachy) *Pursuant to 10-15-1(H.7)*
3. Threatened or Pending Litigation (City vs. Ashbaugh) *Pursuant to 10-15-1(H.7)*

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

L. ADJOURNMENT

NEXT CITY COMMISSION MEETING WEDNESDAY, AUGUST 8, 2018 at 9:00 a.m.



E.2

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM:

Special Presentation by Representative Rebecca Dow.

BACKGROUND:

None.

STAFF RECOMMENDATION:

None. Presentation Only.

SUPPORT INFORMATION:

None.



E.2

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM:

Presentation of the Final Budget for FY18-19 for the City of Truth or Consequences

BACKGROUND:

A detailed summary of the budget and presentation will be presented at the meeting Required by DFA to approve the FY18-19 Final budget by Resolution.

STAFF RECOMMENDATION:

None. Presentation only.

SUPPORT INFORMATION:

Finance Documents as presented.

City of Truth or Consequences



FISCAL YEAR 2018-2019

FINAL BUDGET

2018-19

GENERAL FUND BUDGET

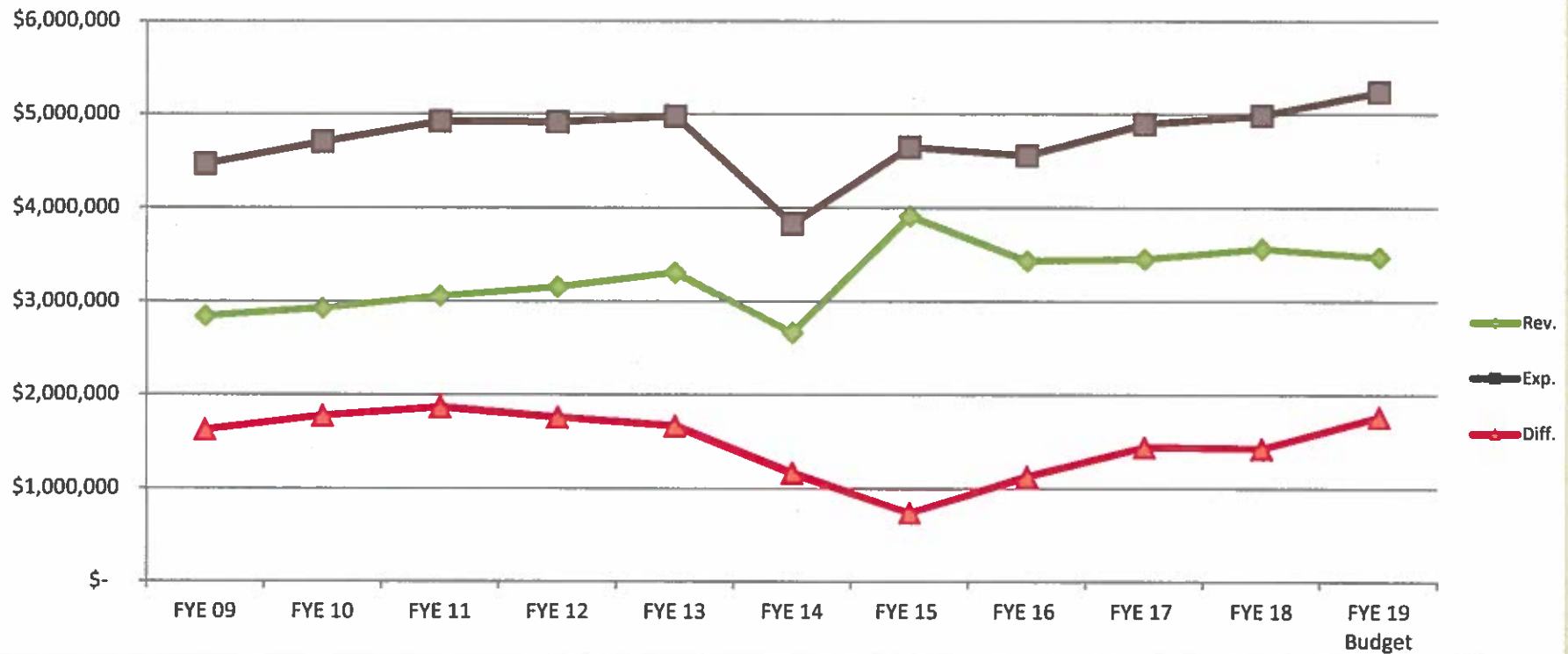
Est. Revenues

Municipal Taxes	1,716,716
Licenses & Permits	41,700
State Shared Taxes	1,368,132
Services	41,100
Court Fines	37,000
Miscellaneous	33,750
Inter-Govt. Grants	236,919
Est. Revenue	3,475,317
Revenue Shortfall	(1,860,000)
Net Transfers IN/OUT	1,359,423
Rev. + NT	5,335,317
GF (ECB)	2,229

Final Exp.

Governing Body	174,317
City Clerk	181,530
Judicial	234,684
City Manager	257,723
Adm. / Finance	490,807
Fire	21,500
Police	1,379,069
Animal Control	364,031
Parks & Rec.	271,923
Comm. Development	224,922
Street	387,163
Fleet	133,110
Facility	510,969
Library	205,515
Hospital GRT	200,000
Utility & Insurance	206,600
	5,243,864

GENERAL FUNDS – FISCAL YEAR END NET



	FYE 09	FYE 10	FYE 11	FYE 12	FYE 13	FYE 14	FYE 15	FYE 16	FYE 17	FYE 18	FYE 19 Budget	Growth since FYE 09	
												%	\$
Rev. \$	2,839,161	\$2,926,427	\$ 3,057,324	\$3,156,898	\$ 3,308,626	\$ 2,664,993	\$ 3,912,032	\$ 3,431,575	\$ 3,453,033	\$ 3,564,357	\$ 3,475,317	18.30%	\$ 636,156
Exp. \$	4,467,045	\$4,705,040	\$ 4,923,209	\$4,917,306	\$ 4,978,989	\$ 3,830,281	\$ 4,649,405	\$ 4,558,060	\$ 4,894,790	\$ 4,989,633	\$ 5,241,352	14.77%	\$ 774,307
Diff. \$	1,627,884	\$1,778,613	\$ 1,865,885	\$1,760,408	\$ 1,670,363	\$ 1,165,288	\$ 737,373	\$ 1,126,485	\$ 1,441,757	\$ 1,425,276	\$ 1,766,035	7.82%	\$ 138,151

FY19 FINAL RECAP (1/4)

City of Truth or Consequences
Sierra County

Fiscal Year 7/1/18 to 6/30/19

	2017 Final Valuation	Operating Tax Rate	Production
Residential	\$61,631,676	0.001463	\$ 90,167
Non-Residential	\$39,623,500	0.002225	\$ 88,162
			\$ 178,329
		Collection Rate %	0.88
Total Production			\$ 156,930

Fund No.	Fund	Unaudited Beginning Cash Balance	Investments	Estimated Revenues	Net Cash Transfers	Budgeted Expend.	Estimated Ending Cash Balance	DFA Local Reserve Requirement	Adjusted Ending Cash Balance
101	General Fund	\$ 746,405.20	\$ 101,937.59	\$ 3,475,317	\$ 1,359,423	\$ 5,243,864	\$ 439,218	\$ 436,989	\$ 2,229.65
SPECIAL REVENUE FUNDS									
209	Fire Protection Fund	\$ 487,502.56	\$ -	\$ 289,685	\$ -	\$ 777,187	\$ 1	\$	\$ 0.56
217	Recreation Fund	\$ 6,180.73	\$ -	\$ 35	\$ 42,000	\$ 42,000	\$ 6,216	\$	\$ 6,215.73
201	Correction	\$ 12,868.59	\$ -	\$ 14,115	\$ 25,000	\$ 36,200	\$ 15,784	\$	\$ 15,783.59
211	Law Enforcement	\$ 2,791.24	\$ -	\$ 27,800	\$ -	\$ 27,800	\$ 2,791	\$	\$ 2,791.24
298	PD Donations	\$ 6,719.56	\$ -	\$ -	\$ -	\$ -	\$ 6,720	\$	\$ 6,719.56
297	PD Confidential Fund	\$ 6,052.97	\$ -	\$ -	\$ -	\$ -	\$ 6,053	\$	\$ 6,052.97
296	PD GRT Fund	\$ 155,986.00	\$ -	\$ 75,200	\$ 42,577	\$ 130,000	\$ 143,763	\$	\$ 143,763.00
214	Lodger's Tax	\$ 285,907.90	\$ -	\$ 352,358	\$ (105,000)	\$ 279,881	\$ 253,385	\$	\$ 253,384.90
216	Municipal Street	\$ 469,938.19	\$ -	\$ 350,490	\$ -	\$ 500,715	\$ 319,713	\$	\$ 319,713.19
295	Municipal Pool	\$ 17,077.34	\$ -	\$ 16,400	\$ 195,000	\$ 220,026	\$ 8,451	\$	\$ 8,451.33
294	State Library	\$ 8,902.37	\$ -	\$ 34,005	\$ -	\$ 34,005	\$ 8,902	\$	\$ 8,902.37
293	Veterans Wall Perpetual Care	\$ 30,291.96	\$ -	\$ 4,000	\$ -	\$ 400	\$ 33,892	\$	\$ 33,891.96
292	Federal Seizure Share	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
Subtotal		\$ 1,490,219.41	\$ -	\$ 1,164,088	\$ 199,577	\$ 2,048,214	\$ 805,670	\$	\$ 805,670.40

FY19 FINAL RECAP (2/4)

City of Truth or Consequences
Sierra County

Fiscal Year 7/1/18 to 6/30/19

	2017 Final Valuation	Operating Tax Rate	Production
Residential	\$61,631,676	0.001463	\$ 90,167
Non-Residential	\$39,623,500	0.002225	\$ 88,162
			\$ 178,329
		Collection Rate %	0.88
Total Production			\$ 156,930

Fund No.	Fund	Unaudited Beginning Cash Balance	Investments	Estimated Revenues	Net Cash Transfers	Budgeted Expend.	Estimated Ending Cash Balance	DFA Local Reserve Requirement	Adjusted Ending Cash Balance
101	General Fund	\$ 746,405.20	\$ 101,937.59	\$ 3,475,317	\$ 1,359,423	\$ 5,243,864	\$ 439,218	\$ 436,989	\$ 2,229.65
ENTERPRISE FUNDS									
501	Cemetery	\$ 40,142.27	\$ -	\$ 10,614	\$ -	\$ 11,000	\$ 39,756		\$ 39,756.27
502	Utility Office	\$ 4,507.11	\$ -	\$ 60,407	\$ 410,650	\$ 466,052	\$ 9,513		\$ 9,512.54
503	Electric Division	\$ 959,578.40	\$ 1,321,175.64	\$ 6,779,498	\$ (2,426,577)	\$ 4,893,304	\$ 1,740,371		\$ 1,740,370.99
504	Water Division	\$ 239,710.48	\$ -	\$ 1,019,748	\$ (346,503)	\$ 737,479	\$ 175,476		\$ 175,476.49
505	Solid Waste Division	\$ 663,625.73	\$ 407,750.35	\$ 1,582,907	\$ (247,761)	\$ 1,158,124	\$ 1,248,398		\$ 1,248,397.76
506	Waste Water Division	\$ 400,787.55	\$ -	\$ 1,119,920	\$ (214,801)	\$ 851,563	\$ 454,343		\$ 454,343.14
	998- Jt. Utility Subtotal	\$ 2,268,209.27		\$ 10,562,480	\$ (2,824,992)	\$ 8,106,522	\$ 3,628,101		\$ 3,618,588.39
507	Landfill / SW Collection Center	\$ 260,724.24	\$ -	\$ 589,413	\$ (118,647)	\$ 698,435	\$ 33,055		\$ 33,055.24
508	Golf Course	\$ 8,057.17	\$ -	\$ 30,300	\$ 120,000	\$ 150,300	\$ 8,057		\$ 8,057.17
509	Municipal Airport	\$ 14,620.80	\$ -	\$ 179,050	\$ 94,000	\$ 274,686	\$ 12,985		\$ 12,985.25
	Subtotal	\$ 2,591,754	\$ 1,728,926	\$ 11,371,857	\$ (2,729,639)	\$ 9,240,943	\$ 3,721,955		\$ 3,721,955

FY19 FINAL RECAP (3/4)

	2017 Final Valuation	Operating Tax Rate	Production
Residential	\$61,631,676	0.001463	\$ 90,167
Non-Residential	\$39,623,500	0.002225	\$ 88,162
		Collection Rate %	0.88
Total Production			\$ 156,930

Fund No.	Fund	Unaudited Beginning Cash Balance	Investments	Estimated Revenues	Net Cash Transfers	Budgeted Expend.	Estimated Ending Cash Balance	DFA Local Reserve Requirement	Adjusted Ending Cash Balance
101	General Fund	\$ 746,405.20	\$ 101,937.59	\$ 3,475,317	\$ 1,359,423	\$ 5,243,864	\$ 439,218	\$ 436,989	\$ 2,229.65
CAPITAL PROJECTS FUNDS									
301	Water/WW/EFFL Water Refuse	\$ 142,472.57	\$ 100,752.12	\$ 108	\$ -	\$ -	\$ 243,333		\$ 243,332.69
302	Electrical Construction	\$ 75,963.75	\$ 179,027.54	\$ 2,070	\$ 538,973	\$ 538,973	\$ 257,061		\$ 257,061.29
303	Veterans Wall	\$ 31,982.93	\$ -	\$ 58,776	\$ -	\$ 64,036	\$ 26,723		\$ 26,722.93
304	Senior State Grant	\$ 88,169.77	\$ -	\$ -	\$ (20,000)	\$ -	\$ 68,170		\$ 68,169.77
305	Capital Imp. (General)	\$ 6,484.00	\$ -	\$ 80	\$ 12,000	\$ 12,000	\$ 6,564		\$ 6,564.00
306	Capital Imp. (Jt. Utility)	\$ 242,405.86	\$ 152,999.61	\$ 551,241	\$ 436,580	\$ 1,003,009	\$ 380,217		\$ 380,217.47
307	Golf Course Imp. Fund	\$ 16,454.20	\$ -	\$ -	\$ -	\$ 15,000	\$ 1,454		\$ 1,454.20
308	Capital Imp. (USDA FE Loader)	\$ 100.00	\$ -	\$ -	\$ -	\$ -	\$ 100		\$ 100.00
309	Capital Imp. (USDA WWTP)	\$ 111,562.66	\$ -	\$ 4,532,055	\$ -	\$ 4,615,000	\$ 28,618		\$ 28,617.66
310	Emergency Fund	\$ 59,938.12	\$ -	\$ -	\$ 2,500	\$ -	\$ 62,438		\$ 62,438.12
311	R & R Sewer	\$ -	\$ 144,702.52	\$ 500	\$ -	\$ -	\$ 145,203		\$ 145,202.52
312	R & R Airport	\$ 1,792.04	\$ -	\$ 49,013	\$ 25,000	\$ 70,014	\$ 5,791		\$ 5,791.04
313	R & R Water	\$ 1,885.69	\$ 127,867.46	\$ 445	\$ -	\$ 3,000	\$ 127,198		\$ 127,198.15
314	CDBG Fund	\$ 2,775.98	\$ -	\$ 150,000	\$ -	\$ 150,000	\$ 2,776		\$ 2,775.98
315	Capital Imp. Reserves (Jt. Utility)	\$ 700,272.02	\$ 1,031,380.00	\$ 650	\$ 23,605	\$ -	\$ 1,755,907		\$ 1,755,907.02
316	Emergency Repair Reserves	\$ 104,693.91	\$ 82,383.04	\$ 90	\$ 10,000	\$ -	\$ 197,167		\$ 197,166.95
317	Waste Water Repair Reserves	\$ 122,010.86	\$ 103,140.95	\$ 100	\$ 15,776	\$ -	\$ 241,028		\$ 241,027.81
318	Electrical Const. Reserves	\$ 100,830.33	\$ 83,572.29	\$ 85	\$ 10,000	\$ -	\$ 194,488		\$ 194,487.62
Subtotal		\$ 1,809,794.69	\$ 2,005,825.53	\$ 5,345,213	\$ 1,054,434.00	\$ 6,471,032	\$ 3,744,235.22		\$ 3,744,235.22

FY19 FINAL RECAP (4/4)

Sierra County

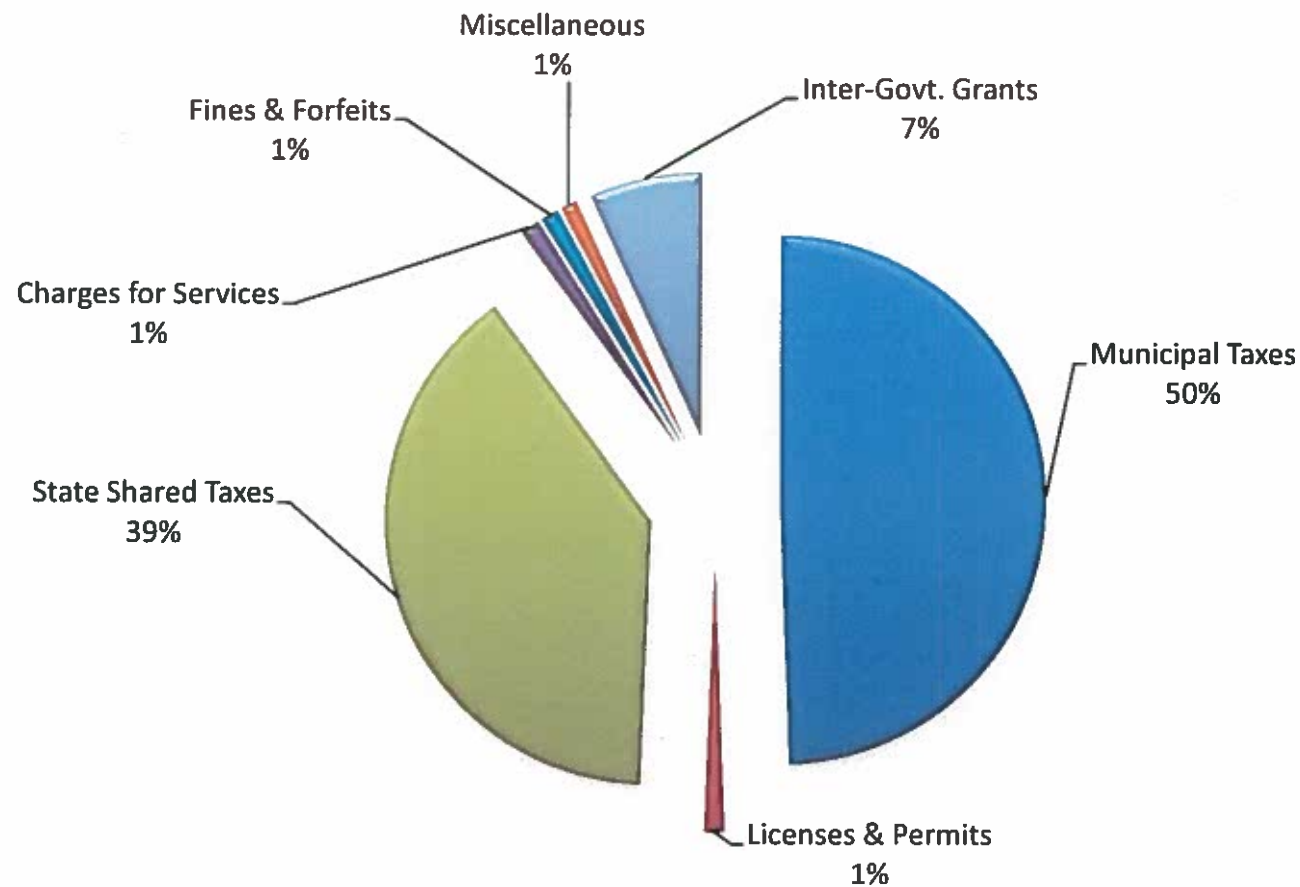
Fiscal Year

7/1/18 to 6/30/19

	2017 Final Valuation	Operating Tax Rate	Production
Residential	\$61,631,676	0.001463	\$ 90,167
Non-Residential	\$39,623,500	0.002225	\$ 88,162
			\$ 178,329
		Collection Rate %	0.88
Total Production			\$ 156,930

Fund No.	Fund	Unaudited Beginning Cash Balance	Investments	Estimated Revenues	Net Cash Transfers	Budgeted Expend.	Estimated Ending Cash Balance	DFA Local Reserve Requirement	Adjusted Ending Cash Balance
101	General Fund	\$ 746,405.20	\$ 101,937.59	\$ 3,475,317	\$ 1,359,423	\$ 5,243,864	\$ 439,218	\$ 436,989	\$ 2,229.65
FDUCIARY & INTERNAL SVC. FUNDS									
700	Court Bond Fund	\$ 1,000.41	\$ -	\$ -	\$ -	\$ -	\$ 1,000		\$ 1,000.41
600	Internal Service Fund	\$ 70,611.32	\$ -	\$ 14,000	\$ -	\$ 32,500	\$ 52,111		\$ 52,111.32
	Subtotal	\$ 71,611.73	\$ -	\$ 14,000.00	\$ -	\$ 32,500.00	\$ 53,111.73		\$ 53,111.73
DEBT SERVICE FUND									
403	Pledge State Tax	\$ 122,015.62	\$ 1,115,833.36	\$ 394,721	\$ 116,205	\$ 480,496	\$ 1,268,279		\$ 1,268,278.98
	Subtotal	\$ 122,015.62	\$ 1,115,833.36	\$ 394,721	\$ 116,205	\$ 480,496	\$ 1,268,278.98		\$ 1,268,278.98
GRAND TOTAL (ALL FUNDS)		\$ 6,831,800.40	\$ 4,952,522.47	\$ 21,765,196	\$ -	\$ 23,517,050	\$ 10,032,470	\$ 436,988.70	\$ 9,595,480.84

FYE 19 General Fund Revenue

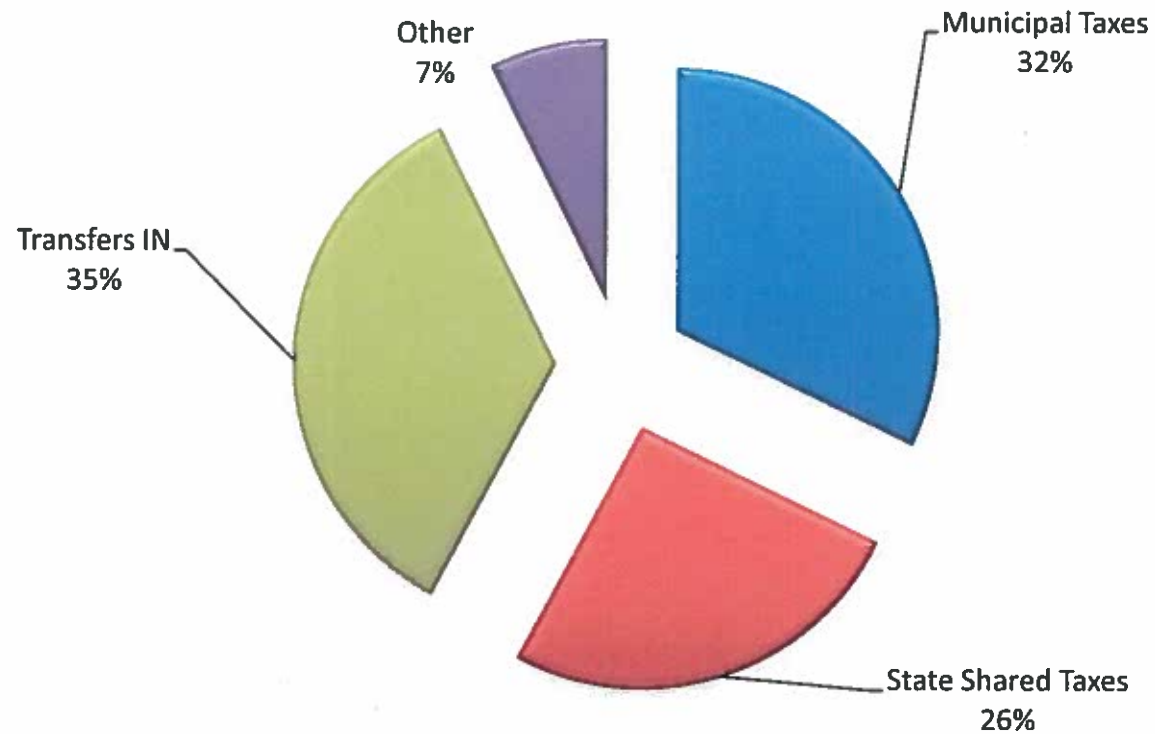


FY19 General Fund

Taxes - Detail

General Fund	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	%
Revenues	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Change
	Actual	Actual	Actual	Actual	Actual	Final	Last FY
Municipal Taxes							
Franchise Tax	\$ 59,275	\$ 57,593	\$ 51,940	\$ 49,488	\$ 50,357	\$ 50,300	0%
Gross Receipts - Hospital	\$ 255,417	\$ 268,005	\$ 277,784	\$ 325,874	\$ 201,237	\$ 201,236	0%
1/8% Infrastructure	\$ 141,878	\$ 144,928	\$ 149,782	\$ 175,294	\$ 145,798	\$ 145,798	0%
Gross Receipts (3/4%)	\$ 561,918	\$ 589,611	\$ 611,126	\$ 716,923	\$ 869,498	\$ 869,498	0%
1/4% MGRT (POLICE)	\$ 277,408	\$ 291,087	\$ 301,741	\$ 353,754	\$ 268,315	\$ 268,314	0%
Property Tax	\$ 146,286	\$ 148,984	\$ 151,356	\$ 155,594	\$ 160,836	\$ 160,836	0%
Property Tax	\$ 19,920	\$ 14,827	\$ 14,937	\$ 14,508	\$ 20,734	\$ 20,734	0%
SUB TOTAL	\$ 1,462,102	\$ 1,515,033	\$ 1,558,666	\$ 1,791,435	\$ 1,716,775	\$ 1,716,716	0%
State Shared Taxes							
Auto License Dist. 40%	\$ 21,344	\$ 22,419	\$ 23,085	\$ 6,035	\$ 18,132	\$ 18,132	0%
Gross Receipts Tax 1.225	\$ 1,358,885	\$ 1,424,753	\$ 1,405,908	\$ 1,731,875	\$ 1,342,077	\$ 1,350,000	1%
SUB TOTAL	\$ 1,380,230	\$ 1,447,173	\$ 1,428,993	\$ 1,737,910	\$ 1,360,209	\$ 1,368,132	1%

FYE 19 General Fund Revenues + Transfers IN



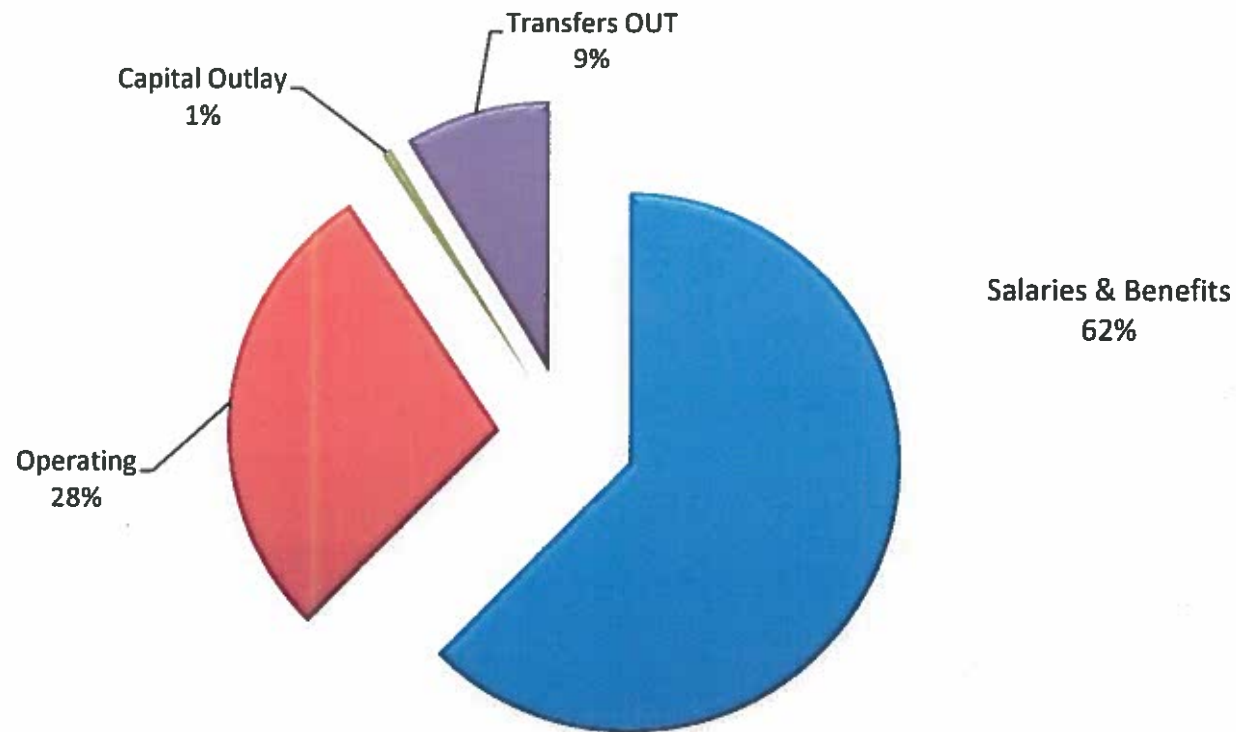
FYE 19 General Fund

Revenues + Transfers IN (Detail)

	Proposed	Percent Total
Municipal Taxes	1,716,716	32.18%
State Shared Taxes	1,368,132	25.64%
Transfers IN	1,860,000	34.86%
Other	390,469	7.32%
Total Revenues	5,335,317	100.00%

Transfers IN							
(503) Electric	\$ 1,680,000	\$ 1,300,000	\$ 1,500,000	\$ 1,650,000	\$ 1,650,000	\$ 1,650,000	0%
(504) Water	\$ 120,000	\$ 75,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	0%
(304) Senior Grant						\$ 20,000	
(309) USDA WWTP	\$ -	\$ -	\$ -	\$ 906	\$ -	\$ -	
(505) Solid Waste	\$ 2,500.00	\$ -	\$ -	\$ -	\$ 20,000.00	\$ 20,000.00	0%
(506) Waste Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(214) Lodgers Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00	
(507) SW Collection Center	\$ -	\$ -	\$ 10,000.00	\$ -	\$ 20,000.00	\$ 20,000.00	0%
	\$ 1,802,500	\$ 1,375,000	\$ 1,610,000	\$ 1,750,906	\$ 1,790,000	\$ 1,860,000	4%
Rev. + Transfers Total	\$ 5,271,704	\$ 5,287,032	\$ 5,041,574	\$ 5,687,337	\$ 5,354,357	\$ 5,335,317	0%

FYE 19 General Fund Expenditures



General Fund 101



- **FY18 Actual Budget**

- Salaries - \$3,237,184 (57.44%)
- Operating - \$1,706,893 (30.29%)
- Capital Outlay - \$45,556 (.81%)
- Transfer OUT - \$646,000 (11.46%)
- Transfer IN - \$1,790,000

- **FY19 Final**

- Salaries - \$3,585,632* (62.42%)
*TBD - NMSIF Dividend Credit
- Operating - \$1,624,232 (28.27%)
- Capital Outlay - \$34,000 (.59%)
- Transfer OUT - \$500,577 (8.71%)
- Transfer IN - \$1,860,000

FYE 2018

PROJECTS & EQUIPMENT

<u>Project</u>	<u>Funding Source</u>
○ Animal Shelter	Completed
○ WWTP – Phase 1	Completed
○ CDBG Sewer Rehab Project	Completed
○ Fuel Farm – Phase 2	Completed
○ Electric System NMFA App	Did not qualify
○ Rodeo Arena Phase 2 Imp.	Completed
○ Soccer Field Phase 1	Completed
○ SJOA Legislative App.	Completed
○ Broadway Sidewalk Project	Completed
○ 2017 LGRF Project	Completed
○ Swimming Pool Rehab	Completed
○ Foch Water Harvesting Project	Completed
○ IT City-Wide	Completed



FYE 2018

PROJECTS & EQUIPMENT

Project

- LEDA Grant
- Vactor Vacuum Truck
- Vector Fogging
- Electric Dept. Vehicles
- Solid Waste Vehicles
- USDA Equipment/Elec.
- Adm. Office Rehab
- Mud Mountain Racetrack Imp.
- EB Lake Minimum Pool
- 2018 Bus Route Project

Funding Source

Completed

Completed

Completed

Completed

Completed

Completed

Completed

Completed

Established

Established



FYE 2019

PROJECTS & EQUIPMENT

Project

- Sims/McAdoo Road Rehab
- Sims/McAdoo W/WW Lines
- **Law Enforcement Complex**
- WWTP – Phase 2 B
- Water System (Cook Station/Lines)
 - Loan (\$2M+ \$800k LF)
- Water System Improvements
 - Cook Station and Downtown Water Lines
- Fuel Farm – Phase 3
- **Water/Electric Meter AMI**
- Ballfield Improvements
- 2018 LGRF Project
- Art Park

Funding

SAP/Local

Local

TBD

Federal/Local

CWRLF – Pending

USDA – Pending

State/Local

TBD

Local

Local/State

Local/State



FYE 2019

PROJECTS & EQUIPMENT

Project

- Cielo Vista Electrical Project
- USDA Equipment App
- SW Collection Center Paving
- SW Side Loader Truck
- SW Transformer Replacement
- Water Well Rehab
- Electric Pole Replacement
- Public Works Dept. Yard Imp./Rel.
- NM Clean & Beautiful Grant (Parks)
- Civic Center Ground Improvements
- Veterans Wall
- T or C School Property Acquisition
- Plaza Beautification Project

Funding

Local

Federal/Local

Local

Local/Fed

Local

Local

Local

Local

State/Local

Local

State/Local

Local

Local



CITY OF TRUTH OR CONSEQUENCES DEBT AS OF MAY 1, 2018

Payable	Debt	Pymt	By	By	Shown	Shown	Gover	Propri		Cash Balance at	Debt still	Pymts	Original Debt	Current O/S
To	Identifier	Source	Check	Intercept	In Fund	In Fund	mental	etary	Why Debt Was Incurred	NMFA, If any	to be Paid	are for	Balance	Debt
												P, I, &		
NMFA	TorC 2		X		306	504		X	Water Tanks	\$ 115,200.87	\$ 114,458.99	A.F.	\$ 1,841,089.00	\$ 451,653.00
NMFA	TorC 17		X		306	504		X	Refurbish Water Tanks	\$ -	\$ 13,138.36	P & I	\$ 256,000.00	\$ 180,537.00
NMFA	TorC 18		X		306	504		X	Ground Storage Tanks	\$ 16,345.72	\$ 8,287.00	P	\$ 165,741.00	\$ 124,306.00
NMFA	TorC 22		X		306	504		X	Deliver water to end users	\$ -	\$ 3,380.26	P & A.F.	\$ 64,000.00	\$ 52,953.00
NMFA	TorC 19		X		306	504		X	Refinance 95,96 & 98 Bonds	\$ 163,479.89	\$ 74,927.58	P & I	\$ 1,424,865.00	\$ 1,127,877.00
NMED	95-16		X		306	504		X	Improvements to System	\$ -	\$ -		\$ 504,482.91	\$ 126,043.73
Totals for Funds 306 & 504										\$ 295,026.48	\$ 214,192.19		\$ 4,256,177.91	\$ 2,063,369.73
NMFA	TorC 24		X		306	506		X	Local Match to Colonias Grant	\$ -	\$ 3,846.00	P	\$ 75,000.00	\$ 65,383.00
NMFA	TorC 27		X		306	506		X	Local Match to Colonias Grant	\$ -	\$ 3,867.00	P	\$ 75,000.00	\$ 69,597.00
USDA	Rev Bond 2016		X		306	506		X	Perm Financing on Colonias	\$ -	\$ 35,160.00	P & I	\$ 910,000.00	\$ 896,000.00
Totals for Funds 306 & 506										\$ -	\$ 42,873.00		\$ 1,060,000.00	\$ 1,030,980.00
Cap one Ln # 100361263			X		507	507		X	Solid Waste Collection Ctr.	\$ -	\$ 97,182.50	P & I	\$ 1,260,000.00	\$ 870,000.00
Totals for Fund 507										\$ -	\$ 97,182.50		\$ 1,260,000.00	\$ 870,000.00
NMFA	TorC 6				302	503		X	Upgrade low voltage feeder line	\$ 252,953.77	\$ 104,421.46	P, I & A.F.	\$ 1,625,693.00	\$ 709,489.00
Totals for Funds 302 & 503										\$ 252,953.77	\$ 104,421.46		\$ 1,625,693.00	\$ 709,489.00
NMFA	TorC 8	GRT		X	403	N/A	X		Police Building	\$ 32,656.09	\$ 14,296.30	P, I, & A.F.	\$ 265,152.00	\$ 127,319.00
NMFA	TorC 13	GRT		X	403	N/A	X		Ref 1996 Imp. Bonds & Rec. Bldgs	\$ 423,311.58	\$ 158,218.76	P & I	\$ 2,838,802.00	\$ 1,784,591.00
NMFA	TorC 15	GRT		X	403	N/A	X		Steets	\$ 269,828.03	\$ 121,953.58	P & I	\$ 2,046,949.00	\$ 1,499,817.00
NMFA	TorC 21	Fire Marshal		X	403	N/A	X		Fire Pumper	\$ 22,952.63	\$ 22,687.59	P, I, & A.F.	\$ 228,113.00	\$ 164,617.00
Totals for Fund 403										\$ 748,748.33	\$ 317,156.23		\$ 5,379,016.00	\$ 3,576,344.00
Grand Totals for all debt										\$ 1,296,728.58	\$ 775,825.38		\$ 13,580,886.91	\$ 8,250,182.73

Note: Auditor did not show fund for Governmental Debt

Cash Balance at NMFA at 03-31-18 is latest available information but will increase through year end

City of Truth or Consequences



Thank you!





F1

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM:

Approve the minutes of the City Commission Regular Meeting for June 27, 2018.

BACKGROUND:

None.

STAFF RECOMMENDATION:

Approve the minutes.

SUPPORT INFORMATION:

June 27, 2018 Minutes.

**CITY COMMISSION MEETING MINUTES
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
CITY COMMISSION CHAMBERS, 405 W. 3RD St.
WEDNESDAY, JUNE 27, 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. Paul Baca, Commissioner

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

City Manager Fuentes notified the Commission that Commissioner Clark contacted him and is having car trouble and may not make the meeting. Mayor Green announced Mayor Pro-Tem Whitehead and Commissioner Clark are excused.

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

2. SILENT MEDITATION

Mayor Green called for fifteen seconds of Silent Meditation.

3. PLEDGE OF ALLEGIANCE

Mayor Green called for City Clerk Cantin to lead the Pledge of Allegiance.

4. APPROVAL OF AGENDA

Commissioner Hechler moved to approve the agenda. Commissioner Baca seconded the motion. Motion carried unanimously.

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

CITY COMMISSION JUNE 27, 2018 REGULAR MEETING MINUTES

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

Terry Vandevetter addressed the Commission related to:

- 1) Wanted to ask if the Council has any input on the roundabouts on Date Street. It looks to him like a street light would be more economical. He doesn't think the semis and a big trailer with a boat can make it through safely. His first experience with them was when he was in Waco, Texas when he was 25 years old. He grew up in the Southern part of Nebraska where there were farms and ranches. The only roundabout he had heard of is when a guy was leaving his wife in the morning, he said, "I'll be here roundabout dinner." And that was it. He had never heard of them in Las Cruces, Albuquerque, or Santa Fe and he is sure they have them. But they don't seem to solve any of their traffic problems.
- 2) How do you arrive at the place you are going to do replace or redo the streets? He lives around Marie St. and walks that street every morning. So he decided he would see what that street actually is and there are over 900 patches on that street. It looks like that would take preference over the others. They have more people on that street in one day than all of the rest of the places you are going to refix. He thinks there ought to be some consideration to fixing some of the other streets.

Audon Trujillo, 506 W. Third St, addressed the Commission related to:

- 1) He's talking to them today because someone actually talked to him about Personnel. He wants to make sure he addresses the Commission again as he did in the past. He doesn't understand why they don't have subject matter experts as part of the Personnel evaluation when selecting someone for a position. He was very fortunate in working with a Federal Government organization, when you have people who are coming up for a position. They always made sure three of the five people selecting a person were subject matter experts who knew what the position required. We do not do that in the city and we do not have the best persons hired which he suffered himself. We have only the City Manager and the head of HR who can sit on the panel and select the Department Director. The HR Director is a beautiful person, but not a subject matter expert. We also need the subject matter experts on a panel.
- 2) We also need to have a management review of what the city is going to be hiring. He would argue any department that is on the books that has not been created as ordained by the ordinances. You all are supposed to create the departments and Juan is supposed to fill those positions. He reiterated the need for a management. He used to prepare for these meetings but he doesn't do that anymore. You all don't take things to heart. He thanked them.

Stanley Rickert, 1705 Carrie St. addressed the Commission related to:

- 1) Where is the Planning & Zoning Commission? How come you haven't done anything about getting them back in order. It was back in the middle of 2013, where there was a dispute about a sign being put up in by the Charles Motel, if he's not mistaken. They sent their request to the Commission and the Commission debated it and said they weren't going to do that. And the Planning & Zoning Commission decided if they weren't going to listen to their orders, they are just going to walk off the job. They did walk off the job and

left the decisions to the City Manager. We need a Planning & Zoning where there are ordinances and ideas to see what the city should put up with in the future.

2) He is still trying to put up with some junk that is over there. He's said there is enough stuff that is sitting there. It's getting worse every day. The number of boats and trailers, unfit housing that needs to be demolished. These houseboats are all oversized, out of hope, nonworking, and haven't been worked on and you should see the amount of trash that goes in every day. It's been inspected.

3) He's trying to figure out what's going on with the Commission. You don't take things to heart, you go on about your own business picking things that you take care of. Eventually the people are going to get smart and are going to hope they get their act together and gets things taken care of. He may be a peon, but there are a lot more of them in this town. It's the irresponsibility coming from you guys and that's sad. He hopes they get their act together and try to work things out and get things accomplished and ordinances that need to be challenged or at least followed to have an idea of what the city can expect for the future. He is still trying to get rid of that junk next to him, it's getting worse every day. There are a bunch of boats and trailers or another half dilapidated unfit housing that are oversized and out of shape and haven't been worked on since the last time Planner/GIS Tech Diller was over there with Ray Chavez to inspect things. That's been over three months ago. He's just trying to figure out what's going on with this Commission. It seems like you don't care like Mr. Trujillo said. You don't care and just push things aside to things you think is important. He may be just a little peon, but there are a lot of peons like him in this town and eventually they are going to get smart and get rid of you fools. There is just irresponsibility' coming from you folks that you don't take care of. That's what's sad. He hopes they get their act together and try to work things out and get things accomplished. It's time to just adjust what you have taken care of and look forward to the future. He appreciates their time, and have a good day.

D. RESPONSE TO PUBLIC COMMENTS

Commissioner Hechler responded to Mr. Trujillo, they just recently conducted interviews for Police Chief and three of the people had extensive police experience. So he was happy in that regard. He's not saying they have done it all the way through yet and he thinks he made some valid points and they will keep on trying to do that. And to Mr. Rickert, this is not your personal Commission. They send their professionals out there to look at the property and they rely on them to come back to them and give them the information they need to act. He feels comfortable with the information they have provided and until they hear differently from them, that's how he's going to deal with it and vote on it.

Commissioner Baca responded to Mr. Rickert. He lives in the area of Rodeo Road and basically where Mr. Rickert lives. He's not sure which property he is talking about. Is it the one North of him or the one next to him that is a junkyard? He doesn't see him saying anything about that gentleman. Mr. Rickert mentioned he cleaned his place up. Commissioner Baca said nothing has happened in three months. He is just curious why he says it's just the one, and not the other.

Mayor Green responded on the P & Z Board. We had a full active board and because of some of the actions from the citizens, who forgot these are volunteers. These next door neighbors would nail these people constantly. And one by one, to no one's surprise, they resigned. Why should they have to take that garbage when they are volunteering to serve this city and make it better. And to that point, Mr. Rickert, there are five positions open. We have been advertising that and it's on the board at City Hall and not one person has applied. Is this Commission infallible, of course not. But they are certainly doing their best to serve this community. It's a partnership between the citizens and the government. He doesn't necessarily see the citizens understanding that, as he claims the Commission doesn't understand his point.

Mayor Green then responded to Mr. Vandevetter about the roundabouts. This is an Interstate Bypass Loop that we do not own or control. Originally they did a traffic light study and at that particular point it did not justify the amount of traffic and didn't warrant a traffic light. However, they did offer the option if we could make it a four way intersection and take Smith Street and reroute it through the Moose where their RV Park is located. Then they would consider a four way traffic light. They would have to do the same research and traffic study, and it would cost \$2 million on the City's money. So that's the dilemma we are in, and it's their dance and their road. They had a meeting last week at the High School which gave the Citizens and opportunity to express their concerns. It's all about safety and its Federal dollars that have certain regulations they have to follow. But it's a work in progress. They did show pictures of a 53' tractor/trailer going around a roundabout and it seemed not to have a problem. If they need more room, there should be a structure the can use for more room. In three years they had something like 31 accidents at that corner. Fortunately, none of them have been fatal.

E. PRESENTATIONS

1. Presentation for the review of the Infrastructure Capital Improvement Plan (ICIP) for 2020-2024. Traci Burnette, Grant/Projects Coordinator

Grant/Projects Coordinator Burnette said she attended the training for this year's ICIP and will show some of the changes for this year. This is a presentation only and no action is required at this time. They will bring it to another meeting for a public hearing and action. The projects now cannot extend more than sixteen months from the date the money is allocated to the date all of the money is spent. It will establish our priorities, shows critical needs projects, and increases funding opportunities. She explained how the ICIP is used by Legislators, the Governor, and funding agencies. The projects can be split up to request Planning Funds for the first year; Design Funds for the second year; and Construction Funds for the third year. The costs they submit are estimates. She does reach out to some other Engineers to help with the estimates. They stress regionalization just like a quick project. As far as the process, one thing is Citizen Participation; we identify projects for capacity and meet with Department Heads. Some of the funding sources has funded some of the recent ICIP projects such as: Animal Shelter, Electric Feeder upgrades; Veterans Wall; Wastewater Treatment Plant upgrades; Airport Fuel Farm; Electrical Pole Replacement; Sims Road rehab Broadway Sidewalk Project; and Manhole rehab. This year she is asking the Commission and the

public to review the current list at the projects that are on there. They would like the lists to be smaller, so we need to look at any project we need remove or to add.

City Manager Fuentes wanted to emphasize what the state is requesting. They do not want a long wish list, they want the shorter list with projects that are ready to proceed with. If we put a project that's ready to go and we decide to invest a piece, we can get a bigger part of the funding.

Mayor Green asked if she got a sense they would be amenable for funding a project that's already started. Grants Projects Coordinator Burnette responded they tend to like the projects that can be finished. Currently our water line replacement only specifies the downtown water lines. So to seek funding outside of that area, we would need another PER to do that. If we spent that money to get it done, we would have a better chance of getting the bigger projects done.

F. CONSENT CALENDAR

1. City Commission Special Budget Workshop Minutes, May 3, 2018
2. City Commission Regular Minutes, May 23, 2018
3. Impact Fee Board Minutes, May 21, 2018
4. Public Utility Advisory Board Minutes, May 21, 2018
5. Authorization to re-invest balance amounts of maturing certificates of deposits for the R&R Sewer, R&R Water and Pledge State Accounts.
6. Contracts with Lee Deschamps and Steven Sage for Public Defender Services for indigent defendants.

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

G. ORDINANCES, RESOLUTION, & ZONING

1. Discussion/Action: Resolution No. 38 2017/2018 declaring surplus property for the July 28, 2018 public auction. Renee Cantin, City Clerk

City Clerk Cantin presented the information on the Commission Action Form. She said a special thank you to the Electric Department and Police Department who went all out to get it done. She knows the Mayor had a question about recycling the computer equipment and she contacted Sanitation Director Alvarez who said at this point with the recycling costs down the way it is and with the work involved in taking the cords out and going for the higher bidder, it would be much easier and cost effective to just put it in the auction.

Commissioner Hechler moved to approve Resolution No. 38 2017/2018 declaring surplus property for the July 28, 2018 public auction. Commissioner Baca seconded the motion. Roll call vote was taken by the Clerk-Treasurer. Motion carried unanimously.

2. Discussion/Action: Resolution No. 39 2017/2018 Final Budget Adjustment. Melissa Torres, Finance Director

Finance Director Torres read each of the changes that are being requested on this budget adjustment which are included in the agenda packet. She read the comments received on any of the numbers for the adjustment.

City Manager Fuentes wanted to clarify they took some money when a department did not have enough for their expenses. For the new fiscal year if a department is over in their budget, that Department Head will be asked to come and present the request. That way we can recognize the departments who stay within their department.

Commissioner Hechler asked if we still have a balanced budget with all of these changes. City Manager Fuentes responded they still don't know at this point until the end of the fiscal year. Because of the way our budget is structured, it's critical to stay within budget as much as we can. Commissioner Hechler explained that having worked with State budgets before, there is no way you can predict what every department is going to use every year. Sometimes you would have one Park that would be way under the budget and you would have to transfer the money from that Park to another Park. He feels if City Manager wants to bring it in front of the Commission they can, and perhaps they should be aware of it. But he doesn't think it's totally necessary as long as we stay within a balance budget which is the most important thing. City Manager Fuentes responded for example in the Public Works Department, because they have multiple budgets, there is that flexibility. But when it's two different departments he can't just take it from one to put it in another because they may still need those resources. That's why towards the end of the fiscal year that's part of their goal. They will have more discussion about this during the final but this is when it's critical to stay within their budget. When it's in a deficit from the start, we have to work as hard as we can throughout the year to make sure we have the available ending cash balance. That's why he would feel more comfortable in bringing those to the Commission, because they've done it in the past, and it helps them stay within their budget as well as recognizes those who do stay within their budget.

Commissioner Baca asked City Manager Fuentes if he will keep them posted. City Manager Fuentes said that's right and they will can an eye on internal control.

Commissioner Hechler moved to approve Resolution No. 39 2017/2018 Final Budget Adjustment. Commissioner Baca seconded the motion. Roll call vote was taken by the Clerk-Treasurer. Motion carried unanimously.

Mayor Green said it's not an easy task to keep track of it all. He thanked them.

H. NEW BUSINESS

1. Discussion/Action: Award RFP: 18-19-001 for Airport Engineering Services.
Pat Wood, CPO

Central Purchasing Officer Wood reported we received three proposals. The Selection Committee evaluated the proposals and are making the recommendation to award it to Armstrong Consultants.

Commissioner Hechler moved to approve Award RFP: 18-19-001 for Airport Engineering Services to Armstrong Consultants. Commissioner Baca seconded the motion. Motion carried unanimously.

Tim Archebeque, Director of Aviation Services for Armstrong introduced himself and Laura Van Egree and they are anxious to get started on it and they think the city will be pleased with the project.

2. Discussion/Update: Proposed terms for Verizon tower on water tank.
Susanna Diller, GIS/Planning Tech

Planner/GIS Tech Diller started with a point of clarification for the water tank they are referring to is the painted one on tank hill behind the museum. Verizon sent some terms they would like to propose, the Commission is not taking a vote on it, but she would like some authorization to proceed. They do not want to go through the Special Use Permit process, go through the work of sending the lease or anything, if you looked at it and thought it was absolutely ridiculous. They are basically asking for the initial annual rent of \$1,000 a month with an escalator of 2% and they are looking at a 25 year contract where they would have the option to opt out at every five year point. So if that looks like a reasonable threading point to the Commission, she can let them know they could move forward with the Special Use Permit for legal review. You are not agreeing to anything yet, this is just a reasonable starting point.

Mayor Green asked if it's a single tower. Planner/GIS Tech Diller responded this is what they were talking about doing the single panels on the tower. They would be against the top of the tower and painted to match the existing design to have as minimal visual impact and a small ground area. This is not a tower. Mayor Green said in case they are asked how far it will stick up above the line of the water? Planner/GIS Tech Diller said the last discussion they had it would not be any taller than the water tank itself.

City Manager Fuentes added the initial request is just the terms. The height and color will be discussed during the Special Use process. Who knows we might have 50% of the residents come out and say they don't want it. But the public will have an opportunity to do that. Part of the reason it has taken so long is they were trying to reach out to AT&T to give them an opportunity and they never responded. So we are ready to proceed with Verizon.

Commissioner Hechler moved to approve starting the process of negotiations with Verizon to present to us the project of putting the antennas on the water tank as presented by Planner/GIS Tech Diller. Commissioner Baca seconded the motion. Motion carried unanimously.

3. Discussion/Action: Lodger's Tax reimbursement request - Chamber of Commerce. Hans Townsend, President

Hans Townsend presented that it's a little embarrassing that he failed to claim the \$500 reimbursement request on the Friday it was due. He has no excuses for it, but he is asking them to consider his request for the Chamber.

Commissioner Hechler said at some point we are going to have to take a stance with these requests who are late. Because it does take peoples time and causes some issues. City Attorney Rubin said we might also want to take a look at the guidelines to make sure they are not conflicting.

Mayor Green agreed they are compassionate. However, if you are late with a mortgage payment, they don't come in necessarily come in and take your home. But they do penalize you. You just accumulate penalties. He referred to the guidelines where it says if you miss the deadline, you would not get paid. Yet there is another section that says if you mess up you can come before the Commission and ask for forgiveness. So there's mixed messages we are sending out under Lodger's tax and Subrecipient Grants. We don't want to be hard hearted but it's no fun playing King Solomon. He would like to see staff work with the Lodger's Tax Board to come up with something that takes the pressure off of the city. They appreciate what these organizations do for us and for the community. And if we had to foot the bill ourselves we could not. But it's free money and they are not asking them to run a mile, just to follow the rules and regulations. He would like the same language for the Lodger's Tax and for the Subrecipient Grants so there is no more confusion and they don't have to spend their time doing more important things, and it will free up staff as well. City Clerk Cantin said she will make sure it's on the next Lodger's Tax Board Agenda. Commissioner Hechler suggested that a percentage of it could be lost over time and the longer it's been neglected the more the percentage could be.

City Manager Fuentes asked if we can put in the agreement a legal clause that they cannot come before the Commission and if they are late, they would lose the funding. There is a section that says you could be eligible for a 50% reduction. They are not asking for the entire amount, they are just asking the applicants to follow the direction so there is no conflict. City Attorney Rubin agreed if there was a contract everyone agreed to, it could be added. City Manager Fuentes said they will take those suggestions to the Lodger's Tax Board and if the application can be reviewed.

Commissioner Hechler moved to approve the request for reimbursement for up to \$500. Mayor Green seconded the motion. Motion carried unanimously.

Mr. Townsend added that when they say it's Free Money, it's not necessarily that, they do put their own money in. In this case there was \$700 they did pay towards the bill. .

Commissioner Hechler thanked him for his service to our community. He thinks it's important.

4. Discussion/Action: Lodger's Tax reimbursement request – NMSRDA/Sierra Twirlers of T or C. Joseph Solis, Requestor

CITY COMMISSION JUNE 27, 2018 REGULAR MEETING MINUTES

Mr. Solis came to request an extension and reimbursement. He read the letter that was attached to the agenda packet with their explanation. They did not need the email funding because they were able to partner with Arizona areas by advertising their dances and they agreed to advertise ours. He explained the amendments they are requesting at this time.

Mayor Green wanted to clarify that they can use the funding for materials. We are obviously in good hands.

Commissioner Hechler moved to approve the request as presented in the amount of \$926.85. Commissioner Baca seconded the motion.

Mayor Green wanted to thank them for putting on the event. It really worked out well and he thinks we may have the pleasure of holding this event. The economic impact is awesome. He thanked them again for all of their efforts.

Motion carried unanimously.

J. REPORTS

a. City Manager

- 1) Attended the Municipal League Policy committees and they will be adding a Resolution for the rooms that are required to be eligible for Short Term Rentals to pay Lodger's Tax.

b. City Attorney

None.

c. City Commission

Commissioner Hechler reported on the ESRA event at the Space Center. He was trying to get some SWAG from them and got a Hat from the Swiss Team because he promised to present it to the Mayor. He then presented it and the Mayor put it on and would like to send them a thank you picture.

Commissioner Baca was curious about the North Lift Station and when that's going to be fixed. City Manager Fuentes responded the funding is now in place, but we have to wait for the project to begin so we don't spend our own money. Commissioner Baca asked if the city obtained the Buckhorn property. City Manager Fuentes confirmed.

Mayor Green reported on the T or C Brewery. He heard something on KRWG where they were talking about how to revitalize downtowns, and before you know it, they were talking about T or C Brewing Company. And the next day we got a request for a tour.

K. EXECUTIVE SESSION

1. Threatened or Pending Litigation (City vs. McGeachy) *Pursuant to 10-15-1(H.7)*

CITY COMMISSION JUNE 27, 2018 REGULAR MEETING MINUTES

Commissioner Hechler moved to approve going into executive session at 10:21 a.m. to discuss Threatened or Pending Litigation (City vs. McGeachy) *Pursuant to 10-15-1(H.7)*. Commissioner Baca seconded the motion. Roll call vote was taken by the Clerk-Treasurer. Motion carried unanimously.

Mayor Green said before we do, he would like to thank Commissioner Hechler for promoting the community at the Spaceport and his work.

Mayor Green reconvened the meeting in open session at 10:50 p.m.

Commissioner Hechler certified that only matters pertaining to Threatened or Pending Litigation (City vs. McGeachy) *Pursuant to 10-15-1(H.7)* was discussed in Executive Session and no action was taken.

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

Commissioner Hechler moved to approve to authorize staff to proceed as discussed. Commissioner Baca seconded the motion. Motion carried unanimously.

M. ADJOURNMENT

The meeting was adjourn at 10:51 a.m.

Passed and Approved this ____ day of _____, 2018.

Steven Green, Mayor

ATTEST:

Reneé L. Cantin, CMC, City Clerk



F.2

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM:

Approve the minutes of the Impact Fee Board Meeting for June 18, 2018.

BACKGROUND:

None.

STAFF RECOMMENDATION:

Approve the minutes.

SUPPORT INFORMATION:

June 18, 2018 Minutes.

**CITY OF TRUTH OR CONSEQUENCES
IMPACT FEE ADVISORY BOARD
MONDAY, JUNE 18, 2018**

REGULAR MEETING

MINUTES

Regular meeting of the Impact Fee Advisory Board of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Monday, June 18, 2018 at 4:30 P.M.

INTRODUCTION:

ROLL CALL:

George Szigeti, Chairman
Jeff Dornbusch, Vice-Chairman
Ron Pacourek, Member
Gil Avelar, Member
Randy Ashbaugh, Member – Arrived at 4:39 p.m.

Absent:

Sid Bryan, Member

Also Present:

Juan Fuentes, City Manager
Molzen Corbin
Traci Burnette, Grant/Projects Coordinator
Susanna Diller, Planner/GIS Tech.
Renee Cantin, City Clerk

APPROVAL OF AGENDA:

Vice Chairman Dornbusch moved approval of the agenda.

Member Avelar seconded the motion. Motion carried unanimously.

APPROVAL OF MINUTES:

Regular Meeting of Monday, May 21, 2018.

Member Pacourek said he didn't see in the minutes where they discussed the parameters they would be using on their study with the 0.75% for growth rate and 1 ½ baths per house.

Vice-Chairman Dornbusch moved approval of the Monday, May 21, 2018 minutes as amended.

Member Pacourek seconded the motion. Motion carried unanimously.

COMMENTS FROM THE PUBLIC:

There were no comments from the public.

NEW BUSINESS:

Discussion/Update: Update of Impact Fee Study for the City of Truth or Consequences – Molzen Corbin:

John Montoya, Molzen Corbin reported the following:

- Calculation of baths per household – Mr. Montoya explained how they figure the number of fixture units per home.
- The cemetery is built into the city's ICIP for a water line extension, however that is going to come out of the total.
- They recommend 2 baths per household.
- The current Impact Fee is \$150 per fixture unit, which buys about 1.75 million dollars' worth of improvements, with the growth rate, they're figuring that would be about 1200 people in that time period. The way we listed them now, is about 5.6 million dollars' worth of improvements, and that includes treatment production and water production.
- They are going to have all the costs developed, and look at a few areas in town to see if they can trim some costs down, but as of right now they're looking at and it will probably get close to \$500 per fixture unit.
- They planned on using another tank while looking at the pressure zones, but they decided to take that out because it turns out that the city has something they can use to utilize with the middle pressure zone as well as the existing infrastructure.

Grant/Projects Coordinator Burnette asked if the board could possibly have a brief discussion and come to a determination on the bathrooms tonight. It's much easier than trying to get everybody's answers via email.

Vice-Chairman Dornbusch asked if they bring it up to 2 baths per household would it give them roughly 20%.

Mr. Montoya responded a fixture unit for ½ bath is about 16%, so yes you're saving about 20%.

Chairman Szigeti said it would drop the fee by about 20%.

Chairman Szigeti noted that he doesn't have any problem with using the 2 bathroom home instead of the 1 ½ bathroom.

Member Pacourek said 1 ¾ bathrooms makes more sense to him for a family of 4.

Member Ashbaugh said we cannot afford a \$500 fee per fixture unit. An impact fee is for growth, and we have no growth.

Member Pacourek said but the study has to be done by law.

Member Ashbaugh replied the study doesn't have to be done if you do not have impact fees.

Chairman Szigeti stated that this is something we need to do and if the board concludes after the study that we should not have impact fees that would be the outcome of the study. You have to find a way to pay of these improvements and if the city has to go out and borrow money to do that, that's going to impact everybody so we want to put some of that burden on the new construction. If you put it all on the new construction, that makes high impact fees which discourages development. So you want to use numbers that will give you a lower impact fee to encourage development. He feels it's a good idea to go with the 2 Baths, and asked if there were any objections.

Member Ashbaugh said he will abstain completely from this decision.

The board, minus Member Ashbaugh, agreed with the 2 units per household.

Member Pacourek asked when they think they will be finished with this.

Mr. Montoya said they will have a draft next time they come, and they would like to wrap it up in August.

COMMENTS FROM THE BOARD:

Member Ashbaugh asked the City Manager to provide a copy of the statute that makes it legal for the city to have a Utility Impact Fee Board.

City Manager responded, as you are all aware, we are in litigation with Mr. Ashbaugh and his company, and he will refer Mr. Ashbaugh's question our legal counsel, but he will not make any commitments at this time.

COMMENTS FROM STAFF:

There were no additional comments from staff.

ADJOURNMENT:

There being no further business to come before the Impact Fee Advisory Board, George Szigeti, Chairman, declared the meeting adjourned at 4:55 p.m.

PASSED AND APPROVED this 16th day of July, 2018.



George Szigeti, Chairman
Impact Fee Advisory Board



F.3

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM:

Approve the minutes of the Public Utility Advisory Board Meeting for June 18, 2018.

BACKGROUND:

None.

STAFF RECOMMENDATION:

Approve the minutes.

SUPPORT INFORMATION:

June 18, 2018 Minutes.

**CITY OF TRUTH OR CONSEQUENCES
PUBLIC UTILITY ADVISORY BOARD
MINUTES
MONDAY, JUNE 18, 2018**

REGULAR MEETING

Regular meeting of the Public Utility Advisory Board of the City of Truth or Consequences, New Mexico is to be held in the City Commission Chambers, 405 W. 3rd Street, immediately following the Impact Fee Board Meeting on Monday, June 18, 2018 at 5:05 p.m.

INTRODUCTION:

ROLL CALL:

George Szigeti, Chairman
Jeff Dornbusch, Vice-Chairman
Ron Pacourek, Member
Gil Avelar, Member
Randy Ashbaugh, Member

ALSO PRESENT:

Juan Fuentes, City Manager
Renee Cantin, City Clerk
Traci Burnette, Grant/Projects Coordinator
Kristin Weddle, Sanitation Department Administrative Assistant
Priscilla Fuentes, Electric Division Administrative Assistant
Jesus Navarro, Waste Water Treatment Plant

APPROVAL OF AGENDA:

Chairman Szigeti called for approval of the agenda.

Vice-Chairman Dornbusch moved to approve the agenda. Member Pacourek seconded the motion. Motion carried unanimously.

APPROVAL OF MINUTES:

Regular meeting of Monday, May 21, 2018

Vice-Chairman Dornbusch moved to approve the minutes. Member Avelar seconded the motion. Motion carried unanimously.

COMMENTS FROM THE PUBLIC:

There were no comments from the public.

RESPONSE TO COMMENTS FROM THE PUBLIC:

There was no response to public comment.

Discussion/Update: Sanitation Department – Sanitation Director Andy Alvarez:

Kristen Weddle, Sanitation Department Administrative Assistant reported the following:

- They recently purchased a new truck.
- They currently have three vacancies in their department.
- They are wrapping things up for the end of the fiscal year.
- They have a side loader trash truck in Albuquerque for repairs. They were initially quoted \$4,800 for the repair, however the quote changed to \$12,216 because they found flakes of metal in the fuel system, so the entire fuel system will have to be replaced.

Discussion/Update: Water/Wastewater Department - Water/Wastewater Director Jesus Salayandia:

City Manager Fuentes announced that Water & WW Director Salayandia is out sick.

Grant/Projects Coordinator Burnette reported the following:

- Phase 1 of the Wastewater Treatment Plant Project – They are going to do their final walk through, sign off on that, and do the final closeout with USDA.
- Phase 2a of the Wastewater Treatment Plant Project – That part of the project is moving along, and she has not heard of any major issues or concerns.
- Phase 2b of the Wastewater Treatment Plant Project – Is currently at USDA for review. Once they approve the final plans for review, we will go out to bid for contractors for that phase.
- They will be meeting with USDA for the water application.
- They received the Drinking Water, State Revolving Loan, Fund letter for the 2.9 million dollar project. They are going to see if they can pull USDA into funding the Cook Street portion, as well as everything listed in our Preliminary Engineering Report which is the downtown water lines.

Jesus Navarro, Water/Waste Water Department, reported the following:

- Back up Station on Mims Street– They ordered the module and it should be here on Wednesday.
- Water Wells:
 - a. They videotaped Well # 4, Well #8, as well as the River Wells.
 - b. They will have to replace a column pipe for Well #4 and the casing will need to be replaced as well.
 - c. Well #8 – Had found lot of iron built up in the well, so they are going to scrub it, acidize it, and see if they can put a submersible pump on the turbine. That project will cost approximately \$60,000.
 - d. Well #7 – Is in the phase of getting replaced.

City Manager Fuentes reported the following:

- Smith Co. recently replaced the sewer line by the Utility Office. They took off a section of the line because it tied into a PVC pipe, so they replaced the entire line with PVC and now the streets crew can go and put in the curb and sidewalk.
- He thanked Vice Chairman Dornbusch for his questions about Well #7 and stated that those are good questions that need to be brought up.
- He wanted to give Mr. Ashbaugh the opportunity to ask the questions he brought up to the City Commission.

Member Ashbaugh asked how many pumps are working on the Mims addition and what the modules are for.

Jesus Navarro responded that they have both pumps on right now, but the problem is that they are old. They just replaced one, serviced it, and ordered the other module (which is an air compressor) so they can maybe get the other one to work more efficiently.

Member Ashbaugh asked when Well #7 will be back in service and what the cost is on that. He also asked what the % of water is that they keep in the tank.

Mr. Navarro responded that they are expecting them to come in sometime next week. The pump and column pipe need to be replaced and he doesn't have the cost information at this time. And as for the water level, they try to keep the tank about $\frac{3}{4}$ of a tank full. The tank is down about $\frac{1}{3}$ right now, and that is due to the wells.

Member Ashbaugh asked about the replacement of the sewer line downtown.

City Manager Fuentes responded that should be finished today. He explained the project for all of the downtown lines which is being tested by Wilson & Co.

Member Pacourek asked when the water drainage downtown will be addressed.

City Manager Fuentes responded that they are not addressing the storm drainage issues. They are only addressing the water & sewer lines.

Member Ashbaugh asked what entities drain into the line that broke.

City Manager Fuentes believes it was just Sierra Grande.

City Manager Fuentes gave an update on personnel. They are publishing the Water/Wastewater Director's Position, and they have some other vacant positions. They had three or four applicants and none of them showed up for the interviews. They have to start looking at increasing revenue to be able to raise the salaries.

Member Ashbaugh said there is a leak on Cherry Lane that has been running for weeks and wanted to know when it's going to be fixed.

Mr. Navarro replied that there are a bunch of leaks around town. They are taking them as the calls come in.

Member Ashbaugh doesn't email, but he did call in the leak from the County Fair Barn that was running down Broadway.

City Manager Fuentes stated that we might have to contract some of these projects out like we did with the sewer line, because we are short staffed.

Vice-Chairman Dornbusch asked if the tanks are on the SCADA System.

Mr. Navarro said they are not on the system right now.

Chairman Szigeti said we also need to think about some water conservation measures.

City Manager Fuentes said the goal was to do the same as Waste Water, with the USDA Funding for the system upgrades including the wells.

Member Pacourek asked what was going on at 702 or 706 Riverside.

Mr. Navarro said that had to do with the Mims Station.

Discussion/Update: Electric Department – Electric Division Director Bo Easley:

Electric Division Admin. Assistant Priscilla Fuentes reported the following:

- High School Fitness Center – The project is moving along smoothly.
- The Cielo Vista Subdivision – On June 12th they had a pre-construction meeting with Bixby Electric and so far the project is going well.
- Substation Battery Replacement – They received some quotes and the contract will be with HEI out of Albuquerque. We will move forward with that project in July. The money for that has been put in the budget for next year.
- Mud Mountain – They are working on getting quotes to replace the antenna.
- Pole Replacements – The Electric crew replaced the two poles by the substation, as well as the pole by Barton and Pershing. They are also replacing other various poles around town.

COMMENTS FROM THE BOARD:

Member Ashbaugh made the remark that it's bothersome to see water running down the street for a long time when we are down to three wells. It would be nice if some of the other board members would cruise around the subdivisions to see what he is talking about. One of the main reasons he got on this board was so he can see how we can get infrastructure going. He thinks there are other means we can look at, and down the road he will bring some ideas to the board.

Member Avelar stated that he has been cruising these streets for about 30 years and to him it doesn't look any different than any other summer that he's been here. We are already down 3 guys in the Water Department and when you're shorthanded, you are always going to be behind the "8 ball". Hopefully we will be able to hire some people, but until that happens it's going to be how it's always been.

Member Ashbaugh stated that he is not saying anything about our city workers. He know that they have their hands full.

COMMENTS FROM STAFF:

There were no additional comments from staff.

ADJOURNMENT:

There being no further business to come before the Public Utility Advisory Board, George Szigeti, Chairman, declared the meeting adjourned at 5:40 p.m.

PASSED AND APPROVED this 16th day of July, 2018.



George Szigeti, Chairman
Public Utility Advisory Board



F-4

CITY OF TRUTH OR CONSEQUENCES COMMISSION ACTION FORM

ITEM:

Public Arts Advisory Board Minutes for April 17, 2018 & May 15, 2018

BACKGROUND:

April 17, 2018 and May 15, 2018 minutes were reviewed and approved July 17, 2018 by the Public Arts Advisory Board. Approval of April 17, 2018 minutes were tabled until the July 17, 2018 meeting as there was some confusion as to whether a motion was mentioned and passed. I highlighted the section that reflects the motion as well as approval of the motion and forwarded to the Board for review and approval.

STAFF RECOMMENDATION:

For Commission Approval

SUPPORT INFORMATION:

April 17, 2018 & May 15, 2018 Minutes

PUBLIC ARTS ADVISORY BOARD MEETING

April 17, 2018

MINUTES

TIME & PLACE:

The Public Arts Advisory Board of the City of Truth or Consequences, New Mexico met in the conference room in the Commission Chambers at 425 W. 4th St., Truth or Consequences, New Mexico on Tuesday, April 17, 2018 at 4:00 P.M.

PRESIDING OFFICER:

The meeting was called to order at 4:00 PM by Sid Bryan.

ATTENDANCE:

Sid Bryan, Tourism
Cary "Jagger" Gustin, Sierra Arts Council
Andy Underwood, Business Community
Eduardo Alicea, Art Representative

Other Staff Present: Kristin Saavedra, Executive Assistant

Visitors Present: Mark Bleth, City Airport Manager, Traci Burnette, City Grant/Project Coordinator, John Masterson, President of Mainstreet, and Linda DeMarino, Executive Director.

Note: Juan Fuentes, City Manager, was absent as he was out of town at a meeting

QUORUM: There being a quorum present, the Board proceeded with the meeting.

APPROVAL OF MINUTES:

A motion to approve the minutes of the March 30, 2018 meeting was made by Sid Bryan, seconded by Andy Underwood, and it carried.

* Kristin apologized as the recording system stopped working for a bit. Kristin took some notes while continuing to work on the recording system.

COMMENTS FROM THE PUBLIC:

Sid asked for comments from the public:

Mark introduced himself and asked the Public Arts Agenda Board if they could commission an artist to paint a wraparound mural on the terminal. Deadline is sometime in June. At 4:09 pm, Kristin notified the board and public that she was able to get the recording system working. Airport does have the paint and materials. Can get the materials in advance, they do have a sketch of what they want; they just need to get the materials. They have \$10,000, the state's moving to a \$20,000 bi-annual grant, next

FY they will be able to apply for \$20,000, but won't be able to apply the next year since it is changing to every 2 years. Jagger asked if the painters could paint on the material that is on the building or if it would have to be resurfaced, Mark suggested they would need to speak to the painters in regards to that. Discussed the placing of the mural on the terminal, the size, which side would make the most impact, and which side can be seen from the air or driving. Andy asked if Mark knew how much it would cost to do the painting, Mark stated that he didn't and Mark can't pay for the service with the maintenance grant, but can supply materials. Andy asked if Mark is asking for any action today or if the council could sit on it. Mark stated he doesn't need a decision today just asked them to put out some feelers for someone who could paint a 40ft mural.

CHANGE OF MEETING LOCATION:

Sid asked Kristin if Juan had a suggestion for this. Kristin stated that we would like to keep meetings on Tuesdays at 4pm since the Monday meetings conflict with the Impact Fee and Public Utility Advisory Board meeting. Sid asked for feeding back from public and the board. All agreed to move meetings to Tuesdays.

Andy made a motion to meet on Tuesday at 4pm, Jagger asked if it was the 2nd Tuesday, Kristin said no it would be the 3rd Tuesday of the month, Eduardo seconded and it carried.

DISCUSSION/RECCOMENDATION ON ART PARK:

Sid called Linda DeMarino to the podium.

Introduced herself and stated why she was here. Discussed that Sabina Munoz, who was hired by Mainstreet to do the Art Park Conceptual design and plans, had subcontracted with other companies. She is more of a landscape designer who has other contractors that work underneath her, got a gentlemen from Las Cruces, also a landscape architect, to look at the site, after that he informed Sabina that she had severely underbid the project. Being that she is from El Paso, she wasn't aware of just how different the regulations are for NM as compared to Texas including the expenses. Sabina informed Mainstreet that she will not be able to do the project but submitted a conceptual idea, which Linda handed out to the board. Linda stated that it is just an idea.

The concern right now is the Clean and Beautiful grant which needs to be expended rather quickly and how to move forward with that. Meeting yesterday which included Juan, Traci Burnette, John Masterson, Linda DeMarino, and Andy Underwood, which Linda invited because he had some ideas. Linda then had John Masterson come and explain.

John Masterson introduced himself and stated when he joined Mainstreet he quickly became aware that the Art Park has been a source of frustration for some community members and public officials and came in to it in the spirit of trying to get up to speed. He stated he will try to faithfully, from his perspective, update the board on what the options seem to be from his perspective that were discussed in the meeting yesterday and invited Traci and Andy to remind him of any items missed.

He explained that the concept has the benefit of being a complete vision in terms of conceptual design. On the downside, they have no idea how much it will cost or any technical plans. Assumes it will be about a month's long process to acquire the technical plans. Thinks Andy said yesterday that there is not enough technical information in the conceptual design to even do the site preparation. There would be a whole planning process that they would need to be engaged in addition to finding a new sort of general contractor to head up the whole project. They also learned yesterday that the City has essentially no budget for this and the budget for the Art Park is unknown and that there are some funds that have been allocated, a small amount of money that would not get them very far.

The Clean and Beautiful grant would be helpful, some \$16,000 that could be used for things that have been specifically defined. Andy helpfully came to them with a sort of minimalist approach with an actual price tag, while the Sabina approach was lovely or perhaps extravagant or maybe just complete. Andy brought them a specific number, John thinks it was around \$140,000. It would be mostly concrete with an interesting labyrinth and that these labyrinths are tourist destinations. As the pro, would be much more affordable budget wise but still have an \$80,000 fundraising hole to fill in order to move forward on Andy's plan, John stated that Andy did say that this may not be "the" plan, just one way to go, here's what I would charge for it, you should put it up to bid. Cons are short fall of 10's of thousands of dollars and of course the further delay for the sculpture that has been commissioned to be placed which he has come to understand is a source of frustration with some people.

Near the end of the meeting at Juan's encouragement looked at what if we could do the thing that is most possible with the budget they actually have. Downside is most of site remains a vacant lot. Vision is a mini park or a "parklette," near the sidewalk, dimensions of a kitchen or a living room, a smaller space. There's been some effort towards public safety because there are ledges and rocks. Some funds to be allocated to put up railing or other safety support. The upside is City/Public Works people could start now, there would be action. Juan wants to see things move and this has the benefit of action

Funds required to do this "parklette" are allocated to best of understanding so it works within that budget. Utilizes the Clean and Beautiful grant which is good because his understanding, if you don't use money that has been granted to you, that you're downgraded next time you come back for that grant. They want to use that money. It would put art on MainStreet because reed rocket installation would be present on MainStreet sooner rather than later, it leaves open future possibilities, we could raise \$100,000 or \$200,000 or the City could get a grant or something next year or this fall or something, then the rest of the site could perhaps be developed into a more complete vision of an art park. That might require that the reed rocket gets moved to comply with the new vision. Final benefit to mini park would be completes the commitment to the artist. Commissioned the piece and can now we get it out of Jeff Barbour's storage.

Those are the three paths before the community and this committee and to recap: either find a different general contractor/landscape architect/coalition to pursue a more complete vision that utilizes the entire space; we shrink that vision in terms of

complexity and work with the rocks and boulders and everything that's there to pursue a more minimalist design that Andy provided an example of a sketch of; final is option of a mini park with existing known money. That's what I know.

Sid thanked John and asked if anyone else wanted to speak before they discussed it. Andy Underwood explained that he thinks we should give the MainStreet bunch a vote of confidence to go ahead and use the grant money as best we can, get the reed rocket paid and installed. Try and get the site prep done as part of the Clean and Beautiful grant and use that money as best we can. Some discussion yesterday that if we were making progress or a motion in using that grant money than we may be able to reallocate some of it; seems like it was a little heavy on the architect funding. Possibly think about moving some money, there was some talk that it might be able to be moved. If we're going to spend \$16,000, no longer need to have \$8000 going to architect. If we spent more money on site prep, the next time an architect is brought in, might be able to conceptualize a real plan if some things were exposed. We need to use the grant money so we don't lose that ability. As Art Board, we should just say we would like the grant money used before July, used on site prep, try to move some money if we can from architect to site prep. A few more things, shrubs (inaudible), he thinks they have some money they can spend on shrubs and plants. I think we should try and use it.

Jagger asked Traci if that grant, can the scope be changed to fit?

Traci stated that she would have to reach out to the gentlemen at Clean and Beautiful. In other grant works, its sometimes frowned upon especially this late in the date, to start asking them to move funds. Could impede not sure know how long, not sure what approvals he has to go through. May not be any issue at all. Not sure, she would have to reach out to him.

Andy asked if all of the grant money wasn't consumed would that be a bad thing too. Traci stated that yes that would be bad thing. That with any grant she's dealt with, the way they look at it is if you don't use what they have given you, than why do you need that much? Andy asked so what do we do if we don't have a place to spend \$7,000 worth of artwork? How do we use that grant? Does anyone have a suggestion?

Linda DeMarino stated that if we were not able to use it and we haven't used it, remember she was saying that Sabina didn't have money for that guy in Cruses maybe we just take that money and put on there, the guy was closer to \$10,000 and with what we were paying Sabina maybe it comes close to that amount. Traci stated it's an option; we also have to follow our procurement and she would be really interested to find out if he is under CES or State Contract. We do have other architectural landscape designers that have done work for the City. One that did healing waters is one of the under CES. Right now we've got your time frame, June 10th we have to have all money expended, she has to have cancelled checks, receipts for everything, everything has to be completed and have it in submitted.

Andy asked if they could contact this landscape architect and Traci stated that absolutely and Andy asked if they could have them go over there to take a look at it and tell them we have \$3,000 in site prep money or whatever that amount is to spend.

Traci stated she can definitely look at doing that as well and Linda DeMarino can give her his information and they can find out if he is under CES contract, if he's not, if he can give her a proposal back quick. Traci explained they have \$7,000 that's allocated for architectural design services including site visits, facilitation, and site plans; \$3,000 is allocated to site survey, dirt work, site preparation, and irrigation systems, and \$6,000 is allocated towards art sculptures, trees, shrubs, and trash receptacles. Traci let them know they cannot use this money for the reed rocket, that unfortunately that was procured and paid prior to this grant. Sid explained that they have the money for the reed rocket.

Andy stated Jeff Barbour has been paid completely except for a portion of what the City owes him. Traci: that's something I don't have knowledge of. So the other art sculptures could be something simple as like those metal roadrunners over by Bullock's or the flowers. It could be simplified in the ground art stuff if we don't have time to have an artist do something or we have local artists here in town that have certain art, we could look at that. The issue is going to be that I have to get quotes and that means apples to apples quote.

Jagger asked Traci if she could restate those figures and those categories. Traci restated the categories and said trash receptacles alone the \$6,000 will go fast.

Sid Could you also check as soon as possible to find if it would not create a problem to move money from the \$7,000 to divide it up the way you just stated?

Traci will also get Juan's direction because she knows that this is something that is going in front of the Commission on Wednesday as well and wasn't sure what he is presenting to the Commission or what he is discussing. She stated that per in-kind that they have as well, there's some money that was allocated through the New Mexico Resiliency Alliance Grant. Linda state that it was for the benches, there's only \$2,000 left out of that side. Traci asked if was out of the \$18,000. Linda informed her that it was out of all that side so there's \$18,000 plus \$16,000 cash money.

Andy stated that their concern is to just use the grant money. Traci stated that yes, but she needs to show the in-kind. The in-kind was pledged against the grant money so she needs to show where the in-kind amounts went. Andy asked what happens now with the grant money as they promote the bid. Traci stated that unless it falls under a CES or State, it doesn't have to go to bid, she can request proposals if it's under \$60,000 she believes, that they're way under that so she can just do a request for quotes. It's not a formal, doesn't get advertised, she would reach out to different vendors and say "hey I'm looking for this, give me a quote."

Andy stated it'll be hard for it to be apples to apples because there's no real conviction in a quote. Traci asked for what part he was talking about? Andy stated that if they ask a landscape architect to give them a quote and that if they don't have any kind of a plan for him to follow, it will just be what his conception is and then next guy will be what his conception is. Traci confirmed that. Andy asked if they could just ask the landscape architect to give them a quote to prep the site in an exploratory way or something like that. Traci stated that possibly, the easiest way to avoid the quote is to reach out to a

landscape architectural designer under CES, than she doesn't have to ask anybody else. She can take them to site and say this is our budget this is how much we have to spend here, here, and here, give us a conceptual design. Andy agreed that would work.

Sid asked how they would word a motion. Sid and Traci discussed how to word the motion. Andy asked MainStreet if they agree. John discussed why he didn't bring up using the Clean and Beautiful grant as much as possible. Discussion between Andy and John in regards to the grant and Andy made a suggestion that we make a motion to tell Traci to try and get some landscape architect up here and discuss the budget breakdown with them. Traci verified with Sid that Juan would have the input at next Wednesday's meeting. Traci's only concern is time frame, verified with the board their meeting schedule and reiterated her concerns.

Traci requested that the board make a motion for her to proceed forward with MainStreet and to move forward in whatever way possible to get the funds spent. Andy asked MainStreet if it was reasonable, they agreed along with discussing their ideas in regards to the conceptual design with Traci. Traci informed them of a couple of contacts she knows to help. Prefers to keep the money in town if possible, may have to go out of town. Explained to Andy what CES (Cooperative Educational Services) is, like a State contract through the school system and we can piggy back off of them. The State has already done the background on the contractors and they're bonded.

The board discussed the grant money, reed rocket, trees, shrubs, sculptures, and other designs/additions to the art park. Jagger stated that he thinks they should move forward and utilize that grant money.

Andy made the motion to ask Traci to put out the Request for a Quote with a CES qualified landscape architect that worked for the city already keeping in mind the time and budget that we have, spend the money in the designated categories in the grant that we have to work with. Continue to keep MainStreet in the loop and use the grant money in the timeframe that we have. Jagger seconded the motion, it carried.

TIME, PLACE AND DATE OF NEXT MEETING:

Sid wanted to know if we should wait until Traci or Kristin lets them know if they need to come back outside of next month. Kristin stated that we could schedule a regular meeting for next month; we could do a special meeting if needed. If a special meeting is needed, we will get MainStreet in as well. The Board decided to meet again in May. The next meeting of the Board will be Tuesday, May 15, 2018 at 4:00 P.M. at the Commission Chambers.

ADJOURN:

Sid asked if motion to adjourn; Jagger asked about paying for the reed rocket out of funds that the board is holding, Kristin clarified the reed rocket will be paid by the City once installed. Andy asked to amend his previous motion that if it's necessary, the reed rockets get placed in that park during the activity they are proposing to do. Jagger seconded the motion, it carried.

There being no further business to come before the Board, the meeting was adjourned at 4:43 P.M. Andy Underwood moved to adjourn, Eduardo seconded, and it carried.

ATTEST:

Minutes were approved on July 17, 2018 on a motion made by Juan Fuentes and seconded by Eduardo Alicea and it carried.


Kristin Saavedra, Executive Assistant

City Commission Approved:

**CITY OF TRUTH OR CONSEQUENCES
PUBLIC ARTS ADVISORY BOARD
TUESDAY, MAY 15, 2018**

**REGULAR MEETING
Action Minutes**

Regular meeting of the Public Arts Advisory Board of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Tuesday, May 15, 2018 at 4:00 P.M.

INTRODUCTION:

PRESENT:

Eduardo Alicea, Art Representative
Cary "Jagger" Gustin, Sierra Arts Council
Andy Underwood, Business Community
Juan Fuentes, City Manager

Note: Sid Bryan was absent as he was out of town

ALSO PRESENT:

Kristin Saavedra, City Manager Executive Assistant

A. APPROVAL OF MINUTES:

Regular meeting of Tuesday, April 17, 2018:

Jagger asked the approval be tabled until next PAAB meeting as Jagger was not able to locate the official vote to install the reed rockets in the minutes. Kristin stated that she may have not inserted the official vote and suggested if they would like, she could review the minutes and send the corrected minutes if needed.

Andy made a motion to table, Eduardo seconded. Motion carried.

B. COMMENTS FROM THE PUBLIC:

There were no comments from the public.

**C. Discussion/Update: FYE 2018 ART PROJECT – Art Park/Conceptual Plan, Traci Burnette;
Presented by Juan Fuentes**

Juan Fuentes, City Manager reported the following information regarding the Art Park Conceptual Design Plan:

- Juan handed out conceptual design rough draft options to the board and explained that Traci had been working with Baker Marrow (MRWM) in incorporating landscaping into the Art Park as well as placement of the reed rockets.
- Juan presented the three options to the board using the projector and reviewed each option which reflected the different styles for landscaping and placement of the reed rockets. Informed the board that the trees have already been purchased by Traci and discussed the placement of the trees and benches.
- Juan informed the board that with the time frame that they have and grant money that they have, they feel that option 2 is probably the best option right now to fit the grant money and to fit the reed rockets and still open it up for additional art and to landscape all around the art park. They feel it would be fairly easy as the majority of the work they can do in house and some of the work will have to be done outside such as installation of the reed rockets. Would like people to walk around the reed rockets so they will have a fence.
- With additional funding down the road, they can decide on more for the art park but for now, they are concentrating on this option for the installation of the reed rockets and some type of mosaic.

Jagger – Is there a method to hang up art somewhere?

Juan – We can have some structures such as crossbeams if we want to hang up art. Doesn't know how expensive that will be but maybe because it is concrete, we could do that, put some kind of structure.

Jagger – In the early planning, I guess you would call it (inaudible) meetings with public input, people wanted kids and students to be able to come and hang up a paper piece that might last a week or it could last a year.

Juan – I guess with a mosaic here, again because we really want to have enough money to redesign the area

Andy – Do you have enough money to do that?

Juan – To do this area, probably yes we have it. Remember we're not touching ADA, we're trying to stay away from all that, and we're just cleaning it up and putting trees and shrubs all around it.

Andy – Really, what can we do with the money we have available right now with what's inside the red lines?

Andy to Jagger – So you probably won't (inaudible); Jagger to Andy – ya but that isn't on our agenda, the agenda is to use the grant money the wisest way we could

Juan – Aside from this grant money, down the road if we used this existing concrete for something down the road, maybe in the next fiscal year to provide an avenue for art to be placed there. A glass enclosing so some of that art can last a little bit longer, who knows. But that could be like the next phase.

Andy – There could simply be a wall somewhere in there, it could be simple

Jagger – We early suggested something like a chain link fence that would take care of some of the little walls that could be a hazard and that way they could just hang art on the chain link fence, the art could last a day or it might be there six months or the wind could take it the next day.

Juan – I think it's a great opportunity once we get this piece installed, the reed rockets and cleaning up the property going into the new fiscal year (inaudible) and we'll have a lot more time.

Eduardo – I feel that the wall that Jagger talked about art that can be done later? If the opportunity can come to the reed rockets, we should focus on that. Do we need permission from MainStreet or can that be done separate? That is one of the things that has been so long, they have built nothing so they don't know where to put the reed rocket.

Juan – I think the focus should be on now getting the site prepped with the money we have from the grant and installing the reed rockets and then moving forward into the new fiscal year unless MainStreet (inaudible) to redesign, do something more lateral, fine but if not, even it's a chain link fence or wrought

iron fence we don't want to build something where people (inaudible) because then we're going to have touch ADA and we don't want to go there. We could do something along here (points to screen) with tubing fencing where we could maybe have some art holders but that will be down the road. Point is it can be done all along side of here.

Jagger – This is Baker Marrow's plan number 2? Juan – Yes.

Jagger – Would you like a vote?

Juan – This is up for discussion/update, if you have any concerns about what we're designing. We kind of wanted to give everybody (inaudible), by the time we meet again we pretty much agreed on the process of already purchasing trees, shrubs, putting them on the lot. We wanted to give you all the direction we're going in and everybody is in agreement (inaudible)

Andy – The money that they have to spend, the time they have it to spend in, we're still going to have a lot of options left over after this money is spent.

Juan – And because we're not touching the entire piece, we're still going to have a lot of options to do more stuff

Jagger – I like this plan, I think it fits what we're needing and I think it fits our money and the public can see that we're doing something. There will be some action, people can see it. Would that be the entire reed rocket installed or just a part of it?

Juan – Our goal was to get all of (inaudible)

Jagger – Those numbers are reed rocket numbers aren't they? Like where it says 7, 11, and 9?

Juan – Those aren't reed rocket numbers,

Jagger – No? That's something else?

Juan – Right, they will be concentrated in this area. And then we might have to have a meeting Jeff Barbour just to make sure what was his vision and how far they need to be apart. We can incorporate that into the design.

Jagger – How about a motion to encourage the city to move forward with the Baker Morrow Plan number 2, board agreed with the plan

Andy made a motion to encourage the city to move forward with option 2, Eduardo seconded. Motion carried.

D. SET TIME, PLACE AND DATE FOR NEXT MEETING

Jagger – Kristin, would be the 3rd Tuesday of next month correct?

Kristin – If you feel if that is when you need to meet as you normally meet quarterly but with everything going on with the Art Park,

Jagger – Juan, should we need to meet sooner?

Juan – Maybe you could skip a meeting and meet a little bit later.

Andy – Maybe meet in July; Juan – You could meet in July and start back up quarterly and get back on track.

Jagger – Kristin, set it for what Juan is suggesting.

Kristin – July 17, 2018 would be the 3rd Tuesday; Jagger accepted

E. ADJOURNMENT:

There being no further business to come before the board, meeting was adjourned at 4:23 pm

Juan – Also, when we meet in July again, we'll present and put on the agenda the fiscal year end 17/18 allocations that we have, if we didn't use any money this year, we'll show it together so we will have a lot more money next year.

Kristin – And also the minutes from the last meeting

Jagger – And Kristin, you'll look for that item about the reed rocket to see if there was any further mention about that?

Kristin – Yes, as soon as I find it, I will send you a copy of the corrected minutes so you can have them for the next meeting, if you would like I can also highlight that section.

ATTEST:

Minutes were approved on July 17, 2018 on a motion made by Juan Fuentes and seconded by Eduardo Alicea, and it carried.



Kristin Saavedra, Executive Assistant

City Commission Approved:



F.S

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM:

Authorization to open separate interest bearing account with First Savings for all Stale Checks collected by the City of Truth or Consequences

BACKGROUND:

It was recommended by Tax and Revenue and External Auditors to open a separate interest bearing account.

STAFF RECOMMENDATION:

Finance is respectfully requesting the approval of allowing us to open interest bearing account with First Savings for all stale dated checks

SUPPORT INFORMATION:

Finance Documents as presented.

This request will allow the City's finance office to be in compliance with its Finance Department Operational Procedures and Policies document that addresses the handling of stale dated checks at "Cash and Cash Equivalents" Risk Mitigation procedures #6.



F.6

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM:

Amending Resolution No. 38 17/18 declaring surplus property to be nonessential for Public or Government Functions and the attached list of auction items.

BACKGROUND:

Resolution No. 38 was adopted on June 27, 2018. There was an error in the Auction List where the wrong information for the trailer from the Electric Dept. was provided. The correct information is revised on the list.

Pursuant to Section 3-54-2 of the New Mexico State Statutes, 1978, Annotated, the City of Truth or Consequences has property that is no longer needed and the same as in the past, the City will use Willard Hall Auctions to sell various surplus properties belonging to the City. They have an auction scheduled for July 28, 2018.

STAFF RECOMMENDATION:

Approve the amended Resolution No. 38 17/18 declaring the listed items as surplus property and allowing the City to Auction items in Public Auction.

SUPPORT INFORMATION:

- Amended Resolution No. 25 17/18
- Amended Auction Items List



AMENDED RESOLUTION NO. 38 17/18

A RESOLUTION DECLARING SURPLUS PROPERTY TO BE NONESSENTIAL FOR PUBLIC OR GOVERNMENT FUNCTIONS TO BE SOLD PURSUANT TO §3-54-2 NMSA

WHEREAS, the City Commission of the City of Truth or Consequences finds surplus property to be nonessential for public or government functions; and

Whereas, PURSUANT TO Section 3-54-2 of the New Mexico State Statutes, 1978, Annotated, the City of Truth or Consequences serves notice that the City will use **Willard Hall Auctions** to sell various surplus property belonging to the City.

NOW THEREFORE BE IT RESOLVED THAT:

- The City of Truth or Consequences may sell personal property having a value of more than two thousand five hundred (\$2,500.00) at public or private sale. If a private sale is held under this subsection, such sale shall be held only after notice is published at least twice, pursuant to the provisions of Subsection J or Section 3-1-2 NMSA 1978, not less than seven days apart, with the last publication not less than fourteen days prior to the sale.
- If a public sale is held, the bid of the highest responsible bidder shall be accepted unless the terms of the bid do not meet the published terms and conditions of the municipality, in which event the highest bid which does meet the published terms and conditions shall be accepted; provided, however, a municipality may reject all bids. Terms and conditions for a proposed sale of lease shall be published at least twice, not less than seven days apart, with the last publication no less than fourteen days prior to the bid opening, and shall be published according to the provisions of Subsection J of Section 3-1-2 NMSA 1978.
- The City of Truth or Consequences may sell, at a private or public sale, exchange or donate real or personal property to the state, to any of its political subdivisions or to the federal government if such sale, exchange or gift is in the best interests of the public and is approved by the local government division of the department of finance and administration. The provisions of Section 6-6-11 NMSA 1978 shall not apply to such sale, exchange or a donation.

PASSED, APPROVED AND ADOPTED this 24th day of July, 2018.

Steve Green, Mayor

ATTEST:

Reneé L. Cantin, CMC, City Clerk

Qty	Item	Description	Value	Location
	ELECTRIC DEPT.			
	4 ft. x 8 ft. Trailer - 1988 Saub Trailer			
	1962 Char Trailer - 4124	4 ft. x 8 ft. Trailer - 1962 Char Trailer - 4124	250	Pole Yard
1	Digger Derrick Auger		200	Electric Main Office
2	Single Tier, 3 Wide Lockers		30 each	Electric Main Office
85	Used Poles		1000	Pole Yard
	POLICE DEPT.			
1	2004 Ford F-150 - White	Auto Trans. 5.4; 200,000 miles; Not Operational; Flywheel bad; hard to start; & electrical problems.		Fleet
1	2001 Chevy Blazer	132,930 miles; Runs rough; oil leak; Transmission fair; door hinges bad; tires good; chassis worn; windows scuffed hard to see through.	1600	Fleet
13	Traffic Cones	Large		
4	Traffic Cones	Medium		
1	HPCPU	#MXL250J7P- Computer parts		
1	HP Keyboard	Computer keyboard		
1	AC Grate			
2	Kennel Aire Grate	For Vehicle		
1	Box of misc. cables and power bar outlets			
1	School desk			
1	Box of keyboard cables and dictation cd's			
1	White board in wooden frame			
1	HP CPU	#MXL903105K-Computer parts		
1	Box of various computer wires.			
5	Computer Keyboards			
1	Two drawer metal filing cabinet			
1	COMPAQ CPU	#MXL008X2X- Computer parts		

Qty	Item	Description	Value	Location
1	HP CPU	#MXL3331CSF- Computer parts		
1	Acer monitor	#CNK9070RLC- Computer parts		
1	Acer monitor	#CNK9070RK8- Computer parts		
1	Acer monitor	#SNID32850205242- Computer parts		
1	HP Laser Jet 1020	#CNBK717804- Printer		
1	HP Laser Jet 1020	#CNBK777275-Printer		
1	HP Laser Jet 1018	#CNB1961469-Printer		
1	HP CPU	SGR #MXL7380QB- Computer Parts		
1	COMPAQ Keyboard/white	Computer keyboard		
1	RCA 10" TV	1046E7467 Television		
1	Folding padded office chair	Office Furniture		
1	Python III Radar Monitor	Vehicle Radar		
1	Gateway 2000 Unit CPU	Computer Parts		
1	Unit Alarm Monitor	#1297099073- Proctor Model		
2	Galls overseat storage box	vehicle accessories		
1	Wood cubby box shelf	Office Furniture		
2	Blue Floormats	vehicle accessories		
1	Gray office Chair	Office Furniture		
2	Brown office chairs	Office Furniture		
1	Wooden office chair	Office Furniture		
1	PA system	Speaker, mic, and stand		
1	Projector Screen	Office Furniture		
1	Gray rolling office chair	Office Furniture		
1	HP Mouse with cord	Computer Parts		



G.1

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM:

Ordinance No. 697 for amending the code to allow the operation of recreational Off-Highway Vehicles (OHV's) and All-Terrain Vehicles (ATV's) on maintained streets or roads owned and controlled by the City of Truth or Consequences.

BACKGROUND:

The City Commission has expressed an interest in adopting an Ordinance that permits the operation of Off-Highway Vehicles (OHV's) and All-Terrain Vehicles (ATV's), subject to restrictions contained in the Ordinance.

The proposed Ordinance is similar to the recently-adopted County Ordinance with changes taken from a recent State Senate Bill.

Although the State Statute is silent as to permits, we inserted a Section 5 that deals with permits for the consideration of the City Commission.

STAFF RECOMMENDATION:

Consider the Ordinance for publication.

SUPPORT INFORMATION:

Name of Presenter: Jay Rubin, City Attorney	Department:	Meeting date: 07/24/2018
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CITY OF TRUTH OR CONSEQUENCES

ORDINANCE No. 697

ORDINANCE AUTHORIZING THE OPERATION OF RECREATIONAL OFF-HIGHWAY VEHICLES AND ALL-TERRAIN VEHICLES ON MAINTAINED STREETS OR ROADS OWNED AND CONTROLLED BY THE CITY OF TRUTH OR CONSEQUENCES AS SET FORTH IN THIS ORDINANCE.

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS, CITY COMMISSIONERS OF THE CITY OF TRUTH OR CONSEQUENCES:

That this ordinance is hereby added to the Code of Ordinances of the City of Truth or Consequences, and such section shall read as follows:

SECTION ____ OPERATION OF RECREATIONAL OFF-HIGHWAY VEHICLES AND ALL-TERRAIN VEHICLES ON MAINTAINED STREETS OR ROADS

Section 1: OPERATION OF RECREATIONAL OFF-HIGHWAY VEHICLES AND ALL-TERRAIN VEHICLES ON MAINTAINED STREETS OR ROADS

WHEREAS, the New Mexico Legislature amended Section 66-3-1011 NMSA 1978 to allow the operation of recreational off-highway and all-terrain vehicles on maintained streets or roads owned and controlled by the authorizing entity, subject to certain conditions;

WHEREAS, the Governing Body of the ~~County of Sierra~~ **City of Truth or Consequences** has adopted by reference the 2016 Compilation of the New Mexico Uniform Traffic Ordinance, which allows the operation of recreational off-highway and all-terrain vehicles on maintained streets or roads owned and controlled by the authorizing authority, subject to certain conditions;

WHEREAS, the Governing Body of the ~~County of Sierra~~ **City of Truth or Consequences** now deems it desirable to allow the operation of recreational off-highway and all-terrain vehicles on maintained streets or roads owned and controlled by the ~~County of Sierra~~ **City of Truth or Consequences**, subject to certain conditions:

NOW THEREFORE BE IT ORDAINED BY THE GOVERNING BODY OF THE ~~COUNTY OF SIERRA~~ **CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO:**

SECTION 1. PURPOSE. The purpose of this ordinance is to allow the operation of recreational off-highway and all-terrain vehicles on maintained streets, roads, or highway owned and controlled by the ~~County of Sierra~~ **City of Truth or Consequences**, as authorized in this Ordinance.

SECTION 2. DEFINITIONS. As used in this Ordinance:

A. "All-Terrain Vehicle" (ATV) is a type of off-highway motor. An all-terrain vehicle means a vehicle fifty inches or less in width, having an unladen dry weight of one thousand pounds or less, traveling on three or more low-pressure tires and having a seat designed to be straddled by the operator and handlebar-type steering control, or as otherwise defined in Section 66-3-1001.1(E)(1) of the Off-Highway Motor Vehicle Act.

B. "Recreational Off-Highway Vehicle" (OHV) is a type of off-highway motor vehicle. A recreational off-highway vehicle means:

(1) A recreational off-highway vehicle is a motor vehicle designed for travel on four or more non-highway tires, for recreational use by one or more persons, and having:

(a) a steering wheel for steering control;

(b) non-straddle seating;

(c) maximum speed capability greater than thirty-five miles per hour;

(d) gross vehicle weight rating no greater than one thousand seven hundred fifty pounds;

(e) less than eighty inches in overall width, exclusive of accessories;

(f) engine displacement of less than one thousand cubic centimeters; and

(g) Identification by means of seventeen-character vehicle identification number; or

(2) By rule of Department of Game and Fish, any other vehicles that may enter the market that fit the general profile of vehicles operated off the highway for recreational purposes.

SECTION 3. OPERATION OF RECREATIONAL OFF-HIGHWAY VEHICLE OR ALL-TERRAIN VEHICLE ON MAINTAINED STREETS OR ROADS OWNED AND CONTROLLED BY THE COUNTY OF SIERRA CITY OF TRUTH OR CONSEQUENCES.

A. A person shall not operate an off-highway motor vehicle on:

(1) Limited access highway or freeway at any time; or

(2) Paved street except as provided in Subsections B, C, D, E, F and G below.

B. A recreational off-highway vehicle or all-terrain vehicle may be operated on a maintained street or road owned and controlled by the ~~County of Sierra~~ **City of Truth or Consequences**, if:

- (1) The vehicle has one or more headlights and one or more tail-lights that comply with the Off-Highways Motor Vehicle Act, Chapter 66, Article 3, NMSA 1978;
- (2) The vehicle has ~~breaks~~ **brakes**, mirror, and mufflers;
- (3) The operator has a valid driver's license; instruction permit or provisional license ~~and an off-highway motor vehicle safety permit~~;
- (4) The operator is insured in compliance with provisions of the Mandatory Financial Responsibility Act, Chapter 55, Article 5, NMSA 1978; and
- (5) The operator of the vehicle is wearing eye protection. ~~and a safety helmet that comply with the Off Highway Motor Vehicle Act; Chapter 66, Article 3, NMSA 1978.~~
- (6) **If the operator is under eighteen (18) years of age, the operator is wearing a safety helmet that complies with the Off-Highway Motor Vehicle Act.**
- (7) **A person under the age of eighteen (18) shall be required to successfully complete an off-highway motor vehicle safety training course for which the person shall have parental permission. The course shall be conducted by an off-highway motor vehicle safety training organization that is approved and certified by the department. Upon successful completion of the course, the person shall receive an off-highway motor vehicle safety permit issued by the organization.**

C. Off-highway motor vehicles may cross streets or highways, except limited access highways or freeways, if the crossing ~~are~~ **is** made after coming to a complete stop prior to entering the street. Off-highway motor vehicle shall yield the right of way to oncoming traffic and shall begin a crossing only when it can be executed safely and then crossing in the most direct manner, as close to a perpendicular angle as possible.

D. A person shall not operate an off-highway motor vehicle on state game commission-owned, state game commission-controlled or state game commission-administered land, except as specifically allowed pursuant to the Habitat Protection Act, Chapter 17, Article 1, NMSA 1978.

E. A person shall not operate an off-highway motor vehicle on land owned, controlled or administered by the State Parks Division of the energy, minerals and natural resources department, pursuant to the State Parks Division statute, Chapter 16, Article 2, NMSA

1978, except in areas designated by and permitted by rules adopted by the secretary of energy, minerals and natural resources.

F. Unless authorized, a person shall not:

- (1) Remove, deface or destroy any official sign installed by a state, federal, local or private land management agency; or
- (2) Install any off-highway motor vehicle-related sign.

G. The statute allows the ~~County~~ City to establish separate speed limits and operating restrictions for off-highway vehicles. The speed limits shall be as defined below:

- (1) The speed limit for all-terrain vehicles operated within the ~~county~~ City shall be 35 miles per hour or the posted speed limit, whichever is less. If the posted speed limit is higher than 35 miles per hour, the operator shall operate the all-terrain vehicle on the extreme right hand side of the roadway.

The speed limit for recreational off-highway vehicles, ~~UTV'S~~ ATV's, operated within the ~~county~~ City shall be 45 miles per hour or the posted speed limit, whichever is less. Pursuant to NMSA 1978, Section 66-3-1003.1 (2017), ~~the~~ an off-highway motor vehicle owner who wishes to indicate an intent to operate off-highway motor vehicle on paved streets or highways in accordance with this Ordinance and the Off-Highway Motor Vehicle Act may apply for the issuance of a standardized special off-highway motor vehicle paved road use vehicle plate.

SECTION 4. EXEMPTIONS.

Pursuant to NMSA 1978, Section 66-3-105 (2006), the provisions of this Ordinance shall not apply to persons who operate off-highway motor vehicles on privately held lands or to off-highway motor vehicles that are:

- A.** Owned and operated by an agency or department of the United States, this state or a political subdivision of this state;
- B.** Operated exclusively on lands privately held; provided that the appropriate tax or fee has been paid in lieu of the motor vehicle registration fees;
- C.** Owned by nonresidents and used in this state only for organized and endorsed competition purposes; provided that the use is not on a rental basis;

- D. Brought into this state by manufacturers or distributors for wholesale purposes and not used for demonstrations;
- E. In the possession of dealers as stock-in-trade and not used for demonstration purposes;
- F. Farm tractors, as defined in Section 66-1-4.6 NMSA 1978, special mobile equipment, as defined in Section 66-1-4.16 NMSA 1978, or off-highway motor vehicles being used for agricultural operations; or
- G. Used exclusively on private closed courses, whether owned by the rider or another person; provided that, if applicable, the excise tax and registration fees have been paid and are current.

SECTION 5. PERMITS.

A. OPERATION:

It is unlawful for any person to operate a motorized ~~golf cart~~ ATV or OHV on the streets in the City of Truth or Consequences without first obtaining a permit as provided herein. Persons who obtain a permit as required below are authorized to operate a motorized ~~golf cart~~ ATV or OHV on designated roadways or portions thereof within the City.

B. PERMIT ISSUANCE:

Permits shall be issued by the City Clerk, or authorized designee, upon compliance with this section.

C. APPLICATION:

Every application for permit, supplied by the City Clerk, shall contain the following information:

1. The name and address of the applicant
2. The make, model name, year and serial number of the motorized ~~golf cart~~ ATV or OHV
3. Current driver's license
4. Date of application and applicant's signature
5. Name of applicant's insurance company, date of expiration

6. The City Clerk may require an applicant to submit a certificate signed by a physician to the effect that the applicant is able to safely operate a motorized ~~golf cart~~ ATV or OHV on the roadways or shoulders under the jurisdiction of the City.

D. PERMIT FEE:

An annual permit fee shall be established from time to time by resolution of the City Commission.

E. TERM OF PERMIT:

Permits shall be granted for a period of one year.

F. PERMIT INSURANCE, DISPLAY AND VEHICLE MARKING:

All permits shall be issued for a specific motorized ~~golf cart~~ ATV or OHV and individual, except as otherwise herein provided Permit tags, including number and year for which issued, shall be plainly visible from the front of the motorized ~~golf cart~~ ATV or OHV.

G. INSURANCE REQUIRED:

Before a motorized ~~golf cart~~ ATV or OHV permit is issued by the City, and at all times effective during such permit period, the permit holder shall have and maintain public liability and bodily insurance in the amount established by the State of New Mexico.

H. ASSUMPTION OF LIABILITY:

Nothing in this Ordinance shall be construed as an assumption of liability by the City for injuries to persons or property which may result from the operation of any motorized ~~golf cart~~ ATV or OHV by a permit holder or the failure to revoke a permit.

SECTION 56. SEVERABILITY.

In the event that any clause, sentence, paragraph, section, or other portion of this Ordinance is found by any Court of competent jurisdiction to be invalid, it is the intent of the Governing Body that the remaining portions of the ordinance be given full force and effect. It is the expressed intent of the ~~Board of County~~ City Commissioners to adopt each section, phrase, paragraph, and word of this Ordinance separately.

SECTION 67. REPEAL.

All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent they conflict with this Ordinance.

SECTION 78. EFFECTIVE DATE

This Ordinance shall be recorded and authenticated by the County Clerk following adoption by the Board of County Commissioners. The effective date of this Ordinance shall be thirty (30) days after the Ordinance has been recorded.

Section two. All other provisions of the aforementioned codes not specifically amended by this ordinance, shall remain unchanged and in full force and effect as written.

Section three. Effective date. The provisions of this Ordinance shall become effective five (5) days upon the publishing of its adoption.

PASSED, APPROVED, and ADOPTED by the GOVERNING BODY of the CITY OF TRUTH OR CONSEQUENCES this ____day of _____, 2018.

Steve Green, Mayor

ATTEST:

Renee L. Cantin, City Clerk



G.2

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM:

Resolution No. 02 2018/2019 approving the Quarterly Budget Report Submission to DFA for 4th Quarter, March 1, 2018 to June 30, 2018.

BACKGROUND:

Required reporting to DFA on a quarterly basis

STAFF RECOMMENDATION:

Requesting to approve the 4th Quarter for Fiscal Year 17-18 Resolution 02 2018/2019

SUPPORT INFORMATION:

Finance Documents as presented.



RESOLUTION NO. 02 2018/2019

A RESOLUTION ADOPTING THE FINAL FISCAL YEAR 2017-2018 4th QUARTER REVENUE AND EXPENDITURE FOR THE CITY OF TRUTH OR CONSEQUENCES.

WHEREAS, the City Commission of the City of Truth or Consequences, New Mexico, has developed a budget for Fiscal Year 2017-2018; and

WHEREAS, said budget was developed on the basis of need and through cooperation between Elected officials, City Manager and staff; and

WHEREAS, the meeting for the review of the budget was advertised in compliance with the State Open Meetings Act; and

WHEREAS, the City Commission reviewed the FYE 2017/2018 4th quarter during the budget work session held on July 24th; and

WHEREAS, the Department of Finance and Administration / Local Government requires governing bodies to review and approve the financial report submitted to LGD.

NOW THEREFORE, BE IT RESOLVED BY THE COMMISSIONER'S OF THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO:

1. The accompanying FYE 2017/2018 4th Quarter Report(s) was reviewed, approved and respectfully request approval by the Local Government Division of the New Mexico State Department of Finance and Administration. Division.

PASSED, ADOPTED AND APPROVED this 24th day of July, 2018.

Steve Green, Mayor

ATTEST:

Reneé L. Cantin, City Clerk-Treasurer

CITY OF TRUTH OR CONSEQUENCES

FYE 2018

FINANCIAL REPORT



**4th Quarter Report
With Year to Date Information
April 1, 2018 through June 30, 2018**

YTD BUDGET TO ACTUAL COMPARISON

FUND	REVENUE				EXPENDITURES				DIFFERENCE
	Annual Budget REVENUE	YTD ACTUAL REVENUE	UNREALIZED REVENUE	% Budget Received DIFF	BUDGET EXPENDITURES	ACTUAL EXPENDITURES	AVAILABLE AMOUNT	% of Budgeted Expenditure paid to date DIFF	
General	\$ 3,778,238	\$ 3,564,414	\$ (213,824)	94.34%	\$ 5,475,099	\$ 4,989,633	\$ (485,466)	91.13%	\$ (1,425,219)
Special Revenue	\$ 2,050,321	\$ 1,538,116	\$ (512,205)	75.02%	\$ 2,766,591	\$ 1,497,101	\$ (1,269,490)	54.11%	\$ 41,015
Capital Project	\$ 10,551,115	\$ 2,332,199	\$ (8,218,916)	22.10%	\$ 11,198,026	\$ 3,621,414	\$ (7,576,612)	32.34%	\$ (1,289,214)
Utility Office	\$ 36,800	\$ 56,327	\$ 19,527	153.06%	\$ 315,379	\$ 337,189	\$ 21,810	106.92%	\$ (280,862)
Electric	\$ 6,984,200	\$ 6,744,718	\$ (239,482)	96.57%	\$ 5,010,446	\$ 4,938,978	\$ (71,468)	98.57%	\$ 1,805,740
Water	\$ 1,005,650	\$ 955,250	\$ (50,400)	94.99%	\$ 779,902	\$ 701,038	\$ (78,864)	89.89%	\$ 254,212
Wastewater	\$ 1,050,200	\$ 1,035,164	\$ (15,036)	98.57%	\$ 1,107,079	\$ 995,609	\$ (111,470)	89.93%	\$ 39,555
Solidwaste	\$ 1,368,100	\$ 1,453,594	\$ 85,494	106.25%	\$ 1,297,668	\$ 1,069,044	\$ (228,624)	82.38%	\$ 384,549
Golf	\$ 42,320	\$ 24,095	\$ (18,225)	56.93%	\$ 143,200	\$ 153,949	\$ 10,749	107.51%	\$ (129,854)
Cemetery	\$ 10,610	\$ 15,459	\$ 4,849	145.70%	\$ 11,000	\$ 9,790	\$ (1,210)	89.00%	\$ 5,669
Airport	\$ 139,965	\$ 180,219	\$ 40,254	128.76%	\$ 263,791	\$ 281,600	\$ 17,809	106.75%	\$ (101,381)
Debt Service	\$ 439,461	\$ 304,100	\$ (135,361)	69.20%	\$ 478,612	\$ 471,625	\$ (6,987)	98.54%	\$ (167,525)
Internal Service	\$ 14,000	\$ 13,258	\$ (742)	94.70%	\$ 22,500	\$ 13,930	\$ (8,570)	61.91%	\$ (672)
TOTAL	\$ 27,470,980	\$ 18,216,913	\$ (9,254,067)	66.31%	\$ 28,869,293	\$ 19,080,899	\$ (9,788,394)	66.09%	\$ (863,985)

Note: The 'Budget Revenue' and 'Budget Expenditure' columns are shown on the same trend basis as the Monthly Financial Report.

*In these instances where expenditures exceed revenue, the fund's cash savings account provides the difference.

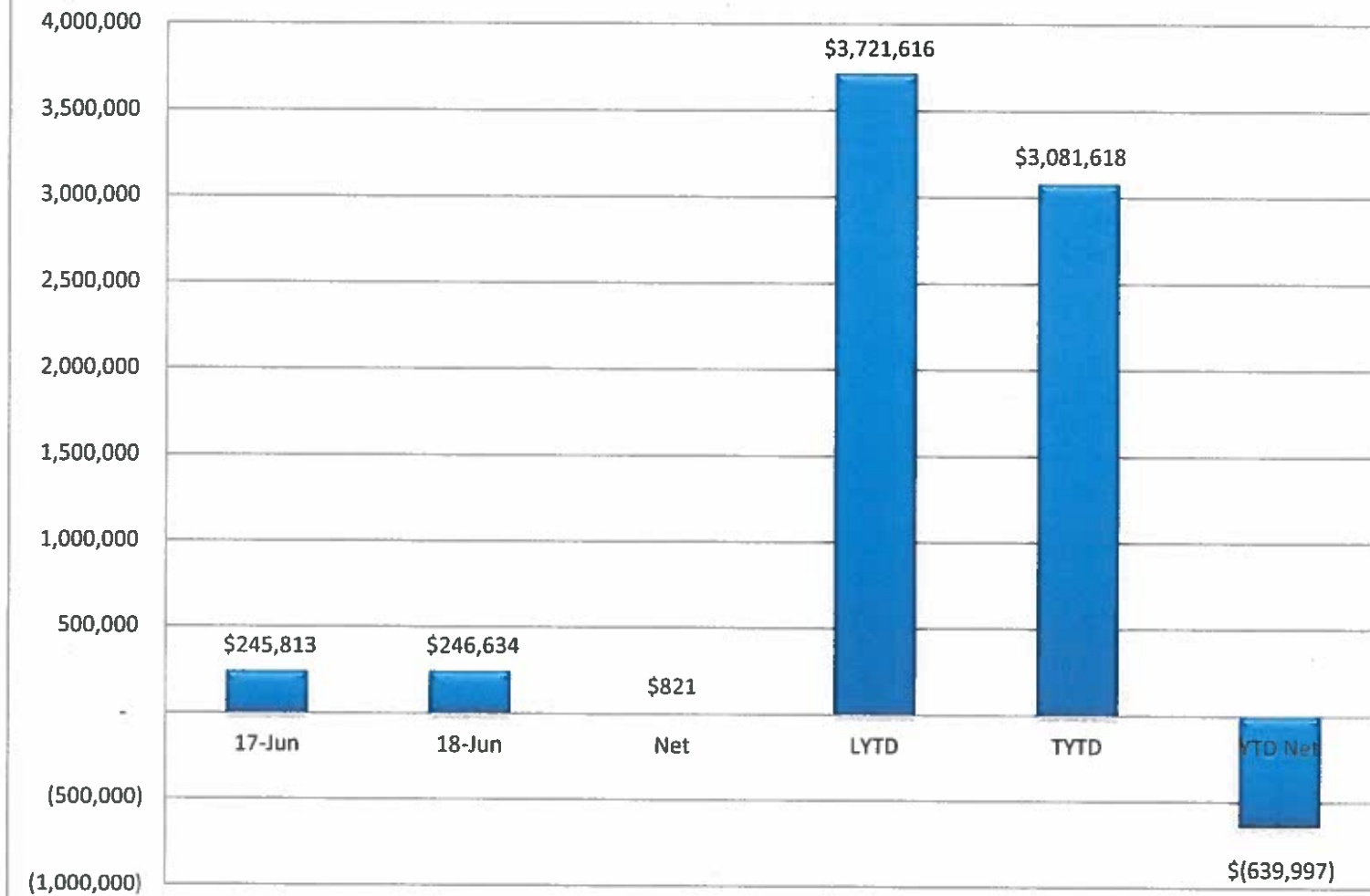
Special Revenue Funds				Capital Project Funds			
Corrections	Lodgers' Tax	Library	Veterans Perpetual Care	Fed. Grant Trust	C.I. General	R&R Airport	Emerg. Repair Reserve
	Street	PD Confidential		W-WW EFFL Reuse	C.I. Jt. Utility	R&R Water	WW Repair Reserve
Fire Protection	Recreation	PD Donations		Elec. Const.	DOT Broadway	CDBG	Elec. Repair Reserve
LEPF	DWI			Veterans Wall	Emerg. Fund	C.I. Reserve	

FUND	REVENUE				EXPENDITURES				DIFFERENCE
	Annual Budget REVENUE	YTD ACTUAL REVENUE	UNREALIZED POS/(NEG)	% Budget Received DIFF	BUDGET EXPENDITURES	YTD ACTUAL EXPENDITURES	UNREALIZED POS/(NEG)	% of Budgeted Expenditure paid to date DIFF	
SRF									
(209) Fire Protection	\$ 289,685	\$ 289,850	\$ 165	100.06%	\$ 605,122	\$ 118,085	\$ (487,037)	19.51%	\$ 171,765
(217) Recreation	\$ 35	\$ 12	\$ (23)	35.17%	\$ 42,900	\$ 36,833	\$ (6,067)	85.86%	\$ (36,821)
(201) Corrections	\$ 10,000	\$ 14,059	\$ 4,059	140.59%	\$ 44,010	\$ 23,985	\$ (20,025)	54.50%	\$ (9,926)
(211) LEPP	\$ 27,800	\$ 27,800	\$ -	100.00%	\$ 27,800	\$ 25,236	\$ (2,564)	90.78%	\$ 2,564
(214) Lodgers Tax	\$ 352,358	\$ 332,785	\$ (19,573)	94.45%	\$ 278,381	\$ 166,992	\$ (111,389)	59.99%	\$ 165,793
(507) SW Collection Ctr.	\$ 691,600	\$ 395,355	\$ (296,245)	57.17%	\$ 632,300	\$ 446,676	\$ (185,624)	70.64%	\$ (51,321)
(216) Street	\$ 557,819	\$ 384,098	\$ (173,721)	68.86%	\$ 538,625	\$ 227,784	\$ (310,841)	42.29%	\$ 156,314
Other	\$ 121,024	\$ 94,156	\$ (26,868)	77.80%	\$ 597,453	\$ 451,509	\$ (145,944)	75.57%	\$ (357,353)
	\$ 2,050,321	\$ 1,538,116	\$ (512,205)		\$ 2,766,591	\$ 1,497,101	\$ (1,269,490)		\$ 41,015
Capital Projects									
(301) W-WW EFFL Reuse	\$ 1,820	\$ 3,211	\$ 1,391	176.42%	\$ -	\$ -	\$ -	#DIV/0!	\$ 3,211
(302) Electrical Const.	\$ 34,715	\$ 36,223	\$ 1,508	104.34%	\$ 118,964	\$ 118,962	\$ (2)	100.00%	\$ (82,739)
(303) Veterans Wall	\$ 100,000	\$ 41,224	\$ (58,776)	41.22%	\$ 110,000	\$ 62,553	\$ (47,447)	56.87%	\$ (21,329)
(304) Senior Grants	\$ 1,590	\$ -	\$ (1,590)	0.00%	\$ 1,755	\$ -	\$ (1,755)	0.00%	\$ -
(305) Capital Impr. (Gen)	\$ 351,043	\$ 253,798	\$ (97,245)	72.30%	\$ 527,000	\$ 422,897	\$ (104,103)	80.25%	\$ (169,098)
(306) C.I. Joint Utility	\$ 1,660,937	\$ 1,045,929	\$ (615,008)	62.97%	\$ 1,975,675	\$ 1,461,546	\$ (514,129)	73.98%	\$ (415,617)
(309) USDA WWTP	\$ 6,808,725	\$ 439,922	\$ (6,368,803)	6.46%	\$ 6,817,125	\$ 700,360	\$ (6,116,765)	10.27%	\$ (260,437)
(307) Golf Course Imp.	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -	\$ -	#DIV/0!	\$ -
(310) Emerg. Fund	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -	\$ -	#DIV/0!	\$ -
(311) R&R Sewer Fund	\$ -	\$ 505	\$ 505	#DIV/0!	\$ -	\$ -	\$ -	#DIV/0!	\$ 505
(312) R&R Airport	\$ 1,091,015	\$ 344,695	\$ (746,320)	31.59%	\$ 1,126,015	\$ 471,562	\$ (654,453)	41.88%	\$ (126,867)
(313) R&R Water	\$ -	\$ 1	\$ 1	#DIV/0!	\$ 3,000	\$ -	\$ (3,000)	0.00%	\$ 1
(314) CDBG	\$ 500,000	\$ 165,698	\$ (334,302)	33.14%	\$ 510,000	\$ 375,041	\$ (134,959)	73.54%	\$ (209,343)
(315) Capital Impr. Res.	\$ 1,020	\$ 686	\$ (334)	67.25%	\$ -	\$ -	\$ -	#DIV/0!	\$ 686
(316) Emerg. Repair Res.	\$ 90	\$ 99	\$ 9	109.64%	\$ -	\$ -	\$ -	#DIV/0!	\$ 99
(317) WW Repair Res.	\$ 90	\$ 113	\$ 23	125.80%	\$ -	\$ -	\$ -	#DIV/0!	\$ 113
(318) Elec. Repair Res.	\$ 70	\$ 95	\$ 25	135.46%	\$ -	\$ -	\$ -	#DIV/0!	\$ 95
(319) LEDA	\$ -	\$ -	\$ -	#DIV/0!	\$ 8,492	\$ 8,492	\$ 0	100.00%	\$ (8,492)
	\$ 10,551,115	\$ 2,332,199	\$ (8,218,916)		\$ 11,198,026	\$ 3,621,414	\$ (7,576,612)		\$ (1,289,214)

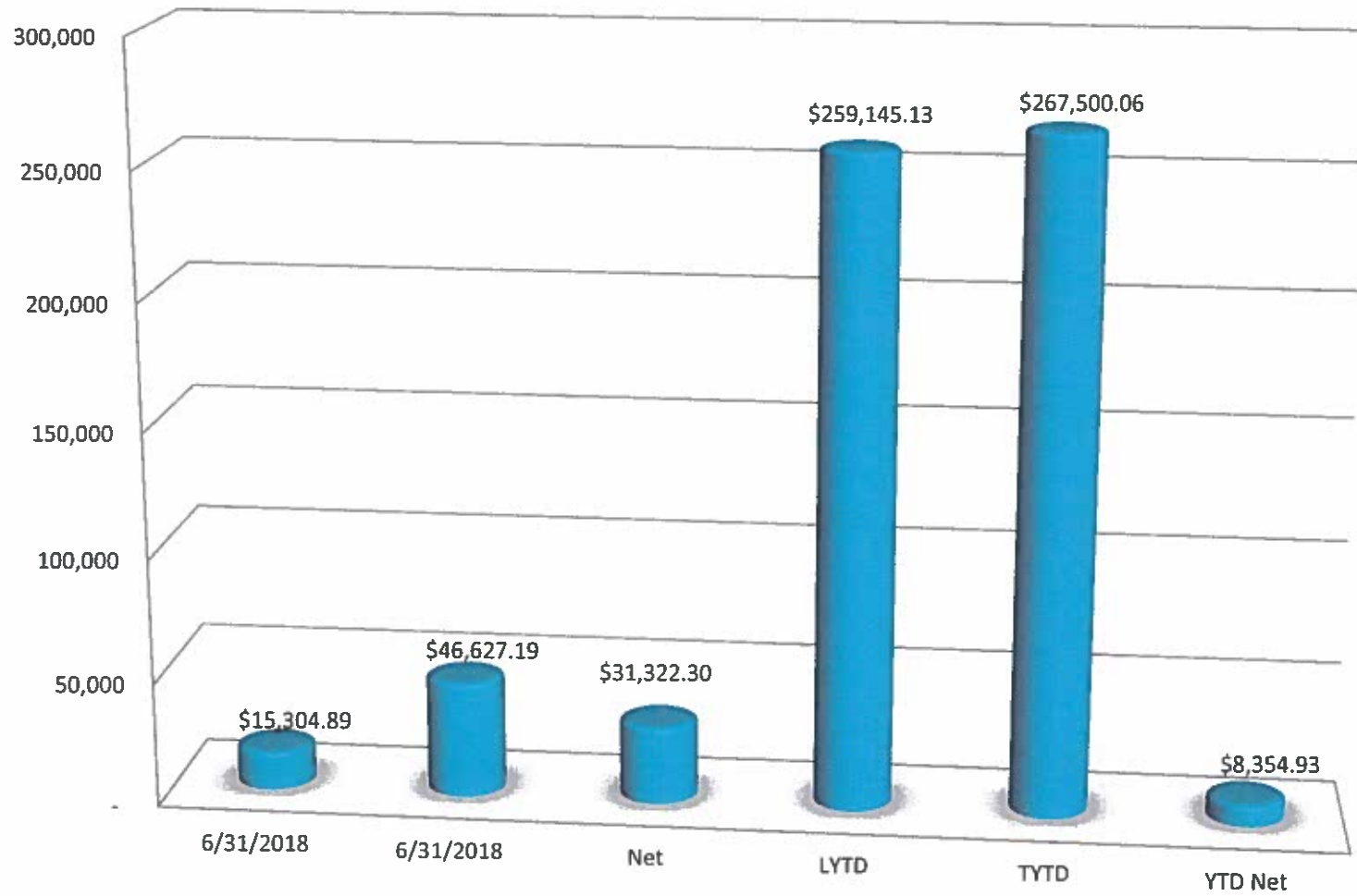
GRT — 5-year Comparison

	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18
July	\$ 242,570.27	\$ 228,948.47	\$ 288,059.26	\$ 229,564.35	\$ 333,796.98	\$ 256,101.73
Aug	\$ 298,078.48	\$ 223,005.12	\$ 265,425.34	\$ 230,566.56	\$ 354,407.19	\$ 281,905.59
Sept	\$ 226,404.85	\$ 202,275.53	\$ 246,125.55	\$ 266,770.50	\$ 360,216.14	\$ 255,235.32
Oct	\$ 233,599.79	\$ 254,584.00	\$ 282,146.10	\$ 223,127.38	\$ 331,511.40	\$ 263,616.54
Nov	\$ 254,450.06	\$ 215,986.75	\$ 219,263.23	\$ 224,882.18	\$ 321,318.88	\$ 234,894.97
Dec	\$ 204,021.67	\$ 214,376.70	\$ 277,103.06	\$ 228,179.91	\$ 245,672.13	\$ 219,408.22
Jan	\$ 237,732.33	\$ 203,186.20	\$ 196,312.66	\$ 211,757.68	\$ 357,021.10	\$ 229,230.60
Feb	\$ 250,116.16	\$ 283,700.57	\$ 255,575.73	\$ 282,034.54	\$ 311,328.08	\$ 274,373.58
March	\$ 232,044.45	\$ 219,370.40	\$ 205,249.27	\$ 263,118.36	\$ 267,279.72	\$ 276,417.98
April	\$ 214,814.38	\$ 236,604.55	\$ 213,003.12	\$ 373,675.39	\$ 300,974.90	\$ 241,946.54
May	\$ 240,630.54	\$ 250,209.41	\$ 264,986.00	\$ 298,425.50	\$ 292,276.44	\$ 301,853.08
June	\$ 201,029.30	\$ 255,182.13	\$ 227,318.20	\$ 234,903.01	\$ 245,812.92	\$ 246,634.17
Totals	\$ 2,835,492.28	\$ 2,787,429.83	\$ 2,940,567.52	\$ 3,067,005.36	\$ 3,721,615.88	\$ 3,081,618.32
Avg./Mo.	\$ 315,054.70	\$ 309,714.43	\$ 326,729.72	\$ 340,778.37	\$ 413,512.88	\$ 342,402.04
					\$ 3,721,615.88	\$ 3,081,618.32 \$ (639,997.56)

Prior vs. Current GRT 4th Qtr. & YTD Comparison



Prior vs. Current Lodgers' Tax Revenue Month & YTD Comparison

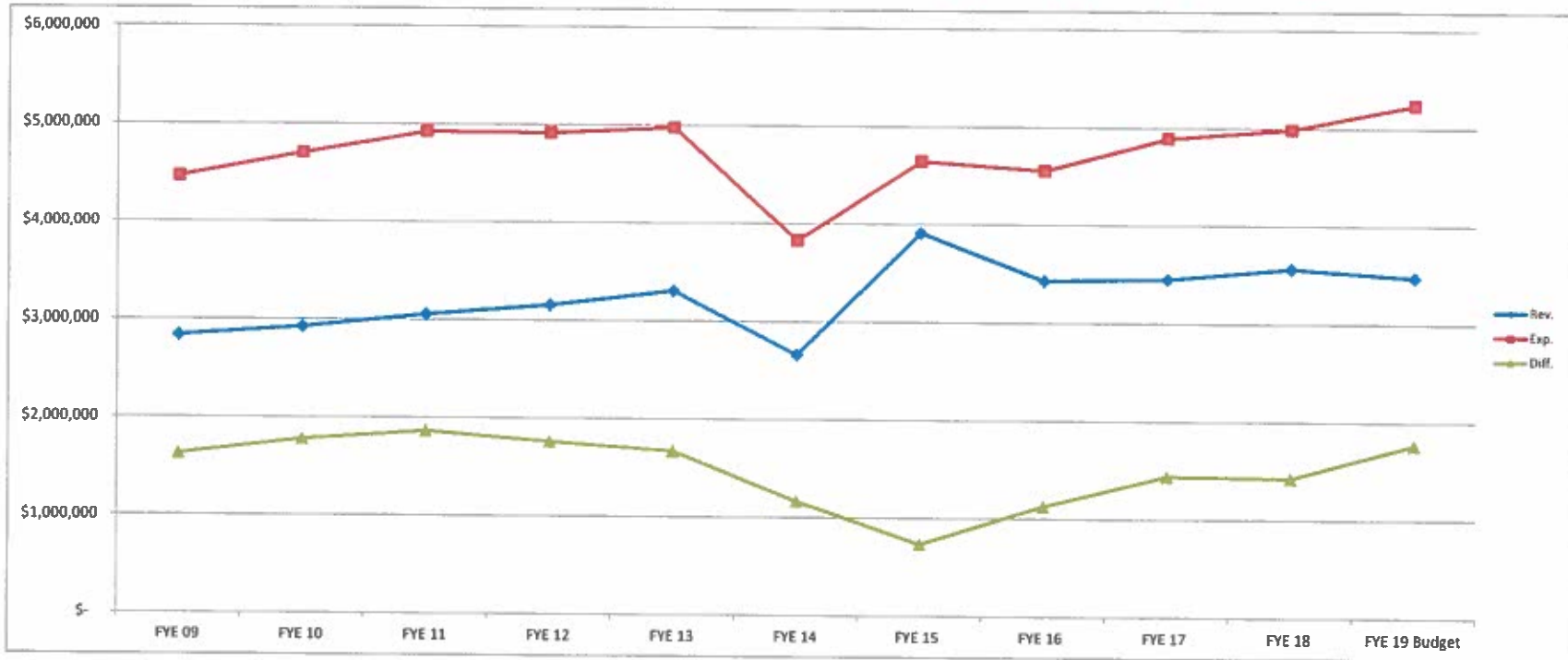


General & Enterprise Fund Expenditures
4th Qrt
FYE 18

EXPENDITURES	%Exp.	Mo.%	YTD % over/under
Gov. Body	99.46%	100.00%	-0.54%
City Clerk	94.00%	100.00%	-6.00%
Municipal Court	91.93%	100.00%	-8.07%
City Manager	96.98%	100.00%	-3.02%
Finance	100.12%	100.00%	0.12%
Vol. Fire Dept.	100.00%	100.00%	0.00%
Police	92.57%	100.00%	-7.43%
Codes/Animal	97.96%	100.00%	-2.04%
Recreation	83.06%	100.00%	-16.94%
Comm. Developmnet	90.75%	100.00%	-9.25%
Street	89.45%	100.00%	-10.55%
Fleet	94.68%	100.00%	-5.32%
Facilities	81.12%	100.00%	-18.88%
Library	95.66%	100.00%	-4.34%
Hospital GRT Dist.	64.97%	100.00%	-35.03%
Ins. & Utilities	100.00%	100.00%	0.00%
General Fund	91.13%	100.00%	-8.87%
Utility Office	106.92%	100.00%	6.92%
Electric Division	98.57%	100.00%	-1.43%
Water Division	89.89%	100.00%	-10.11%
Solid Waste	82.38%	100.00%	-17.62%
Waste Water	89.93%	100.00%	-10.07%
Golf Course	107.51%	100.00%	7.51%
Airport	106.75%	100.00%	6.75%

GENERAL FUND FISCAL YEAR END NET

	FYE 09	FYE 10	FYE 11	FYE 12	FYE 13	FYE 14	FYE 15	FYE 16	FYE 17	FYE 18	FYE 19 Budget	Growth since FYE 09		Ave Per Month
Rev. \$	2,839,161	\$ 2,926,427	\$ 3,057,324	\$ 3,156,898	\$ 3,308,626	\$ 2,664,993	\$ 3,912,032	\$ 3,431,575	\$ 3,453,033	\$ 3,564,357	\$ 3,475,317	%	\$	
Exp. \$	4,467,045	\$ 4,705,040	\$ 4,923,209	\$ 4,917,306	\$ 4,978,989	\$ 3,830,281	\$ 4,649,405	\$ 4,558,060	\$ 4,894,790	\$ 4,989,633	\$ 5,241,352	18.30%	\$ 636,156	\$ 941,235
Diff. \$	1,627,884	\$ 1,778,613	\$ 1,865,885	\$ 1,760,408	\$ 1,670,363	\$ 1,165,288	\$ 737,373	\$ 1,126,485	\$ 1,441,757	\$ 1,425,276	\$ 1,766,035	7.82%	\$ 138,151	\$ 1,365,317



4th Qrt
\$ 3,564,414
\$ 4,989,633



G.3

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM:

Resolution No. 03 2018/2019 approving the Final Budget for FY18-19 for the City of Truth or Consequences

BACKGROUND:

A detailed summary of the budget and presentation will be presented at the meeting Required by DFA to approve the FY18-19 Final budget by Resolution.

STAFF RECOMMENDATION:

Requesting to approve the FY18-19 final budget by Resolution #03 2018/2019

SUPPORT INFORMATION:

Finance Documents as presented.



RESOLUTION NO. 03 2018/2019

A RESOLUTION ADOPTING THE FINAL FISCAL YEAR 2018-2019 REVENUE AND EXPENDITURE BUDGET FOR THE CITY OF TRUTH OR CONSEQUENCES.

WHEREAS, the City Commission of the City of Truth or Consequences, New Mexico, has developed a budget for Fiscal Year 2018-2019; and

WHEREAS, said budget was developed on the basis of need and through cooperation between Elected officials, City Manager and staff: and

WHEREAS, the official meeting for the review of the budget was advertised in compliance with the State Open Meetings Act; and

WHEREAS, it is the majority opinion of this Commission that the proposed budget meets the requirements as currently determined for the Fiscal Year 2018-2019.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO:

1. The accompanying budget will be the approved Final Budget for the Fiscal Year 2018-2019 for the City of Truth or Consequences and respectfully request approval by the New Mexico Department of Finance and Administration, Local Government Division.

PASSED, ADOPTED AND APPROVED this 24th day of July, 2018.

Steve Green, Mayor

ATTEST:

Reneé L. Cantin, City Clerk-Treasurer



G.4

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM: DISCUSSION/ACTION

Approve Resolution No. 04 18/19 designating signatory authority for a USDA Rural Development funding application and related documentation and approval of application submission

BACKGROUND:

USDA has implemented a new online application system. This system requires a designated signatory authority to provide online signature and certification of completed application. Designated signatory authority will be required to set up a login and password and eAuthentication will be performed by USDA Rural Development.

STAFF RECOMMENDATION:

To approve City Manager Juan Fuentes as the signatory authority for USDA Rural Development Funding Application and related documentation and approve submission of USDA application for Infrastructure Improvements.

SUPPORT INFORMATION:

- Resolution 04 18/19



RESOLUTION NO. 04 18/19

A RESOLUTION DESIGNATING SIGNATORY AUTHORITY FOR A USDA RURAL DEVELOPMENT FUNDING APPLICATION AND RELATED DOCUMENTATION AND APPROVAL OF APPLICATION SUBMISSION

WHEREAS, The City of Truth or Consequences is in need of funds for Infrastructure Improvements;

WHEREAS, The City of Truth or Consequences has previously applied for and received grant/loan funds from USDA RURAL DEVELOPMENT for Infrastructure Improvements in the past;

WHEREAS, USDA RURAL DEVELOPMENT does require a new application be submitted by the City and

WHEREAS, USDA RURAL DEVELOPMENT requires the City of Truth or Consequences to appoint an individual authorized to execute the USDA RURAL DEVELOPMENT application, certification and related documentation;

NOW, THEREFORE, BE IT RESOLVED THAT, the Governing Body of the City of Truth or Consequences, New Mexico approves submission of an application to USDA RURAL DEVELOPMENT and;

BE IT FURTHER RESOLVED, that City Manager Juan Fuentes is hereby designated as the City's representative on behalf of the application and is authorized as signatory authority and shall work with staff to execute, sign and submit required funding application documents.

PASSED, APPROVED AND ADOPTED this 24th day of July, 2018.

Steve Green, Mayor

ATTEST:

Renee Cantin, City Clerk



G5

CITY OF TRUTH OR CONSEQUENCES COMMISSION ACTION FORM

ITEM:

Discussion/Action: Resolution No. 05 18/19 and Resolution No. 05-A 18/19 approving the required Community Development Block Grant (CDBG) Annual Certifications and Commitments and Fair Housing Policy.

BACKGROUND:

The City of T or C was awarded and has accepted a grant in the amount of \$500,000.00 from CDBG for Wastewater System Improvements, specifically the replacement and rehabilitation of City Manholes. CDBG requires a yearly adoption of an Annual Certifications and Commitments Resolution for the following:

- Citizen Participation Plan
- Fair Housing Resolution
- Residential Anti Displacement and Relocation Assistance Plan
- Section 3 Plan
- Procurement Plan

STAFF RECOMMENDATION:

To approve and sign the CDBG required resolutions and plans.

SUPPORT INFORMATION:

- Citizen Participation Plan
- Fair Housing Resolution
- Residential Anti Displacement and Relocation Assistance Plan
- Section 3 Plan
- Procurement Plan (Finance Policies & Procedures included with Agenda Item G.6)

Grantee Name: City of Truth or Consequences

CDBG Project Number: 15-C-NR-I-01-G-06

RESOLUTION # 05 18/19

**ADOPTION OF REQUIRED
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
ANNUAL CERTIFICATIONS AND COMMITMENTS**

WHEREAS, municipalities, counties or other entities that accept Community Development Block Grant (CDBG) funds must adopt certain required federal regulations; and

WHEREAS, the City of Truth or Consequences (hereinafter referred to as the Grantee) wishes to ensure compliance with federal regulations by adopting the following required certifications and commitments:

- | | |
|--|--|
| Citizen Participation | certifies its commitment to citizen participation by preparing and adopting a Citizen Participation Plan that includes ways to encourage public input using various methods to reach the public and assures that citizens are provided reasonable notice and timely access to local meetings, per the Open Meetings Act (NMSA 1978, Chapter 10, Article 15) |
| Fair Housing | certifies its commitment to the Fair Housing Act of 1968 to affirmatively further fair housing, which prohibits discrimination in the sale, rental, leasing and financing of housing or land to be used for the construction of housing on the basis of race, color, religion, sex, disability, familial status, or national origin |
| Residential Anti-Displacement & Relocation Assistance | certifies its compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, whose purpose is to provide uniform, fair, and equitable treatment for persons whose real property is acquired or for persons displaced as a result of a CDBG-funded project or activity |
| Section 3 | certifies its commitment to Section 3, a provision of the Housing and Urban Development (HUD) Act of 1968, which requires recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low and very low income residents in connection with projects and activities in their community |
| Procurement | certifies its compliance with federal procurement code (24 CFR Part 85.36) and New Mexico Procurement Code (§13-1-120 NMSA 1978) by adopting a procurement policy annually for CDBG projects |

NOW, THEREFORE, BE IT RESOLVED, that the Grantee adopts the above CDBG certifications and commitments that must be adopted annually.

PASSED, APPROVED, SIGNED, AND ADOPTED at a duly called and convened regular meeting of the governing body of the City of Truth or Consequences this 24 day of July, 2018.

SIGNED: _____
Mayor Steve Green , Chief Elected Official

ATTEST:

(Name and Title) Renee Cantin, City Clerk

EXHIBIT 1-P

CITIZEN PARTICIPATION PLAN WITH REQUIRED ELEMENTS

Introduction

In accordance with the 1987 revisions to the Housing and Community Development Act and in an effort to further encourage citizen participation, City of Truth or Consequences has prepared and adopted this Citizen Participation Plan.

Objective A

City of Truth or Consequences will provide for and encourage citizen participation within its area of jurisdiction, with particular emphasis on participation by persons of low and moderate income. *Action items:*

1. *Adopt and circulate an Open Meetings Resolution which provides citizens with reasonable notice of county/municipality upcoming meetings, actions and functions.*
2. *Develop press releases on county/municipality meetings, actions and hearings, and circulate to newspapers, radio and television media.*
3. *Develop and maintain listing of groups and representative of low and moderate income persons, and include on mailing lists of announcements, notices, press releases, etc.*

Objective B

City of Truth or Consequences will provide citizens with reasonable and timely access to local meetings, information and records relating to the proposed and actual use of CDBG funds. *Action items:*

1. *Public notices, press releases, etc., should allow for a maximum length of notice to citizens.*
2. *Appropriate information and records relating to the proposed and actual use of CDBG funds must be available upon request to all citizens. Personnel and income records may be exempted from these requirements.*
3. *Meetings, hearing, etc., should be conducted at times and locations conducive to public attendance, e.g., evenings, Saturdays.*

Objective C

City of Truth or Consequences will provide technical assistance to groups and representatives of low and moderate income persons that request assistance in developing proposals. *Note: the level and type of assistance is to be determined by the county/municipality. Action items:*

1. *Low and moderate income groups should be advised that technical assistance, particularly in the area of community development, is available from the county/municipality upon request.*
2. *Document technical assistance provided to such groups and has documentation available for review.*

Objective D

City of Truth or Consequences will provide a minimum of two public hearings to obtain citizen participation and respond to proposals and questions at all stages of the Community Development Block Grant Program. *Action items:*

1. *Advise citizens of the CDBG program objectives, range of activities that can be applied for and other pertinent information.*
2. *Conduct a minimum of two public hearings:*
 - a. *One public hearing will be held to advise citizens of the program objectives and range of activities that can be applied for, and to obtain the citizen's views on community development and housing needs, to include the needs of low and moderate income people. This hearing will take place prior to the selection of the project to be submitted to the state for CDBG funding assistance.*
 - b. *A second public hearing will be held to review program performances, past use of funds and make available to the public its community development and housing needs, including the needs of low and moderate income families, and the activities to be undertaken to meet such needs.*
3. *Publish public hearing notices in the non-legal section of newspapers or in other local media. Evidence of compliance with these regulations will be provided with each CDBG application, i.e., hearing notice minutes of public meetings, list of needs and activities to be undertaken, etc. Amendments to goals, objectives and applications are also subject to public participation.*

Objective E

City of Truth or Consequences will provide timely written answers to written complaints and grievances within 15 working days where practical. *Action items:*

1. *Adopt complaint handling procedures or policies to insure that complaints or grievances are responded to within 15 days, if possible.*
2. *Allow for appeal of a decision to a neutral authority.*
3. *File a detailed record of all complaints or grievances and responses in one central location with easy public access.*

Objective F

City of Truth or Consequences will identify how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of residents can be reasonably expected to participate. *Action items:*

1. *Identify areas where large majorities of non-English speaking persons reside and make appropriate provisions when issues affecting these areas are to be discussed at public meetings, hearings, etc. Appropriate provisions will include having interpreters available at the meeting and having briefing material available in the appropriate language.*
2. *Maintain records/rosters of public hearing attendees and proceedings to verify compliance with this objective.*

Resolution No. 05-A 2018/2019

Exhibit 1-O

FAIR HOUSING RESOLUTION WITH REQUIRED ELEMENTS

A resolution of the _____ of the _____
of _____ adopting a fair housing policy, making known its commitment to the
principle of fair housing, and describing actions it shall undertake to affirmatively further fair housing.

WHEREAS; the Housing and Community Development act of 1974 as amended requires that all
applicant for Community Development Block Grants funds certify that they shall affirmatively further
fair housing; and

WHEREAS; the Civil Rights Act of 1968 (commonly known as the Federal Fair Housing Act) and
the Fair Housing Amendments Act of 1988 declare a national policy to prohibit discrimination in the sale,
rental, leasing and financing of housing or land to be used for the construction of housing or in the
provision of brokerage services, on the basis of race, color, religion, sex, disability, familial status or
national origin; and

WHEREAS; fairness is the foundation of the American system and reflects traditional American
values; and

WHEREAS; discriminatory housing practices undermine the strength and vitality of America and
its people;

NOW, THEREFORE, BE RESOLVED THAT the _____ of the _____
of _____ hereby wish all persons living, working, doing business in or traveling
through this _____ to know that: discrimination in the sale, rental, leasing, and
financing of housing or land to be used for construction of housing, or in the provision of brokerage
services on the basis of race, color, religion, sex, handicap, familial status or national origin is prohibited
by Title VIII of the Fair Housing Act Amendments of 1988; and that it is the policy of the _____
of _____ to implement programs, within the constraints of its resources, to ensure equal
opportunity in housing for all persons regardless of race, color, religion, sex, handicap, familial status or
national origin; and within available resources the _____ of _____ will
assist all persons who feel they have been discriminated against in housing issues on the basis of race,
color, religion, sex, handicap, familial status or national origin to seek equality under existing federal
and state laws to file a complaint with the New Mexico Attorney General's Office or the U.S.
Department of Housing and Urban Development; and that the _____ of _____
shall publicize this Resolution and thereby encouraging owners of rental properties, developers, builders
and others involved with housing to become aware of their respective responsibilities and rights under
the Fair Housing Amendments Act of 1988 and any applicable state or local laws or ordinances; and that
the _____ of _____ shall undertake the following actions to affirmatively
further fair housing:

(List all such actions to include: mailing copies of this resolution to the real estate community, banks, developers, community organizations and local media; posting copies of this resolution at identified locations; distributing flyers; sponsoring schools)

PASSED AND ADOPTED BY THE _____ of the _____
of _____ on this _____ day of _____.

ATTEST:

APPROVED AS TO FOR:

Clerk

Attorney

Exhibit 1-R

RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN WITH REQUIRED ELEMENTS

Residential Anti-Displacement and Relocation Assistance Plan

I. Background/Introduction

Section 104(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5304(d)(4)), Section 105(b)(16) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)(16)), and implementing regulations at 24 CFR Part 42, specify that a grantee under the Community Development Block Grant (CDBG) must certify that it has in effect and is following a "residential Anti-displacement and relocation assistance plan" (Plan). As a CDBG grantee, City of T or C must certify to State of New Mexico Department of Finance and Administration Local Government Division that it has and is following such a Plan.

The Plan must include three components: 1) one-for-one replacement requirements for lower-income housing units, 2) relocation assistance, and 3) a description of the steps City of T or C will take to minimize displacement.

II. Activities Covered by the Plan

All activities involving the use of CDBG funds that cause displacement as a direct result of demolition or conversion of a lower-income dwelling are subject to the requirements specified in the Plan. Activities for which funds are first obligated on or after September 30, 1988 are subject to the requirements specified in the Plan, without regard to the source year of the funds.

III. Uniform Relocation Act

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) govern displacement that directly results from acquisition, rehabilitation, or demolition of real property when federal funds are used. City of T or C's Residential Anti-displacement and Relocation Assistance Plan is in no way intended to supersede the URA. CDBG assisted activities may still be subject to the requirements of the URA.

IV. One-for-One Replacement Units

All occupied and vacant occupiable lower-income dwelling units that are demolished or converted to a use other than as lower-income dwelling units in connection with an assisted activity must be replaced with comparable lower-income units. Replacement lower-income dwelling units may be provided by any governmental agency or private developer and must meet the following requirements:

- A. The units must be located within City of T or C to the extent feasible, the units shall be located within the same neighborhood as the units replaced

- B. The units must be sufficient in number and size to house no fewer than the number of occupants who could have been housed in the units that are demolished or converted. The number of occupants who could have been housed in the units shall be in accordance with applicable local housing occupancy codes. The units may not be replaced with smaller units (e.g., a 2-bedroom unit with two 1-bedroom units), unless City of T or C has provided information demonstrating that such a proposed replacement is consistent with the needs assessment contained State of New Mexico Department of Finance and Administration Local Government Division HUD-approved Consolidated Plan.
- C. The units must be in standard condition and must at a minimum meet Section 8 Program Housing Quality Standards. Replacement lower-income units may include units brought from a substandard condition to standard condition if: 1) no person was displaced from the unit; and 2) the unit was vacant for at least 3 months before execution of the agreement between City of T or C and the property owner.
- D. The units must initially be made available for occupancy at any time during the period beginning 1 year before the recipient makes public the information required under Section F below and ending 3 years after the commencement of the demolition or rehabilitation related to the conversion.
- E. The units must be designed to remain lower-income dwelling units for at least 10 years from the date of initial occupancy. Replacement lower-income dwelling units may include, but are not limited to, public housing or existing housing receiving Section 8 project-based assistance
- F. Before City of T or C enters into a contract committing it to provide CDBG funds for any activity that will directly result in the demolition of lower-income dwelling units or the conversion of lower-income dwelling units to another use, City of T or C must make public and submit in writing to State of New Mexico Department of Finance and Administration Local Government Division the following information:
- 1 A description of the proposed assisted activity;
 - 2 The location on a map and number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than for lower-income dwelling units as a direct result of the assisted activity;
 - 3 A time schedule for the commencement and completion of the demolition or conversion;
 - 4 The location on a map and the number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units. If such data is not available at the time of the submission to State of New Mexico Department of Finance and Administration Local Government Division, the submission shall identify the general location on an area map and the approximate number of dwelling units by size, and information identifying the specific location and number of dwellings units by size shall be submitted and disclosed to the public as soon as it is available;
 - 5 The source of funding and time schedule for the provision of replacement dwelling units;
 - 6 The basis for concluding that each replacement unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and
 - 7 Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units is consistent with the needs assessment contained in

the State of New Mexico Department of Finance and Administration Local
Government Division Consolidated Plan.

- G. The one-for-one replacement requirements may not apply if HUD determines, based on objective data, that there is an adequate supply of vacant lower-income dwelling units in standard condition available on a non-discriminatory basis within _____
City of T or C_____. In making such a determination, State of New Mexico Department of Finance and Administration Local Government Division will consider such factors as vacancy rates, numbers of lower-income units in _____
City of T or C_____, and the number of eligible families on the Section 8 waiting list.

V. Relocation Assistance

Each lower-income person who is displaced as a direct result of CDBG assisted demolition or conversion of a lower-income dwelling shall be provided with relocation assistance.

Relocation assistance includes advisory services and reimbursement for moving expenses, security deposits, credit checks, other moving expenses, including certain interim living costs, and certain replacement housing assistance.

Displaced persons have the right to elect, as an alternative to the benefits described in this Plan, to receive benefits under the URA, if they determine that it is in their best interest to do so. The following relocation assistance shall be available to lower-income displacement persons:

- A. Displaced lower-income persons will receive the relocation assistance required under 49 CFR 24, Subpart C (General Relocation Requirements) and Subpart D (Payment for Moving and Related Expenses) whether the person elects to receive assistance under the URA or the assistance required by CDBG regulations. Relocation notices must be distributed to the affected persons in accordance with 49 CFR 24.203 of the URA;
- B. The reasonable and necessary cost of any security deposit required to rent the replacement dwelling unit and for credit checks required to rent or purchase the replacement dwelling unit;
- C. Actual reasonable out-of-pocket costs incurred in connection with temporary relocation, including moving expenses and increased housing costs, if:
 - 1. The person must relocate temporarily because continued occupancy of the dwelling unit constitutes a substantial danger to the health or safety of the person or the public; or
 - 2. The person is displaced from a lower-income dwelling unit, none of the comparable replacement units to which the person has been referred qualifies as a lower-income dwelling unit, and a suitable lower-income dwelling unit is scheduled to become available through one-for-one replacement requirements
- D. Replacement Housing Assistance. Displaced persons are eligible to receive one of the following two forms of replacement housing assistance:
 - 1. Each person shall be offered rental assistance equal to 60 times the amount necessary to reduce the monthly rent and estimated average monthly cost of

utilities for a replacement dwelling to the "Total Tenant Payment", as determined under 24 CFR 813.107. All or a portion of this assistance may be offered through a certificate or housing voucher for rental assistance under the Section 8 program. Where Section 8 assistance is provided to the displaced person,

City of T or C must provide the person with referrals to comparable units whose owners are willing to participate in Section 8 program to the extent that cash assistance is provided, it will be provided in installments.

2. In lieu of the housing voucher, certificate or cash assistance described above, the person may elect to receive a lump sum payment allowing them to secure participation in a housing cooperative or mutual housing association. This lump sum payment shall be equal to the capitalized value of 60 monthly installments of the amount that is obtained by subtracting the

"Total Tenant Payment", as determined under 24 CFR 813.107, from the monthly cost of rent and average monthly cost of utilities at a comparable replacement dwelling unit. To compute the capitalized value, the installments shall be discounted at the rate of interest paid on passbook savings in a federally insured financial institution conducting business within City of T or C.

Displaced lower-income tenants shall be advised of their right to elect relocation assistance pursuant to the URA and the regulations at 49 CFR 24 as an alternative to the relocation assistance available under CDBG regulations.

VI. Eligibility for Relocation Assistance

A lower-income person is eligible for relocation assistance if they are considered to be a "displaced person" as defined in 24 CFR 42.305. A displaced person means a lower-income person who, in connection with an activity assisted under the CDBG program, permanently moves from real property or permanently moves personal property from real property as a direct result of demolition or conversion of a lower-income dwelling.

For purposes of this definition, a permanent move includes a move made permanently and:

- A. After notice by the owner to move from the property, if the move occurs on or after the date of the submission of a request to City of T or C for CDBG assistance that is later approved for the requested activity; or
- B. After notice by the owner to move from the property, if the move occurs on or after the date of the initial official submission to HUD of the consolidated plan under 24 CFR Part 91 describing the assisted activity; or
- C. Before the dates described in A & B above, if City of T or C or State of New Mexico Department of Finance and Administration Local Government Division determines that the displacement was a direct result of conversion or demolition in connection with a CDBG assisted activity; or
- D. By a tenant-occupant of a dwelling unit, if any one of the following three situations occurs:
 1. The tenant moves after execution of the CDBG agreement covering the acquisition, rehabilitation or demolition and the move occurs before the tenant is

provided written notice offering the tenant the opportunity to lease and occupy a suitable, decent, safe and sanitary dwelling in the same building/complex upon completion of the project under reasonable terms and conditions, including a monthly rent and estimated average monthly utility costs that do not exceed the greater of the tenant's monthly rent before such agreement, or the total tenant payment as determined under 24 CFR 813.107 if the tenant is lower-income, or 30 percent of gross household income if the tenant is not lower-income.

2. The tenant is required to relocate temporarily, does not return to the building/complex, and either is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, or other conditions of the temporary relocation are not reasonable.
3. The tenant is required to move to another dwelling unit in the same building/complex but is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move, or other conditions of the move are not reasonable.

If the displacement occurs on or after the appropriate date described in A & B above, the lower-income person is not eligible for relocation assistance if:

- A. The person is evicted for cause based upon a serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation of applicable federal, State or local law, or other good cause, and the _____ City of T or C _____ determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance;
- B. The person moved into the property on or after the date described in A & B above after receiving written notice of the expected displacement; or
- C. _____ City of T or C _____ determines that the displacement was not a direct result of the CDBG assisted activity and the State of New Mexico Department of Finance and Administration Local Government Division concurs with this determination.

VII. Minimizing Displacement

The CDBG regulations regarding the demolition or conversion of lower-income dwelling units are designed to ensure that lower-income persons are provided with adequate, affordable replacement housing. Naturally, involuntary displacement should be discouraged whenever a reasonable alternative exists. Involuntary displacement is extremely disruptive and disturbing, especially to lower-income persons who do not have the means to locate alternative housing.

There are various ways that displacement can be minimized. The following are steps that will be taken to minimize the involuntary displacement of lower-income persons when CDBG funds are involved:

- A. **Screening of Applications** All CDBG applications will be reviewed to determine whether involuntary displacement is likely to occur. Those applications involving displacement will receive a lower priority recommendation for funding unless it can be shown that alternatives are not available.
- B. **Acquisition of Property** Applicants who apply for CDBG funds to acquire property for the

development of lower-income housing will be encouraged to purchase vacant land. In the case of in-fill and other projects where this is not feasible and the project involves potential displacement, the applicant shall agree to allow the displaced lower-income person(s) to occupy the new housing at an affordable rent.

Applicants who utilize CDBG funds to rehabilitate or convert a lower-income unit to a non-residential use will be required to supply replacement housing consistent with paragraph IV, as well as relocation assistance.

- C. **Cost of Relocation Assistance** The cost of any required relocation assistance and the provision of replacement housing will be borne by the applicant and may be paid for out of CDBG funds awarded to the project.

VIII. Definitions

- A. **"Comparable replacement dwelling unit"** means a dwelling unit that:
 - 1 Meets the criteria of 49 CFR 24.2(d)(1) through (6); and
 - 2 Is available at a monthly cost for rent plus estimated average monthly utility costs that does not exceed the "Total Tenant Payment" determined under 24 CFR 813.107 after taking into account any rental assistance the household would receive.
- B. **"Lower-income dwelling unit"** means a dwelling unit with a market rental (including utility costs) that does not exceed the applicable Fair Market Rent (FMR) for existing housing and moderate rehabilitation established under 24 CFR Part 888.
- C. **"Standard condition"** means units that at a minimum meet the Existing Housing Quality Standards of the Section 8 rental subsidy program.
- D. **"Substandard condition suitable for rehabilitation"** means units with code violations that can be brought to Section 8 Housing Quality Standards within reasonable monetary amounts.
- E. **"Vacant occupiable dwelling unit"** means a dwelling unit that is in a standard condition; a vacant dwelling unit that is in substandard condition, but is suitable for rehabilitation; or a dwelling unit in any condition that has been occupied (except by a squatter) at any time within the period beginning 3 months before the date of execution of the agreement by _____ City of T or C _____ covering the rehabilitation or demolition.

IX. Grievances

The _____ City of T or C _____ will provide timely written answers to written complaints and grievances within 15 working days where practical. Action items:

- A. Adopt complaint handling procedures or policies to insure that complaints or grievances are responded to within 15 days, if possible.
- B. Allow for appeal of a decision to a neutral authority.

- C. File a detailed record of all complaints or grievances and responses in one central location with easy public access.

IX. Certification

The _____ City of T or C _____ herewith certifies to follow the Anti-displacement relocation plan described above and adopt the plan by resolution annually.

Plan Adoption Date: _____ 7/24/17 _____

Adoption Instrument: _____ Resolution _____

Certified By: _____

Juan Fuentes
City Manager

Date

Copy to Local Government Division with attachments

EXHIBIT 1-T

SECTION 3 PLAN WITH REQUIRED ELEMENTS

The City of T or C is committed to comply with Section 3 of the Housing and Urban Development Act of 1968. This Act encourages the use of small local businesses and the hiring of low income residents of the community.

The City of T or C has appointed Juan Fuentes as the Section 3 Coordinator, to advise and assist key personnel and staff on Section 3, to officially serve as focal point for Section 3 complaints, and as the on-site monitor of prime contractors and sub-contractors to insure the implementation and enforcement of their Section 3 plans. The approval or disapproval of the Section 3 plan is the ultimate responsibility of the City of T or C . Documentation of efforts will be retained on file for monitoring by the state.

Therefore, the City of T or C shall:

1. Hiring
 - a. Advertise for all City of T or C positions in local newspapers
 - b. List all City of T or C job opportunities with the State Employment Service
 - c. Give preference in hiring to lower income persons residing in the City of T or C . This means that if two equally qualified persons apply and one is a resident of the City of T or C and one is not, the resident will be hired
 - d. Maintain records of City of T or C hiring as specified on this form

<u> City of T or C </u> ANTICIPATED/ACTUAL HIRES			<u> </u> HIRING YEAR	
PLANNED			ACTUAL	
Job Classification	# of Positions to be Filled	# of Positions to be Filled by Lower Income <u> City of T or C </u> Residents	# of Positions Filled	Positions Filled by Lower Income <u> City of T or C </u> Residents
Please see attached				

- Chart for Section 3 Plan **MUST** be filled out in its entirety.

2. Contracting

- a. The City of T or C will compile a list of businesses, suppliers and contractors located in the City of T or C.
- b. These vendors will be contacted for bid or quotes whenever the City of T or C requires supplies, services or construction.
- c. Preference will be given to small local businesses. This means if identical bids/quotes are received from a small business located within the City of T or C and one from outside the City of T or C, the contract will be awarded to the business located within the community.

3. Training

The City of T or C shall maintain a list of all training programs operated by the City of T or C and its agencies and will direct them to give preference to City of T or C residents. The City of T or C will also direct all CDBG sponsored training to provide preference to City of T or C residents.

4. CDBG Contracts

All CDBG bid proposals and contracts shall include the following Section 3 language.

- a. The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that the greatest extent feasible, opportunities for training and employment be given lower income residents of the project areas, and contracts for work in connection with the project be awarded to business concerns residing in the project area.
- b. The parties to this contract will comply with the provision of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR and all applicable rules and orders of the Department issued there-under prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- c. The contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under the Section 3 clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- d. The contractor will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for, or recipient of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the

subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR 135. The contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135, and will not let any subcontract unless the subcontractor has first provided it with the requirements of these regulations.

- e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders of the Department, issued thereunder prior to the execution of the contract, shall be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors and assigns to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR 135.

The City of T or C shall require each contractor to prepare a written Section 3 plan as a part of their bids on all jobs exceeding \$100,000. All Section 3 plans shall be reviewed and approved by the City's Equal Opportunity Section 3 Compliance Officer and retained for monitoring by the state.

The City of T or C will maintain all necessary reports and will insure that all contractors and subcontractors submit required reports.

LOWER INCOME CLARIFICATION

A family who resides in City of T or C and whose income does not exceed the income limit for the size of family as per the attached Section 8 Income Limit for City of T or C. Information contained in our Section 3 Plan reflects the status of the City of T or C employees regarding lower income considerations based on their salary paid by the City of T or C.

Steve Green
City of Truth or Consequences Mayor

Date



G.6

CITY OF TRUTH OR CONSEQUENCES COMMISSION ACTION FORM

ITEM: Resolution No. 06 2018/2019 approving additions and adjustments to Finance Department Operational Procedures & Policies approved on March 22, 2016 and amended on April 26, 2016, and October 11, 2017.

BACKGROUND: The most recent Procedures & Policies were approved on October 11, 2017 by Resolution No. 11 2017/2018.

- Finance Department Operational Procedures & Policies is an *Internal Accounting Control* which comprises those methods and measures adopted by the Commission of the City of Truth or Consequences to safeguard its assets, secure the accuracy and reliability of its accounting data, and promote operational efficiency.
 - *Internal Accounting Control* extends beyond internal checking (interlocking and checking accounts routines), internal audit, and other matters relating directly to the accounting functions. It may also include delegated authority, budgetary procedures and control, training programs, screening procedures of prospective employees, and safe work practices.

STAFF RECOMMENDATION: Additions/adjustments as follows:

- CASH AND CASH EQUIVALENTS
 - The City's bank accounts are authorized by the Mayor and Commissioners. Disbursements from the City's accounts require the signature of two authorized individuals. The following individuals are currently authorized to sign on behalf of the City:
 - 1) Mayor
 - 2) Mayor Pro-Tem
 - 3) City Manager
 - 4) City Clerk
 - 5) Finance Director
 - Reconciling procedures include the following activities:
 - 7) The City of Truth or Consequences owned cash and cash equivalent accounts (checking, savings, money market and certificates of deposit held by local banks or savings and loan association) which are collateralized by securities authorized in NMSA 6-10-16 in amounts required by NMSA 6-10-17. The CWSA balances are collateralized by the holder of the accounts (NMFA).
- PURCHASING AND EXPENSES/EXPENDITURES
 - 2. Disbursements

- 2.1 Payments made on behalf of the City must be made on a check drawn on the City's revolving fund bank account, or in some cases by Electronic Funds Transfer (EFT). The Revolving Fund is then reimbursed by the fund the payment came out of. Checks on all City bank accounts shall only be signed by the persons authorized to do so.
The following individuals are currently authorized to sign on behalf of the City:

- 1) Mayor
- 2) Mayor Pro-Tem
- 3) City Manager
- 4) City Clerk
- 5) Finance Director

- NOTES/BONDS PAYABLE

- It is worthy to note that, in addition to agreeing to provide needed funding to the City, NMFA also provides accounting and compliance services on obligations being paid out of the debt **obligation accounts held by them**. NMFA also uses its accounting and compliance services when the funding involves instruments that have both a debt and grant aspect.

- PAYROLL AND RELATED EMPLOYEE ACTIVITIES

- 8. Salaries and Wages
 - 8.1.13 Employee pay checks are issued every other Friday through the ~~City's Clerk's~~ Finance Office. They are ~~signed for~~ **available for pick-up** by the Division Head/Supervisor or the employee when received. No payroll check will be given to any other party unless there are instructions to do so on file. Should the employee have direct deposit, the Notice of Deposit (NOD) will be emailed to the employee at an email address of their choice.

- EQUITY ACCOUNTING

- 3. General Financial Transactions
 - 3.4 Banking and Investment Accounts
 - 3.4.1 Bank accounts will be operated as required. Elected members and officers authorized as signatories to operate bank accounts are to be approved by the City Commission. Two signatures are required.
 - 3.4.2 Those presently approved are:
 - 1) Mayor
 - 2) City Manager
 - 3) Mayor Pro-tem
 - 4) City Clerk
 - 5) Finance Director

SUPPORT INFORMATION: Finance Department Operational Procedures & Policies Manual



RESOLUTION NO. 06 18/19

AMENDING THE FINANCE POLICIES AND PROCEDURES FOR THE CITY OF TRUTH OR CONSEQUENCES.

WHEREAS, the Finance Policies and Procedures were adopted on April 26, 2016 and revised on October 11, 2017; and

WHEREAS, in the interest of sound financial management principles, the Finance Director has established procedures for the handling of Municipal Funds; and

WHEREAS, some funding agencies require the Procedures and Policies to be formally adopted by resolution;

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Truth or Consequences that the attached Finance Policies and Procedures are hereby adopted as amended.

PASSED, ADOPTED AND APPROVED this ____day of _____, 2018.

Steve Green, Mayor

ATTEST:

Reneé L. Cantin, City Clerk-Treasurer

THE CITY OF TRUTH OR CONSEQUENCES

Financial policies and procedures are the backbone for operations of any business. These operational procedures are the directional controls for all financial transactions for the City.

*Finance
Department
Operational
Procedures &
Policies-
(updated 10/2017)*

Revision proposed
07/24/2018

1. Introduction

Internal control helps entities achieve important objectives, and sustain and improve performance. COSO's Internal Control-Integrated Framework (Framework) enables organizations to effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization.

Designing and implementing an effective system of internal control can be challenging; operating that system effectively and efficiently every day can be daunting. New and rapidly changing business models, greater use and dependence on technology, increasing regulatory requirements and scrutiny, globalization, and other challenges demand any system of internal control to be agile in adapting to changes in business, operating, and regulatory environments.

An effective system of internal control demands more than rigorous adherence to policies and procedures, it requires the use of judgement. The City of Truth or Consequences' Mayor, Commissioners, and Management use judgment to determine how much control is enough. Management and other personnel use judgment every day to select, develop, and deploy controls across the City. Management and internal auditors (when available), among other personnel, apply judgment as they monitor and assess the effectiveness of the system of internal control.

Internal control is defined as follows:

Internal control is a process, affected by an entity's governing board, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operation, reporting, and compliance.

The Framework provides for three categories of objectives, which allow organizations to focus on differing aspects of internal control:

- **Operational Objectives**—these pertain to effectiveness and efficiency of the entity's operations, including operational and financial performance goals, and safeguarding assets against loss.
- **Reporting Objectives**—these pertain to internal and external financial and non-financial reporting and may encompass reliability, timeliness, transparency, or other terms as set forth by regulators, recognized standard setters, or the entity's policies.
- **Compliance Objectives**—these pertain to adherence to laws and regulations to which the entity is subject.

Internal control consists of five integrated components:

CONTROL ENVIRONMENT

The control environment is the set of standards, processes, and structures that provide the basis for carrying out internal control across the organization. The City Commission and senior management establish the tone at the top regarding the importance of internal control including expected standards of conduct. Management reinforces expectations at the various levels of the organization. The control environment includes the integrity and ethical values of the organization that allows the City Commission to carry out its governance oversight responsibilities.

This responsibility includes: Designing the organizational structure; assignment of authority and responsibility; ensuring that the process for attracting, developing, and retaining competent individuals is established, and that performance measures, incentives, and rewards to drive accountability for performance is present to drive accountability for performance. The resulting control environment has a pervasive impact on the overall system of internal control.

The five (5) essential principles for Control Environment are:

- 1) Demonstrate commitment to integrity and ethical values
- 2) Ensure that Commissioners exercise oversight responsibility
- 3) Establish structures, reporting lines, authorities, and responsibilities
- 4) Demonstrate commitment to a competent workforce
- 5) Hold people accountable

RISK ASSESSMENT

Every entity faces a variety of risks from external and internal sources. Risk is defined as the possibility that an event will occur and adversely affect the achievement of objectives. Risk assessment involves a dynamic process for identifying and assessing risks to the achievement of objectives and includes the establishment of risk tolerances. Thus, risk assessment will also include decisions on how risks will be managed.

Risk assessments will be reviewed and updated as external and internal environments change to prevent the risk that internal controls will become ineffective.

The four (4) essential principles of Risk Management are:

- 1) Specify appropriate objectives
- 2) Identify and analyze risks
- 3) Evaluate fraud risk

- 4) Identify and analyze changes that could significantly affect Internal Control

CONTROL ACTIVITIES

Control activities are the actions established through policies and procedures that help ensure that management's directives to mitigate risks to the achievement of objectives are carried out. Control activities are performed at all levels of the entity, at various stages within the various processes being performed, which include processes involving the technology environment. They may be preventive or detective in nature and may encompass a range of manual and automated activities such as authorizations and approvals, verifications, reconciliations, and performance reviews. Segregation of duties is typically built into the selection and development of control activities. Where segregation of duties is not practical, management selects and develops alternative control activities.

The three (3) essential principles of Control Activities are:

- 1) Select and develop control activities that mitigate risks
- 2) Select and develop technology controls
- 3) Deploy control activities through policies and procedures

INFORMATION AND COMMUNICATION

Information is necessary for the entity to carry out internal control responsibilities to support the achievement of its objectives. Management utilizes relevant and quality information from both external and internal sources to support the functioning of the various components of internal control. Communication is the continual, interactive process of providing, sharing, and obtaining necessary information to be communicated to internal and/or external parties in response to requirements and expectations.

The three (3) essential principles of Information and Communication are:

- 1) Use relevant, quality information to support the internal control function
- 2) Communicate internal control information internally
- 3) Communicate internal control information externally

MONITORING ACTIVITIES

Ongoing evaluations, separate evaluations, or some combination of the two are used to ascertain whether each of the five components of internal control, including controls to affect the principles within each component, is present and functioning.

The two (2) essential principles of Monitoring Activities are:

- 1) Perform evaluation of internal controls (ongoing, periodic, or combination thereof)
- 2) Communicate internal control deficiencies

The City of Truth or Consequences has adopted, for purposes of assessing risk, the following definitions of its risk factors:

Inherent Risk: The risk that the item under consideration is susceptible to loss or misstatement because of its very nature, either individually or when aggregated with other items being assessed, before consideration of any related controls over the item.

Control Risk: The risk that the controls have been either improperly designed or are not being performed properly and loss or misstatement has occurred and is not detected and corrected, on a timely basis by the entity's internal control.

Detection Risk: The risk that a material loss or misstatement of the financial statements has occurred and the financial statements are issued without correction or recognition of the materially misstated items.

Because the City is required to be in compliance with the laws, rules and regulations expressed in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), the City has further defined compliance risk assessments under federally funded project as:

Inherent Risk of Noncompliance: The susceptibility of a major program's compliance requirements to noncompliance that could be material, either individually or when aggregated with other instances of noncompliance, before consideration of any related controls over compliance.

Control Risk of Noncompliance: The risk that noncompliance with a compliance requirement that could occur and that could be material to a major program, either individually or when aggregated with other instances of noncompliance, will not be prevented, or detected and corrected, on a timely basis by the City's internal control over compliance.

Detection Risk of Noncompliance: The risk that the procedures performed by the City to reduce the risk of noncompliance to an acceptably low level will not detect noncompliance that exists and the noncompliance is material to a major program, (either individually or in the aggregate).

The accounting and financial accounting areas that are documented in the City of Truth or Consequences Finance Department Operational Procedures and Policies are:

- 1) Budgeting
- 2) Cash and Cash Equivalents
- 3) Investments
- 4) Notes receivable
- 5) Inventory accounting and control
- 6) Accounts receivable, taxes, sales and other revenue
- 7) Inter fund accounting and reporting
- 8) Capital Assets and Depreciation
- 9) Purchasing and Expenditures/Expenses
- 10) Notes/Bonds payable
- 11) Payroll and Employee related activities
- 12) Grant accounting and control
- 13) Equity accounting

1.1 Internal Accounting Control comprises those methods and measures adopted by the Commission of the City of Truth or Consequences to safeguard its assets and secure the accuracy and reliability of its accounting data and promote operational efficiency.

1.2 Internal Accounting Control extends beyond internal checking (interlocking and checking accounts routines), internal audit and other matters relating directly to the accounting functions. It may also include delegated authority, budgetary procedures and control, training programs, screening procedures of prospective employees and safe work practices.

1.3 It is City policy:

1.3.1 To have in place an adequate system of internal controls, which promote a high level of compliance with City policies and procedures.

1.3.2 To implement and maintain this system of control to assist the City in carrying out its activities in an efficient and orderly manner, ensure adherence to management policies, safeguard the City's assets, and secure the accuracy and reliability of its records.

1.4 COSO Operations: The City utilizes the "Committee of Sponsoring Organizations (COSO) framework and tools for operations within the City. More importantly, it follows the five critical elements in achievement of objectives for the City. In particular: 1) The Control Environment; 2) Risk Assessment; 3) Control Activities; 4) Information & Communication; and 5) Monitoring Activities. Each area is discussed in more detail in this section.

1.4.1: Control Environment: The City utilizes a set of standards, processes and structures as the basis for internal control of city operations. The City Commission sets the tone for staff to operate by and expects staff to operate according to ethical standards and values. The City Commission is charged with ultimate oversight activities and delegate authority to the City Manager to carry out these operations by directives to departmental staff. The City Manager is charged with obtaining highly competent staff at all levels of the organizations and tasks the department managers with maintaining this highly effective group of employees. Overall control of operations is maintained at all levels of the City no matter where the department is located within the City confines. These controls are in place for, at a minimum: purchasing, inventory control, asset management, and payroll accountability, to name a few.

1.4.2: Risk Assessment: Risk is defined as the possibility that an event will occur and adversely affect the achievement of objectives for the City. Risk tolerances are developed through an interactive process between the City Manager and the Department Managers. A cost-benefit analysis tool is utilized to advise the City Commission on all activities affecting the City. This tool shows potential benefits or potential risks of a particular project/operation. Through interactive operations, the City Commission, the City Manager and Department Managers have tools to alleviate issues or potential issues that may come from change in organizational processes.

1.4.3: Control Activities: Control activities are those particular actions that have been established by policies and procedures that assist departmental managers in achieving goals and objectives and mitigating risks associated therewith. The City has built in control activities related to purchasing, accounting, cashiering, payroll processing, etc. The computer operating system has tiered approvals and input limitations for all levels of the organization that reduce the opportunity for fraud, abuse, waste and other inappropriate activities. In addition, segregation of duties allows the City to operate in a control environment wherein multiple levels of approvals is required for processing of documentation related to the operations of the City.

1.4.4: Information & Communication: The City operations can be highly complicated in regard to operations of its' utility functions, waste water requirements, airport operations, etc. The City utilizes expert opinions and documentation before proceeding with any major project undertaking for the City. Information is communicated via the City Commission (staff attend regularly to present and receive information), via the City Manager (the Manager meets on a routine basis with all managers regarding projects and operations), via informal meetings as called by the

Department Managers or the City Manager. By utilizing both internal and external expert opinions, the City Manager is able to report to the City Commission on needed operational activities of the City. This information is then brought back to the Department Manager who directs staff to proceed as needed.

1.4.5: Monitoring Activities: Projects are monitored in the City by Departmental Managers and/or the City Manager. Evaluations are done on these projects at various intervals by the respective manager ensuring that control processes are in place and operational. Grants are monitored for compliance by the Finance Department through the respective department. External auditors review all materials of the City ensuring that activities completed are appropriate to ensure that internal control is occurring at all levels of the City...

1.5: This document brings together those policies and procedures that relate to the accounting activities of the City of Truth or Consequences.

BUDGETING

Risks identified include the following:

Expenditures exceed budgeted amounts at the fund level.

Risk Assessment:

Inherent risk:	Low
Control risk:	Low
Detection risk:	Low

Budgeting is considered to be low risk

Policies and Procedures in place:

The City of Truth or Consequences adopts and amends its budgets in accordance with State of New Mexico Statutes (NMSA 6.6.2).

The budget process includes input from the following stakeholders:

- Commissioners
- City Manager
- Department Directors, Supervisors, and Managers
- Finance Director
- Citizens of the City
- Grantors
- Others

Prior to adoption of the budget, meetings are held with the various stakeholders who are encouraged to express their needs (both short-term and long-term) and to offer their views concerning possible funding sources that could be used to cover the needs expressed.

The deadline for the adoption of the budget is June 1 of each year and requires that the budget be approved by resolution of the City Commissioners and submitted to the Department of Finance and Administration (DFA) for State approval.

Budgets are adopted on the cash basis of accounting which is a Non-GAAP method of accounting.

The City must adopt an annual budget for each fund.

Non-cash activities (such as depreciation) are not budgeted.

Budgetary control is established at the Fund level and any increases or decreases in the total fund amounts must be approved by resolution of the Mayor & City Commissioners and the Local Division of the New Mexico Department of Finance and Administration (DFA).

Budgetary results are reviewed by the Commissioners on a quarterly basis and budget adjustments are presented for approval/disapproval when necessary to prevent an over expenditure of a fund or upon the awarding of new and or changed funding sources/levels.

The Mayor or Commissioners can request budgetary reporting more frequently, as warranted.

CASH AND CASH EQUIVALENTS

Risk Assessment:

Inherent risk	High
Control risk	Low to Moderate
Detection risk	Moderate

Cash and cash equivalents are considered to be moderate to high risk because of the following identified risk factors:

- 1) Desirability of cash and cash equivalents.
- 2) Numerous methods used by governing boards, management, employees, vendors, and others to obtain cash and cash equivalents in a fraudulent manner.

- 3) Depressed state and local economy.
- 4) Recent changes in software package (now Tyler Technologies -) used for accounting.
- 5) High turnover in accounting personnel with little or no training during transition.
- 6) Prior to FYE 06-30-17 the city had several accounts at New Mexico Finance Authority (NMFA) that were "Cash with a Paying Agent" (CWPA) accounts that had not been recorded in the accounting records of the City. Some of these accounts had debt reserves.
- 7) The City allows for payments from customers and others to be made in cash at some locations.

The following policies and procedures are in place in an attempt to mitigate the risks that have been identified.

The City's bank accounts are authorized by the Mayor and Commissioners. Disbursements from the City's accounts require the signature of two authorized individuals. The following individuals are currently authorized to sign on behalf of the City:

- 1) Mayor
- 2) Mayor Pro-tem
- 3) City Manager
- 4) City Clerk
- 5) Finance Director

The finance department is responsible for reconciling all bank accounts each month and to investigate and resolve any discrepancies noted between the reconciled balance and the General Ledger (G/L). The resolution of any discrepancies noted may require input from other City departments/employees or third-party participant(s) that were involved in the transaction being investigated.

The City has cash on deposit with local banks and has "Cash with a paying agent" (CWPA) (most notably with New Mexico Finance Authority) (NMFA).

Reconciling procedures include the following activities:

- 1) Matching of deposit(s) and direct deposit(s) (*including credit card payments*) to bank credits and G/L debit postings.
- 2) Verification that the proper revenue account(s) and amounts have been credited in the G/L.

- 3) Verification that the deposits are being made in a timely manner as noted in the City's policies and procedures.
- 4) Matching disbursements (bank debits) (checks, bank charges, electronic transfers out, etc.) as reflected on the various bank accounts of the City to the postings in the G/L.
- 5) If corrections are deemed necessary either (A) original entry(s) are voided and a substitute entry(s) is prepared and entered or (B) a journal entry is prepared to correct the posting(s) in the G/L. In both (A) and (B) an audit trail is retained with the approvals noted in the electronic documentation.
- 6) A record of stale dated checks (checks outstanding for longer than 180 days) is kept by the finance office. Upon the completion of the bank reconciliations a letter is sent to the specific payee shown in the disbursement records requesting information on why the old outstanding check has not been cashed. If necessary, staff will void the old check and issue a new one after the payee has certified that the check has been lost or destroyed. If all reasonable efforts have been exhausted and the payee can't be located, the check will be voided from the system and placed in a special account. After one (1) year any monies over \$ 50.00 will be sent to the State of New Mexico for inclusion in the "unclaimed property" accounts of the State and the transmittal to the state will include the appropriate backup paperwork.
- 7) The City of Truth or Consequences owned cash and cash equivalent accounts (checking, savings, money market and certificates of deposit held by local banks or savings and loan association) which are collateralized by securities authorized in NMSA 6-10-16 in amounts required by NMSA 6-10-17. The CWPA balances are collateralized by the holder of the accounts (NMFA).

INVESTMENTS

Risk Assessment:

Inherent risk	Low
Control risk	Low
Detection risk	Low

Investments is considered to be low risk

Currently, the only investments being made by the City are Certificates of Deposits, New Mexico State Treasurer's investments pools (NMSTO), savings

accounts and money market accounts. The City does not have any exotic investment accounts.

NOTES RECEIVABLE

Risk Assessment:

Inherent risk	Low
Control risk	Low
Detection risk	Low

Notes receivable is considered to be low risk

Currently the City reflects NO notes receivables due to the City

INVENTORY ACCOUNTING AND CONTROL

Risk Assessment:

Inherent risk	Low
Control risk	Medium
Detection risk	Low

Inventory Accounting and Control is considered to be low risk.

Although the City's inventory items have very little value to non-employees because of the nature of its inventory (i.e. water meters, water and sewer line parts, electrical parts and equipment, auto parts, office supplies etc.) there are some risk factors that have been identified.

The City has identified the following risk factors:

- 1) Overstocked inventory
- 2) Obsolete inventory
- 3) Inventory theft by employees, officers or others.

To mitigate the risks identified, the City has instituted the following policies and procedures related to its inventory.

To the extent practical and cost effective, access to inventory is restricted to designated personnel in the departments where inventory is present with the use of locked storage containers, fenced yards, locked rooms or cabinets, or in rooms occupied, for the most part, by City employees who are generally present

during the City's work-day. These employees monitor the comings and goings of individuals who have gained access to their offices.

The requisition request for new inventory items must be approved by the department manager or the manager's designate before the requisition is sent to the purchasing office.

As an integral part of the approval process, inventory item requests are checked against on hand inventory and in process purchases before approval is granted by or on behalf of the department manager.

An annual review and count of inventory items is made by each department. (More frequent counts and inspection are made when warranted). The cost of inventory is calculated and the books of account are adjusted.

Obsolete items are listed separately and their cost is not included in the final inventory totals. A plan for disposal of the obsolete items is presented to the City Manager for follow-up and resolution.

Significant variances between periods are investigated when unexpected changes have occurred.

If overstocked inventory is noted, the cause for the overstocking is investigated and appropriate action is taken to remedy the problems noted.

ACCOUNTS RECEIVABLE, TAXES AND OTHER REVENUE

Risk Assessment:

Inherent risk	High
Control risk	Medium
Detection risk	Medium

The City has identified revenue as a high risk area for some of its revenue streams.

Most fraud schemes at Governmental units involve efforts on the part of employees and/or other to divert the government's money to their personal use/benefit. Various schemes include the following:

- 1) Kiting – delayed deposit of funds which allows the depositor to use the government's cash for personal use (Unauthorized temporary loans) or substitution of tomorrow's collections to make up today's delayed deposit.
- 2) Theft of money – money disappears without explanation.

- 3) Under reporting of collections. Collections received on customer's accounts are not properly recorded as collections and the accounting records either do not reflect a reduction in the amount owed from the customer or an entry to reduce the amount owed from the customer is shown in the government's records, but the entry is not giving credit because a payment was received. Usually this scheme will involve an effort to hide the misappropriation of funds. The customer's original, properly executed billing has been either partially or wholly reduced to cover the amount taken. This method will usually involve the creation of an unauthorized journal entry so that the customer does not challenge the billing(s) received from the government.
- 4) Unauthorized changes in customer base. This scheme is usually used in situations where the "customer" base is not a stable population (such as: court fines, licenses, fines, and fees) and the collector either doesn't set-up the customer base information and payment information or deletes the customer information after the money is received. There are numerous ways to cover this type of fraud including:
 - (a) Not providing a payment receipt to "customer". (No receipt equals no payment received).
 - (b) Providing a customer receipt from a receipt book that is not currently in use by the government and is a "personal" receipt book of the fraudster.
 - (c) Altering the paperwork used in support of monies received (i.e. court fines and fees assessed by the judge are changed to show that the case was dismissed). Altering the records to indicate that a business is no longer in existence after a business license has been issued and paid for by the business owner).
- 5) Goods and/or services rendered at no cost to friends or family when goods or services of a like-kind are generally charged to all others.
- 6) Inadequate collection efforts that lead to situations whereby special payment arrangements and/or discounts are necessary to prevent further loss of revenue to the government. This is usually seen when officials of the government are not treated with impartiality by staff out of (1) fear of retaliation or (2) an effort to curry favor from the official.

These are just a few of the more prevalent schemes in use. However, it should be noted that the individuals who are most successful at fraudulent activities are those in authority who are highly intelligent, knowledgeable of the accounting system in use by the government, and creative in their thinking. (i.e. employees and officials with longevity)

For a full discussion of the policies and procedures in place at the City of Truth or Consequences which address the risks identified, see Section 11: Cash Handling Policy of the "City of Truth or Consequences Personnel Rules and Regulations".

INTER FUND ACCOUNTING AND REPORTING

Risk Assessment:

Inherent risk	Medium
Control risk	Medium
Detection risk	Low

The over-all risk is considered to be medium to low because of the following risk factors:

- 1) Limited financial resources (cash and cash equivalents) for each and every fund. Excess funds are unavailable for non-essential services.
- 2) Budgeting and purchasing practices employed by the City. Careful use of available resources coupled with close monitoring by Mayor, Commissioners, City Manager, and Finance Director.
- 3) City's inability to control actions of third-party revenue streams (Grantors, etc.).
- 4) Knowledgeable accounting staff who monitor and adjust the inter fund accounts in a timely manner.

The following is a description of the system of accounting used to account for inter fund accounting and reporting:

The City budgets permanent transfers between funds during its annual budget process to cover anticipated short-falls or to enhance the activities of an identified or needed service (i.e. increased public safety).

During the year, changes will be made to budgeted transfers when the City recognizes that:

- 1) Anticipated revenues in a fund will not meet the needed expenditures of the fund and the Mayor/Commissioners believe the goods/services budgeted are essential/needed in the community.
- 2) New activities are identified that require budget changes and the revenues generated by this new activity will be insufficient to cover all anticipated expenditures. (i.e. A new construction grant/loan with a matching requirement)
- 3) Acquisition of new debt that requires a revenue source being recorded in one fund be transferred to a second fund where the debt payments are budgeted.

The City uses a single clearing account for its expenditures (both vendor payments and payroll).

The City's disbursement system (accounting software) (Tyler Technologies) records a due from (debit) in the clearing account fund (fund 999) and a credit to the cash clearing account. The entry in the fund that incurred the cost will be show the expenditures by line item and a credit to the due to account. When the amounts to be paid has been determined by fund, and the needed cash to cover the transfer is available in the fund's cash account(s) a request for reimbursement to the clearing account is sent to the Clerk/Treasurer's office. If, prior to sending the request, it is determined that there is insufficient cash available in the fund to be charged for the disbursements, the following actions are considered and acted upon with the approval/direction of the Finance Director and/or City Manager:

- 1) Request for a permanent or temporary transfer from the General Fund into the Fund experiencing the short fall.
- 2) Voiding of the vendor payment until funds are available and re-processing the payment when funds become available.

The Clerk/Treasurer or her/his authorized representative reviews the request. After the request has been approved, the request is taken to the bank for processing and the entry recorded in the Tyler Technologies - Incode debits the clearing account cash and credits the due from account. At the fund level, the entry recorded is a debit to the due to accounts and a credit to the bank accounts charged for the transfer.

A second set of due to/due from accounts are being employed in the accounting routine of the City to break-out (by fund) the cash balances apportioned to each participating fund of the joint utility cash fund (fund 998). The funds included in the joint utility cash account fund are:

- 1) Utility office (fund 502)
- 2) Electric (fund 503)
- 3) Water (fund 504)
- 4) Solid Waste (fund 505)
- 5) Waste water (fund 506)

The Tyler Technologies - Incode due to/due from routine is employed for two additional accounting activities.

- 1) Gross receipts direct deposit from the State of New Mexico (monthly distribution).
- 2) Utility department termination payment processing and customer deposit application against outstanding accounts receivable.

Because the GRT is recorded as revenue to several different funds within the City, the clearing account is used to "hold the cash" until the needed calculations to determine ownership of the funds has been completed. After ownership has

been determined a request to transfer the funds from the City's clearing account to the respective fund's checking account is processed and revenue is recognized in the funds receiving the cash.

When a termination of service (voluntary or involuntary) is acted upon, an end of service billing is calculated and posted to the customer's accounts receivable record. As a part of the termination process, the recorded customer's deposit is applied against the accounts receivable balance(s). This process is currently being handled through the due to/due from accounts because:

- 1) Customer deposits are recognized in the Electric Fund (503)
- 2) Billings are accounted for in:
 - a. Electric (503)
 - b. Water (504)
 - c. Solid Waste (505)
 - d. Waste Water (506)

And, as a result an out of balance situation is created when the entire customer deposit is reduced in the Electric Fund but applied against customer's accounts in all four funds.

When a termination occurs, it becomes necessary to analyze the transaction to determine which customer account balances were credited with the customer's deposit and to prepare journal entries to correct the due to/due from and revenue accounts.

The following policies and procedures are in place in an attempt to mitigate the risks that have been identified.

- 1) Close monitoring of budgets and budget changes, as described above.
- 2) Timely monitoring and correction to due to/due from accounts as described above.
- 3) Monitoring of cash balances, including timely bank reconciliations for all bank/savings etc. accounts.

CAPITAL ASSETS AND DEPRECIATION

Risk Assessment:

Inherent risk	Medium
Control risk	Low
Detection risk	Low

Risks that have been identified include the following:

- 1) Failure to perform an annual inventory of capital assets which is required by New Mexico State Statutes.
- 2) Failure to properly identify, track and account for capital asset acquisitions.
- 3) Failure to recognize and properly record missing, obsolete, or unusable capital assets.
- 4) Failure to adjust the accounting records when movement of assets occurs between Enterprise funds and Governmental funds or movement between funds or functions within the two major classes of funds.
- 5) Failure to properly assign depreciation methods and lives to capital assets.
- 6) Failure to provide protection against theft or destruction of capital assets.

In order to mitigate the risks identified above the City has instituted the following policies and procedures:

An annual inventory of capital assets will be performed on all movable equipment and vehicles owned by the City. The inventory will be performed by FYE and as close to the year end as practical.

A capital asset is defined as a tangible or intangible asset costing \$ 5,000 or more with a useful life greater than one year.

Each department head is responsible for its capital assets and will notify the finance department when any of the following actions is taken and/or noted.

- a) Purchase Order for a capital asset has been approved. Once the approval is given, a copy of the approved purchase order will be given to the Finance Director for tracking and follow-up as necessary. Upon receipt of the purchased capital asset the department head will be responsible for filling out the "Capital Assets New Purchase Form" and attaching a TorC inventory tag to the item, if appropriate. The serial number and tag number information will be checked for accuracy before signing and forwarding to the Finance Director for entry in the capital asset records.
- b) Significant damage or destruction of any capital asset under their control. A "Property Disposal Request Form" will be prepared, signed and given to the City Manager for signature and approval. Once approved by the City Manager the properly completed and signed form will be given to the Finance Director for use in updating the capital asset records.

- c) During the annual inventory of movable capital assets a review of all other assets will be made to identify assets that are in need of upgrades or replacement. The listing of such assets will be presented to the City Manager for his further consideration and/or action. The list should include obsolete/unusable assets that have become obsolete/unusable due to age or technology changes that render the asset obsolete/unusable.
- d) When assets are transferred between Funds (Enterprise) or Activities (Governmental) the Finance Director should be immediately notified and any instructions as to how to proceed should be followed.
- e) The City uses the Mid-Month, Straight Line method of depreciation and the responsibility for assigning useful live to its capital assets is handled by the Finance Director or authorized representative. IRS guideline will be consulted, as needed when lives are being assigned, but are used as a guide ONLY.
- f) Insurance coverages are reviewed annually for adequacy and any claims against policies in force are handled by the Finance Director with the advice and consent of the City Manager.

PURCHASING AND EXPENSES/EXPENDITURES

Risk Assessment:

Inherent risk	Medium
Control risk	Low
Detection risk	Low

Risks that have been identified include possible violations of laws, rules and regulations in the following areas:

- 1) Related parties.
- 2) Sole source purchases.
- 3) Travel and per diem.
- 4) Contracting.

The following policies and procedures are in place in an attempt to mitigate the risks that have been identified.

The City uses and follows the New Mexico State Procurement Statutes (Chapter 13-1-1 to 13-1-199 NMSA).

The City of Truth or Consequences employs a certified Chief Procurement Officer (CPO) as defined in NMSA 13-1-95.2 who oversees the purchasing and vendor expenditure activities for the City. The certified CPO is under the supervision of the Finance Director.

A "Chief Procurement Officer" is defined, in part, under 13-1-38.1 NMSA as "that person within a state agency's or local public body's central purchasing office who is responsible for the control of procurement of items of tangible personal property, services or construction."

The Certified CPO attends training provided by the state purchasing agent at least annually and is recertified every two years. The recertification process requires an examination approved by the secretary of general services.

Related Party risk is mitigated through the actions taken by the CPO who ensures that State Statute 10-16-13.2 NMSA is being complied with.

Annually, each employee is required to submit a list of business and/or personal relationships that could influence decisions relating to procurement by the City.

Sole source purchase risk is mitigated through the actions taken by the CPO who ensures that State Statute 13-1-126.1 NMSA is being complied with.

Whenever a request for a sole source purchase is made by a department manager or others, the matter is discussed with the Finance Director to the extent deemed necessary. Additional advice is sought as needed.

During this review process, the request for purchase is analyzed to ensure that the request has not been purposely narrowed in its scope to prevent competition from other vendors who have similar product or goods and services of like quality and/or price.

Per diem risk is mitigated through the actions taken by the CPO who ensures that employee, officer and governing body requests for per diem, meals and travel reimbursements are processed on the proper forms and are being requested in the amounts allowed per the City's policies and State of New Mexico statutes and regulations.

Education related to the proper method to be employed by those submitting requests for reimbursement is handled whenever needed.

Care is exercised over the timing of any advances requested and the matching of advances against final reimbursements.

The contracting risk is mitigated by the actions taken by all parties involved in the grant/loan process as discussed in the Grant and Accounting Control Section.

The guidance expressed under that section is supplemented by the knowledge and actions taken by the CPO who determines that all requests for contracting will be covered by existing budgets or available grants/loans in place.

Accounting control (fund & line item assignments) are determined and agreed upon before all contracting activities are finalized.

The following additional procedures are used for accounting and controlling the purchasing, disbursing and contracting activities of the City.

1. Purchasing

1.1 The Purchasing Office shall be responsible for the control of procurement for the City and shall perform the duties required by the *Procurement Code of the State of New Mexico*. The Purchasing Office shall also cooperate and coordinate with the State Purchasing Agent, City Manager, Finance Manager, Commissioners, Mayor and all Department heads to maximize the benefits to the City from such joint and cooperative efforts.

1.2 All goods and services will be obtained by use of a *pre-numbered/purchase* requisition/quotation form via the electronic accounting system. For small purchases (as defined in the State of New Mexico Statutes) authority to pay is deemed to be granted when the requisition/quotation form has been electronically signed by the Procurement Officer, Finance Director, and City Manager and the goods or services have been initialed as having been received.

1.3 Purchasing Process:

Purchase Requisitions:

Requestor:

1. A purchase requisition is completed by the requestor.
2. If rejected, the document will be sent back electronically or on paper to the requestor with the reason for the rejection
3. If approved, it is sent back to the requestor electronically or on paper for the requestor's files and for follow-up.

Supervisor:

1. Supervisor will review the Purchase Requisition electronically and will either approve or reject the request.
2. If a paper-based requisition is generated, it will be approved or rejected.

3. If rejected, the document will be sent back electronically or on paper to the requestor with the reason for the rejection; or
4. If approved, the document will be forwarded electronically or via paper to the Chief Procurement Officer (CPO).

Chief Purchasing Officer (CPO):

1. The CPO or their designee will receive all Purchase Requisitions and review for compliance with the procurement guidelines.
2. If rejected, the Purchase Requisition is either sent electronically or on paper, back to the requestor with directions for compliance needed for approval

Purchase Orders:

1. After the CPO, or their designee, receives a valid, approved Purchase Requisition, they will either prepare a Purchase Order, if the request does not qualify as a small purchase, or request additional justification from the requester (if deemed necessary or prudent.
 - a. (As noted above small purchases do not require additional approval; therefore, after the CPO approves the Purchase Requisition, the appropriate "purchase requisition/quotation form" is prepared for the additional approvals required for processing.
 2. Purchases which do not meet the definition of a "small purchase" require additional approval from the Finance Director, or their designee, and the City Manager, or their designee. The electronic accounting system will automatically generate this referral from the CPO, or their designee.
 3. If rejected the document is sent back electronically to the CPO for further clarification and/or justification. Alternately, the purchase requisition is denied and further action is not taken by the CPO other than to notify the original requestor of its denial.
-
- 1.4 Documents are electronically signed through the Accounting system.
 - 1.5 Service rendered on contracts, or monthly services (i.e. phone bills, utility payments) only require the purchase requisition/quotation form and approval signatures as required. No purchase order is required.
 - 1.6 Purchase Orders are processed, as needed, upon receipt on a daily basis Monday-Friday, except holidays.
 - 1.7 Once goods and services are received, and an invoice or packing slip has been signed off on, a disbursement will be prepared.

- 1.8 The purchasing office also prepares and distributes Invitation for Bid (IFB) and request for Proposal (RFP) documents, when needed.
- 1.9 The office maintains contracts for City Hall telephones, copy and facsimile equipment including related supplies, maintenance and support; Maintains contracts for all contract labor vendors.

2. Disbursements

- 2.1 Payments made on behalf of the City must be made on a check drawn on the City's revolving fund bank account, or in some cases by Electronic Funds Transfer (EFT). The Revolving Fund is then reimbursed by the fund the payment came out of. Checks on all City bank accounts shall only be signed by the persons authorized to do so.

The following individuals are currently authorized to sign on behalf of the City:

- a. Mayor
- b. Mayor Pro-tem
- c. City Manager
- d. City Clerk
- e. Finance Director

- 2.2 Accounts payable is done weekly.
- 2.3 All checks are on pre-printed check stock which is totally devoid of identification information such as: Routing Number, Checking Account Number, City name, City address, etc. All information needed to convert the check stock to a valid City disbursement is printed onto the check by the software system (Tyler Technologies - Incode) when the disbursement has been approved for payment (Including the following):
 - 1) Check Number
 - 2) City name, address, etc.
 - 3) Bank routing number
 - 4) Bank account number
 - 5) Bank name, address, etc.
 - 6) Check date
 - 7) Check amount
 - 8) Pay amount (amount being paid spelled out)
 - 9) Payee name, address, etc.
 - 10) Message "Void after 180 days"
 - 11) Electronic Signatures of authorized signers (See above)

The check stub contains the following information when printed by the Tyler Technologies Software:

- 1) City Name
- 2) Check number
- 3) Payee (vendor) number and name
- 4) Check date
- 5) System control number
- 6) PO number (when appropriate)
- 7) Abbreviated description of item being purchased
- 8) G/L account number (including fund and line item being charged)
- 9) Amount being charged to the G/L account number.

All checks are assigned a number, in sequence, as the disbursements are authorized. Currently, checks are authorized for:

- 1) Vendor payments
- 2) Payroll related activities
- 3) Repayments to utility customers for over-payments or security deposit refunds.

2.4 Checks may be processed for goods or services that are needed immediately (per diem/travel expenses/school registration, etc.), for checks that need to come out on other days, besides the designated processing day (loan payments, contract labor), and for transfers from one bank account to another.

2.5 A weekly and monthly report is done by the Chief Procurement Officer showing all payments from the City's Funds. These reports are kept in the Purchasing Department and Finance Department. The monthly report is approved by the Commission on the first Commission Meeting each month.

3. Travel Advances and Reimbursement Requests

3.1 All requests for any travel advance must be submitted at least five (5) days prior to departure time to guarantee the availability of an advance check. Requests received later than this time will NOT be guaranteed of being processed prior to departure.

3.2 All travel balances due upon trip return and out-of-pocket reimbursements will not be processed with Checks. Such reimbursements will go on the regular accounts payable cycle. These checks are usually paid out by the second and fourth weeks of each month.

3.3 Travel advances will NOT be given on trips that involve no overnight lodging. These will be on a reimbursement basis only.

3.4 To be processed, all travel advances requested must contain back-up documentation. A meeting schedule, agenda, itinerary, etc. must be

provided. Failure to provide such will result in the request not being processed.

- 3.5 All registration costs must be documented with a Requisition Form and appropriate backup and should be turned in prior to the request for travel advance.
- 3.6 For mileage reimbursement, map miles will be utilized. If additional mileage is being requested, justification and odometer readings will be required or reimbursement will not be made.
- 3.7 Employees are encouraged to use city vehicles for travel. Personally owned vehicles (POV) may be used and reimbursed mileage for when City vehicles are not available. When multiple days or nights are required for meetings or trainings, the City Manager may deem it appropriate for the employee to use their POV in order to have City vehicles available for regular business operations.
- 3.8 Per diem will be paid using current rates as established by the City. If actual costs are requested to be reimbursed, the traveler must submit all receipts for the same. If receipts cannot be produced, the traveler will receive reimbursement based on established set rates.

NOTES/BONDS PAYABLE

Risk Assessment:

Inherent risk	Low
Control risk	Medium
Detection risk	Medium

Risks that have been identified include the following:

- 1) Misstatement of financial statements due to not recognizing the proper amount of debt outstanding or misclassification of debt (governmental vs. enterprise).
- 2) Violation of debt covenants.
- 3) Insufficient sources of revenue which could lead to non-payment of outstanding debt (per debt covenants) in a timely manner.

The following policies and procedures are in place in an attempt to mitigate the risks that have been identified.

Most of the debt incurred by the City is negotiated between the City and NMFA (a New Mexico State Agency) that assesses the City's ability to cover all debt obligations entered into by the City. NMFA offers low interest rate debt to local

governments and requires, when deemed necessary or prudent, that the local government retain debt reserves in amounts sufficient to cover payments due during depressed economic periods.

It is worthy to note that, in addition to agreeing to provide needed funding to the City, NMFA also provides accounting and compliance services on obligations being paid out of the debt **obligation accounts held by them**. NMFA also uses its accounting and compliance services when the funding involves instruments that have both a debt and grant aspect.

NMFA's debt handling procedures, on most obligations of the City, require that the City set up debt service cash accounts at NMFA. These debt service cash accounts are "Cash with Paying Agents" (CWPA) accounts that represent cash owned by the City, but in the hands and under the control of the debt holder. The accounts, when used, pay a modest interest return on the monies held by NMFA.

NMFA, whenever possible, ensures that payments are being made timely by "intercepting" revenue sources due to the City prior to the City gaining access to the revenue source that is committed to NMFA for debt service payments. Intercepted revenue sources include the following:

- 1) Gross receipts taxes.
- 2) State Fire Marshal Allocation.

Currently, the City also has debt obligations owed to USDA RD and the New Mexico Environmental Department who also assess the City's ability to meet its debt obligations.

Internal procedures utilized by the City include the following:

- 1) Annual budgets are adopted by the City (See budget procedures above) and a schedule of all outstanding debt owed by the City is included in the budget document. The current year's required payments of principal and interest are included in the document sent to DFA Local Government Division for approval. Any differences noted during the budget review performed by the Department are resolved before final budget approval is granted.
- 2) Bookkeeper retains an excel workbook on each debt that provides a description of the debt as well as a description of the accounting routine to be followed for recording the activities reflected on the NMFA CWPA statements. Similar schedules are retained on the debt owed to the other debt holders.
- 3) All monthly statements (or other period statements) received from the debt holders are retained in date order in semi-permanent folders filed in

the Finance Director's office. These files are used by the bookkeeper to record the monthly (or other accounting period transaction) entries.

- 4) Each month the City's bookkeeper/accountant reconciles all debt accounts (CWPA statements) and other debt and debt service accounts to ensure that all debt owed by the City to its debt holders are accurate and reflective of the activities which occurred during the month.

PAYROLL AND RELATED EMPLOYEE ACTIVITIES

Risk Assessment:

Inherent risk	Medium
Control risk	Low
Detection risk	Low

Risks that have been identified include:

- 1) Payroll checks to non-existing employees.
- 2) Erroneous pay rates.
- 3) Erroneous/improperly documented benefit payments.
- 4) Payments for work not performed (not worked, falsified hours, not at work station, etc.)

The following policies and procedures are in place in an attempt to mitigate the risks that have been identified.

Payroll checks to non-existing employees.

The City of Truth or Consequences (TorC) has a relatively small staff recruitment and hiring process that, if properly executed, would prevent the payment to non-existing employees.

See "Section 1: Recruitment, selection, advancement and training" of the City of Truth or Consequences' Personnel Rules and Regulations".

In addition, due to the City's payroll processing and approval methods it would be unlikely that unknown or false employees could be added into the payroll system without notice/deletion. Most, if not all of the City's employees, are known to all employees/officers who handle payroll functions.

Erroneous pay rates.

The City uses a combination of budgetary restrictions and Federal Labor Standard Act (FLSA) restrictions/guidance when setting and maintaining rates of

pay for its officers and employees. See "Section 4: Position classification" for a discussion regarding Classified vs Non-Classified Employees, entry level pay rates, pay changes, pay increases, pay for overtime work, etc.

In addition, see "City of Truth or Consequences - Payroll Department - Payroll/Payables Process" which gives details regarding the individual processing steps for processing regular and non-regular payroll entries. When properly executed and reviewed by those responsible for executing the City's payroll, the procedures will either prevent or catch errors in a timely manner.

Erroneous/improperly documented benefit payments

The City's Employee Benefits are included in "Section 8: Employee Benefits" of City of Truth or Consequences – "Personnel Rules and Regulations document".

The City's payroll software program, combined with Internal Revenue Service (IRS) web-site at www.irs.gov, the knowledge and experience of the City's payroll clerk & Finance Director, and the checklist provided for in the Payroll/Payable Process document (see above), errors and irregularities that may occur while processing employee benefit payments should be found and corrected in a timely manner.

Payments for work not performed

The City's Personnel Rules and Regulations (noted earlier) describes, in "Section 9: Disciplinary Action and Termination", the actions that will be taken by the City for employee misconduct. The City's adherence to its stated policies should act as a disincentive for non-compliance by its employees.

In addition, the following City/local realities will also prevent/impact an employee's willingness to violate City policy:

- 1) Population is relatively small and most citizens know employees and are willing to report misconduct.
- 2) City manager reminds department managers to monitor employees with an idea toward performance standards and conduct.
- 3) Department manager/head set goals for their employees and monitor progress frequently.
- 4) Governing board consults with City Manager when employee misconduct is called to their attention or observed.

The following additional procedures are used for accounting and controlling the payroll and employee related activities of the City.

8. Salaries and Wages

8.1 Payroll

8.1.1 Records will be maintained in respect of each and every employee of the City showing:

- 1) Hours worked and rate of pay
- 2) Gross salary or wages
- 3) Tax and details of all other payments and deductions
- 4) Sick, annual and any other leave available and taken

8.1.2 Salaries and wages will be paid on the basis of hours of attendance recorded on an approved time sheet.

8.1.3 The time sheet approval process includes the following:

- a.) Each employee logs in to the payroll time sheet system using their unique log in and enters their time. When the time sheet has been completed for the payroll period, the time sheet is forwarded to their supervisor for approval.
- b.) The supervisor (department head) logs in to the payroll time sheet system using their unique log in and reviews the time sheet for accuracy and completeness. If the time sheet is deemed accurate and complete the Supervisor electronically forwards the approved time to the payroll department.
- c.) If problems are noted by the supervisor, the employee is notified of the problems noted and instructed to correct the problems and to re-submit the time sheet for approval in a timely manner. Upon re-submittal, the supervisor will review the changes made and, if corrected properly, approve the corrected time sheet.

8.1.4 The logging in and forwarding of documents within the payroll time system is deemed by the City as an act that is equivalent to electronically signing and approving the forms being electronically submitted as each employee has a unique user name and password.

8.1.5 All claims for payment of overtime must be approved by the department supervisor or, in rare cases (i.e. Airport), the City Manager before being paid - Except during situations that result from standby duties, or other emergencies that concern the health, safety and welfare of local citizens.

- 8.1.6 Hours of work will be paid in accordance with the City of Truth or Consequences Administrative Manual.
- 8.1.7 The payroll officer shall certify that the electronic pay sheets for payments of salaries and wages for each period are correct. The Finance Director, or their designee, will audit all timesheets and the payroll register for accuracy prior to approving payment for the same via the electronic accounting system.
- 8.1.8 No payments of cash advances against salaries or wages will be paid.
- 8.1.9 The employment procedures outlined in the City of Truth or Consequences Administrative Manual will be used before new employees are entered into the City's payroll.
- 8.1.10 Payroll deductions on behalf of employees will be limited to:
- 1) Taxation liabilities
 - 2) Insurance
 - 3) P.E.R.A.
 - 4) F.I.T.
 - 5) F.I.C.A.
 - 6) Medicare
 - 7) S.I.T.
 - 8) Worker's Compensation
 - 9) Court ordered Child Support/Garnishment
 - 10) Legal Plan
 - 11) Credit Union
- 8.1.11 Employee Payroll Taxes (941) are paid electronically to the IRS by the payroll officer on the Wednesday before payroll is issued. This is verified by another person in the finance department. The bank statement showing the monies taken out is given to payroll every month for backup.
- 8.1.12 Payroll is also responsible for issuing checks to the various agencies involved with payroll (i.e. insurance companies, PERA, etc.). They are also responsible for the typing of all checks to transfer the funds from the various accounts to cover the checks in the Revolving Fund. All payments must be made timely to keep in good standing with each of the agencies receiving payment. Payments are processed at each payroll date.

- 8.1.13 Employee pay checks are issued every other Friday through the City's Clerk's Finance Office. They are ~~signed for~~ available for pick-up by the Division Head/Supervisor or the employee when received. No payroll check will be given to any other party unless there are instructions to do so on file. Should the employee have direct deposit, the Notice of Deposit (NOD) will be emailed to the employee at an email address of their choice.

GRANT ACCOUNTING AND CONTROL

Risk Assessment:

Inherent risk	Low
Control risk	Medium
Detection risk	Medium

The over-all assessed risk for Grant Accounting and Control is low.

Policies and Procedures in place:

- 1) Prior to submitting a request for grant assistance, the Department Head performs an informal analysis to assess the cost/benefit to the City if the grant request is successful. The informal review includes, but is not limited to:
 - a. Determination of funding source(s) (federal, state, local or combination).
 - b. Availability of funding.
 - c. Past experience, if any, with program or grantor.
 - d. Availability of qualified firms or personnel who will be tasked with performing the grant activities.
 - e. Availability of assistance (in City or outside (COG))
 - f. Matching requirements, if any.
 - g. If Federal, compliance requirements to be met.
- 2) If the Department Head determines that a grant request is appropriated and worthy of pursuing, a more formal preliminary presentation is prepared for presentation to the City Manager.
- 3) The City Manager meets with the Department Head(s) to discuss the funding request and to decide, at a minimum, such things as:
 - a. Placement within the City's Capital Improvement Plan, if applicable.
 - b. Availability of matching requirements, if any (when considered with other requests from other departments) etc.
 - c. Individuals who will be tasked with the responsibility for ensuring that the grant application(s) are prepared properly, completely and

timely once the request has met the approval of the City Manager and Mayor/Commissioners.

- d. City personnel and/or outside contractors who will perform grant tasks (including reporting and monitoring) during and after the grant period to ensure the successful completion of the grant and its audit by the City's Independent Auditor.
- 4) Once the City Manager has given tentative approval to pursue the proposed grant request of the Department, informal discussions are held between the City Manager, Mayor, and department head(s), as appropriate and necessary to move the request forward. All parties involved enforce the prohibition against holding discussions during a meeting that would constitute a quorum of the City's governing body.
- 5) When the City Manager and the other involved parties have worked out any issues noted during the grant process, a formal discussion of the grant proposal is presented to the Mayor and Commissioners at one of its regularly scheduled meetings.
- 6) Any and all questions are addressed during the open meeting and the Mayor and Commissioners will either approve, disapprove, or delay its decision to grant acceptance of the grant request.
- 7) When the grant has been approved by the funding source and the City and funding source have signed all appropriate grant documents, the grants manager prepares a grant specific worksheet in the "grants matrix file" for tracking all grant related transaction. The worksheet includes information on:
 - a. Type of grant (Operating, Capital or other)
 - b. Grant Expenditures
 - c. Grant Allocations, if any (grant/loan information and/or match information etc.)
 - d. Grant draw requests
 - e. Grant receipts
- 8) The information displayed in the "grants matrix file" is reviewed for accuracy and completeness by the Finance Director and reconciled to the accounting records of the City.

EQUITY ACCOUNTING

Risk Assessment:

Inherent risk	Low
Control risk	Low
Detection risk	Medium

Risk for Equity Accounting is considered Low because of the following:

- 1) The City uses the cash basis of accounting for all funds during the fiscal year and only converts its accounting to the modified accrual basis of accounting at the fiscal year end. The conversion from cash to accrual is usually done with the assistance and approval of the City's independent auditors.
- 2) The conversion to full accrual is ONLY performed by the auditor or with the auditor's assistance after finalizing the modified accrual basis trial balances.

The City uses the following procedures for determining the classification of fund equity accounts:

The Finance Director reviews the GASB pronouncements at www.gasb.org each year to determine if any guidance regarding the reporting of fund equity has changed and downloads the pdf version of the updated guidance, if any.

Once the guidance to be used has been determined, the classification of equity is either independently determined and communicated to the City's auditors or reviewed and agreed to with auditor assistance.

2. Finance Department

2.1 Responsible for the planning, organization, coordination, and control of all financial and accounting activities for the City of Truth or Consequences. The Finance Department is responsible for the following:

2.2 Accounting functions:

- 1) General Ledger
- 2) Payroll
- 3) Accounts Payable
- 4) Purchasing
- 5) Cost Allocation
- 6) Year-End Closing of Books
- 7) Annual Audit
- 8) Maintenance of Fixed Assets Records

2.3 Prepares monthly budget and financial reports for the City Manager, Mayor, Commissioners, and departments as requested.

- 2.4 Prepares and publishes the Comprehensive Annual Budget Report. Compiles "Cost Benefit Analyses" for Commissioners upon request for contemplated projects under review.
- 2.5 Compiles and provides government reports and all special financial reports for project evaluations throughout the year.
- 2.6 Bank account management for all funds.
- 2.7 Balancing of all checking accounts on a monthly basis.
- 2.8 Debt Management for the City's revenues.
- 2.9 General ledger maintenance conforming to the approved budget. Internal audit of various procedures including receipts and purchases. Journal entries are processed on a routine basis and verified by the Finance Director or their designee as being correct and proper. There is a clear segregation of duties in the Finance Department ensuring the individual making the entry cannot approve their own entries.
- 2.10 Department Managers are responsible for maintaining their grant files for their individual departments; however, the Finance Department maintains all auditable Federal and State grants project folders and prepares appropriate paperwork for reimbursements when requested. The Finance Department keeps records of all expenditures on grants and reimbursements to proper General Ledger accounts ensuring compliance with all regulations related thereto.
- 2.11 Prepares payment requests on all loans.
- 2.12 Reviews and keeps a file on all General Ledger entries.
- 2.13 Compiles all paperwork for annual audit.
- 2.14 Prepares GRT and GGRT reports for various departments, upon request, and completes electronic payment transfers to State of New Mexico.
- 2.15 Works with all Department Heads, City Manager and Commissioners during the year on budget adjustments and control.
- 2.16 Signs off either in hard copy form or electronically, and monitors purchase orders (per policy) written by the Purchasing Department before giving to the City Manager.
- 2.17 Posts all checks to the System.

2.18 The Accounting Officer tracks all VOIDED checks and STALE-DATED checks via an excel spreadsheet that is updated monthly after each bank reconciliation. They report annually to the New Mexico Taxation and Revenue Department submitting payments for the same to that Department

3. General Financial Transactions

3.1 Accounting/Bookkeeping

3.1.1 The City accounting records shall be maintained on a full cash basis using the double entry system of bookkeeping and using up to date methods of electronic data processing.

3.1.2 The following accounting records shall be maintained:

- 1) Record of cash receipts and payments.
- 2) General Journal
- 3) General Ledger
- 4) Subsidiary Receivable/Payable Ledgers.

3.1.3 Maintains all other records necessary to fully document and explain the financial transactions of the City as required to comply with Laws and Regulations in relation to other financially expressed obligations, (for example, budgeting and annual reporting).

3.1.4 Subsidiary ledgers shall be reconciled with the general ledger at least monthly. Cash balances are monitored monthly to ensure that budget balances are appropriate and that needed budget transfers are done accordingly to balance.

3.1.5 There will be adequate and appropriate supervision of employees with sufficient employee backup to ensure that accounts and ledgers are adequately maintained.

3.1.6 Those employees working within the accounting function must have the capabilities and training, commensurate with their responsibilities.

3.2 Monies Received

3.2.1 All money received shall be recorded by an entry for each individual transaction.

- 3.2.2 The payer is issued a receipt from the appropriate department receiving payment, i.e., City Clerk's office, Utility Office, Sanitation/Recycling Center, etc.
- 3.2.3 The receipt and cash receipt record indicate the mode of payment, i.e., check, cash, electronic funds transfers, etc.
- 3.2.4 All monies received are receipted and deposited in the appropriate accounts within a timely fashion.
- 3.2.5 Receipts are issued in numerical sequence.
- 3.2.6 Details of each receipt shall be retained for the period set down by the State of New Mexico – Local Government Division.
- 3.2.7 All mail will be opened centrally in the presence of at least two (2) employees.
- 3.2.8 All checks received in the mail will be check stamped by records staff and any cash received will be recorded in the electronic diary of the Records Management Officer (City Clerk)
- 3.2.9 All checks and cash received through the mail will be transmitted to the cashier for banking and receipting.

3.3 Banking

- 3.3.1 All money received by an officer or employee of the City must be deposited into a City bank account.
- 3.3.2 Money received by or on behalf of City must be banked on or before the next regular business day after receipt.
- 3.3.3 Detailed records of the City's banking activities must be kept.
- 3.3.4 Banking shall be reconciled with receipts.
- 3.3.5 All City banking will be collected and delivered to the bank within 24 hours.
- 3.3.6 In the intervening period, all banking will be deposited in the overnight safe in the strong room.
- 3.3.7 During peak rate periods, if necessary, banking will be carried out on a daily basis to ensure that cash held on the premises is limited.

3.3.8 Cash held overnight should not exceed \$10,000.

3.4 Banking and Investment Accounts

3.4.1 Bank accounts will be operated as required. Elected members and officers authorized as signatories to operate bank accounts are to be approved by the City Commission. Two signatures are required.

3.4.2 Those presently approved are:

- 1) Mayor
- 2) Mayor Pro-tem
- 3) City Manager
- 4) City Clerk
- 5) Finance Director



H.2

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM:

Reappointment of Bonnye Warwick to the Library Advisory Board for a 3 year term.

BACKGROUND:

Ms. Warwick has served on the Library Board since 2001. She is currently the Chair of the Board. They have recommended reappointing Bonnye Warwick for a 3 year term. There are currently two other vacancies on the Library Board and we will be working on additional advertising all vacant board positions.

STAFF RECOMMENDATION:

Approve the reappointment of Bonnye Warwick for a 3 year term.

SUPPORT INFORMATION:

Application.



City of Truth or Consequences
City Board Application

Name: Bonnye Warwick
Address: 920 Juniper
T or C NM
Phone: 894-6955

I am interested in serving as a member of Public Library Board.

My qualifications are:

I DON'T HOLD ANY PUBLIC OFFICES - BUT BEEN ON LIBRARY BOARD FOR AWHILE. I'M LONGTIME MEMBER (25YRS) OF Disabled American Veterans (D.A.V.) Auxiliary - held office of Commander 45 years and been secretary-treasurer for past 12 years, and chairperson of this library for awhile. - like to help in any way.

Reason why you are interested in serving on this Board:

I've been a library lover since a young child starting with huge NYC library - always loved checking out books and reading them. I used to help set up the local book-give-aways. I would like

Additional Comments: to continue serving on the library board. Libraries are wonderful important places!

Signature: Bonnye Warwick



H.2

CITY OF TRUTH OR CONSEQUENCES COMMISSION ACTION FORM

ITEM:

DISCUSSION/ACTION: TO ACCEPT THE CITY OF TRUTH OR CONSEQUENCES TITLE VI PLAN

BACKGROUND:

NMDOT requires a Title VI Plan be accepted for receipt of Federal Funds (grants); This plan was created from a boiler plate provided by NMDOT, and also meets requirements of other federal funding agencies, such as USDA. Attorney has reviewed and concurs with the plan, most of the specific requirement of the plan are already in place and practiced by the City.

STAFF RECOMMENDATION:

To accept the City of Truth or Consequences Title VI Plan as presented

SUPPORT INFORMATION:

TITLE VI PLAN

Title VI Plan

City of Truth Or Consequences

I. Nondiscrimination Statement of Policy

Title VI Policy Statement

The City of Truth or Consequences is committed to compliance with Title VI of the Civil Rights Act of 1964, 49 CFR, part 2, and all related regulations and directives. City of Truth or Consequences assures that no person shall on the grounds of race, color, national origin, gender, age, or disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any City of Truth or Consequences program, activity or service.

Prohibited discrimination may be intentional or unintentional. Seemingly neutral acts that have disparate impacts on individuals of a protected group and lack a substantial legitimate justification are a form of prohibited discrimination. Harassment and retaliation are also prohibited forms of discrimination.

Examples of prohibited types of discrimination based on race, color, national origin, sex, disability, or age include: Denial to an individual any service, financial aid, or other benefit; Distinctions in the quantity, quality, or manner in which a benefit is provided; Segregation or separate treatment; Restriction in the enjoyment of any advantages, privileges, or other benefits provided; Discrimination in any activities related to highway and infrastructure or facility built or repaired; and Discrimination in employment.

Environmental Justice/Limited English Proficiency Policy Statement

City of Truth or Consequences is also committed to assure every effort will be made to prevent the discrimination of low-income and minority populations as a result of any impact of its programs or activities in accordance with Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and in Low-Income Populations. In addition, the City of Truth or Consequences also assures every effort will be made to provide meaningful access to persons that have Limited English Proficiency, in accordance with Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency.

Definition of Federal financial assistance and recipients affected

Federal financial assistance is defined as any Federal dollars that are assigned to the City of Truth or Consequences to support any program and activity, by way of grant, loan or contract, other than a contract of insurance or guaranty.

Specific Forms of Discrimination Prohibited

City of Truth or Consequences efforts to prevent discrimination must address, but are not limited to:

- The denial of services, financial aid, or other benefits provided under a program.

- Distinctions in the quality, quantity, or manner in which the benefit is provided.
- Segregation or separation in any part of the program.
- Restriction in the enjoyment of any advantages, privileges, or other benefits provided to others.
- Different standards or requirements for participation.
- Methods of administration which directly or indirectly or through contractual relationships would defeat or impair the accomplishment of effective nondiscrimination.
- Discrimination in any activities related to a highway, infrastructure or facility built or repaired in whole or in part with Federal funds.
- Discrimination in any employment resulting from a program, the primary purpose of which is to provide employment.

City of Truth or Consequences programs and services covered by Title VI

City of Truth or Consequences Title VI Plan applies to all of the City of Truth or Consequences programs, activities and services, regardless of funding source. Some sections deal with specific requirements (e.g. FTA funded programs).

Authorities

1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
2. Federal-Aid Highway Act of 1973 (23 U.S.C. §324 *et seq.*), (prohibits discrimination on the basis of sex);
3. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
4. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*) as amended, (prohibits discrimination on the basis of disability);
5. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 *et seq.*), (prohibits discrimination on the basis of disability)
6. The Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended, 42 U.S.C. § 4601
7. The National Environmental Policy Act of 1969, 42 U.S.C. § 4321;
8. 49 C.F.R. Part 21 (entitled *Nondiscrimination In Federally-Assisted Programs Of The Department of Transportation-Effectuation of Title VI Of The Civil Rights Act of 1964*);
9. 49 C.F.R. Part 27 (entitled *Nondiscrimination On The Basis Of Disability In Programs Or Activities Receiving Federal Financial Assistance*);
10. 49 C.F.R. Part 28 (entitled *Enforcement Of Nondiscrimination On the Basis Of Handicap In Program Or Activities Conducted By The Department Of Transportation*);
11. 49 C.F.R. Part 37 (entitled *Transportation Services For Individuals With Disabilities (ADA)*);
12. 23 C.F.R. Part 200 (FHWA's Title VI/Nondiscrimination Regulation);

13.28 C.F.R. Part 35 (entitled *Discrimination On The Basis Of Disability In State And Local Government Services*);

14.28 C.F.R. Part 50.3 (DOJ Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964).

II. FHWA Assurances for Title VI and Other Nondiscriminatory Statutes

The City of Truth or Consequences (hereafter referred to as the "Recipient") HEREBY AGREES THAT, as a condition to receiving any Federal financial assistance from the U.S. Department of Transportation (DOT), through the Federal Highway Administration (FHWA), is subject to and will comply with the following:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 C.F.R. Part 21 (entitled *non-discrimination, In Federally-Assisted Programs Of The Department of Transportation-Effectuation Of Title VI Of The Civil Rights Act Of 1964*);
- 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);

The preceding statutory and regulatory cites hereinafter are referred to as the "Acts" and "Regulations," respectively.

General Assurances

In accordance with the Act, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measure necessary to ensure that:

"No person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity," for which the Recipient receives Federal financial assistance from the DOT, including the FHWA."

Specific Assurances

More specifically and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted programs and activities:

1. The Recipient agrees that each "activity," "facility," or "program," as defined in §§ 21.23(b) and 21.23(e) of 49 C.F.R. § 21 will be (with regard to an "activity") facilitated, or will be (with regard to a "facility") operated, or will be (with regard to a "program") conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.
2. The Recipient shall insert the following notification in all solicitations for bids, Request For Proposals for work, or material subject to the Acts and the Regulations and made in connection with the Federal Aid Highway Program, and in adapted form, in all proposals for negotiated agreements regardless of funding source:

"The City of Truth or Consequences in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award."

3. The Recipient will insert the clauses of Appendix A and E of this Assurance in every contract or agreement subject to the Act and Regulations.
4. The Recipient shall insert the clauses of Appendix B of this Assurance, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.
5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
6. That where the Recipient receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the Assurance will extend the right to space on, over, or under such property.
7. That the Recipient will include the clauses set forth in Appendix C and Appendix D of this Assurance, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties.
 - a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. for the construction or use of, or access to, space on, over, or under real property acquired, or improved under the applicable activity, project, or program.
8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the project, except where the Federal assistance is to provide, or is in the form of, personal property, or real property or interest therein or structures or improvements thereon, in which case the Assurance obligates the Recipient or any transferee for the longer of the following periods:
 - a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
 - b. the period during which the Recipient retains ownership or possession of the property.
9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the officials to whom he/she delegates

specific authority to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Act, the Regulations and this Assurance.

10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Act, the Regulations, and this Assurance.

By signing this Assurance, City of Truth or Consequences also agrees to comply (and require any sub-recipients, sub-grantees, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing the Federal Highway Administration access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by the Federal Highway Administration. You must keep records, reports, and submit the material for review upon request to the Federal Highway Administration, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The City of Truth or Consequences gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under Federal-Aid Highway Program. This ASSURANCE is binding on it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors and their subcontractors', transferees, successors in interest and other participants in the Federal-Aid Highway Program. The person(s) signing below is authorized to sign this ASSURANCE on behalf of the Recipient.

By _____ Dated: _____

Signed by the chief administrative officer for your organization

Appendix A

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time-to-time, (hereinafter referred to as the "Regulations"), which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate either directly or indirectly in the discrimination prohibited by THE Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of the 49 CFR Part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the New Mexico Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the City of Truth or Consequences or the Federal Highway Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of the contractor's non-compliance with the nondiscrimination provisions of this contract, the City of Truth or Consequences will impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:
 - a. withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. cancelling, terminating or suspending the contract, in whole or in part.

6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the City of Truth or Consequences or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the City of Truth or Consequences to enter into any litigation to protect the interests of the City of Truth or Consequences. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

Appendix B

Covenant Running with the Land Assurance

The following clauses shall be included in deeds effecting or recording the transfer of real property, structures or improvements thereon, or interest therein from the United States pursuant to the provisions of Assurance 4:

NOW, THEREFORE, the U.S. Department of Transportation as authorized by law and upon the condition that the State of New Mexico will accept title to the lands and maintain the project constructed thereon, in accordance with Title 23, United States Code, the Regulations for the Administration of Federal Aid for Highways and the policies and procedures prescribed by the Federal Highway Administration of the U.S. Department of Transportation in accordance and in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. §2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the State of New Mexico all the right, title and interest of the U.S. Department of Transportation in and to said lands described in Exhibit A attached hereto and made a part hereof.

(Habendum Clause)

TO HAVE AND TO HOLD said lands and interests therein unto the State of New Mexico and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and will be binding on the State of New Mexico, its successors and assigns.

The State of New Mexico, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person will on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over or under such lands hereby conveyed [,] [and]* (2) that the State of New Mexico will use the lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations and Acts may be amended [, and (3) that in the event of breach of any of the above-mentioned non-discrimination conditions, the Department shall have a right to enter or re-enter said lands and facilities on said land, and the above described land and facilities will thereon revert to and vest in

and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this instruction].*

(*Reverter clause and related language to be used only when it is determined that such clause is necessary in order to Make clear the purposes of Title VI of the Civil Rights Act of 1964.)

Appendix C

Clauses for Transfer of Real Property Acquired or Improved Under the Activity, Facility, or Program

The following clauses shall be included in deeds, licenses, leases, permits, or similar instruments entered into by the State of New Mexico, pursuant to the provisions of Assurance 7(a):

- A. The (grantee, lessee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that:
 - 1. In the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.
- B. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Non-discrimination covenants, the State of New Mexico will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) and never been made or issued. *
- C. With respect to a deed, in the event of breach of any of the above Non-discrimination covenants, the State of New Mexico will have the right to enter or re-enter the lands and facilities thereon, and the above described lands and facilities will there upon revert to and vest in and become the absolute property of the State of New Mexico and its assigns. *

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to make clear the purpose of Title VI.)

Appendix D

Clauses for Transfer of Real Property Acquired or Improved Under the Activity, Facility or Program

The following clauses will be included in deeds, licenses, leases, permits, or similar instruments entered into by the State of New Mexico pursuant to the provisions of Assurance 7(b):

- A. The (grantee, licensee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add, "as a covenant running with the land") that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Acts and Regulations, as amended, set forth in this Assurance.
- B. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above Non-discrimination covenants, the State of New Mexico will have the right to terminate the (license, permit, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued. *
- C. With respect to the deeds, in the event of breach of any of the above Non-discrimination covenants, the State of New Mexico will there upon revert to and vest in and become the absolute property of the State of New Mexico and its assigns. *

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

Appendix E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et. seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (29 U.S.C. § 324 *et seq.*), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the program or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure

compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your program (70 Fed. Reg. at 74087 to 74100);

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (U.S.C. 1681 *et seq.*)

III. Public Participation Plan (PPP)

City of Truth or Consequences will provide for and encourage Public Participation within its area of jurisdiction, with particular emphasis on participation by persons of low and moderate income in the following manner:

- Adopt and circulate an Open Meetings Resolution which provides citizens with reasonable notice of municipality upcoming meetings, actions and functions.
- Develop press releases on municipality meetings, actions and hearings, and circulate to local newspapers, radio, municipal website and event listing on utility bills.
- Identify areas via utility service census where large majorities of non-English speaking persons reside and make appropriate provisions when issues affecting these areas are to be discussed at public meetings, hearings, etc. Appropriate provisions will include having interpreters available at the meeting and having briefing material available in the appropriate language upon request; no less than 1 week prior to the hearing/meeting.
- Maintain records/rosters of public hearing attendees and proceedings to verify compliance with this objective.

IV. Organization/Staff Responsibilities

Organizational Overview: The City of Truth or Consequences is an incorporated municipality with an elected commission of four members and a mayor. Serving the mayor and commission is the City Manager who oversees all City operations. The city is composed of eleven departments: City Manager, Community Development, Clerk/Treasurer, Public Works, Public Library, Water/Wastewater; Solid Waste; Electric, Fleet Maintenance, Finance and Police Department. (See Attached organizational chart).

Title VI Coordinator Responsibilities: The Title VI Coordinator is responsible for the development and implementation of the Title VI plan. The Coordinator must also ensure that all entities of the City of Truth or Consequences are compliant with Title VI requirements.

The Title VI Coordinator is also responsible for:

- Submitting a Title VI plan for City of Truth or Consequences
- Ensure timely processing for receiving, investigating and reporting Title VI complaints.
- Maintaining a Title VI complaint log, and report to NMDOT on a periodic basis.
- Ensure procedures for the collection and analysis of statistical data are followed.
- Conducting annual assessments of identified Title VI program areas.
- Developing Title VI information for dissemination.

V. Primary Program Area & Review Procedures

The City of Truth or Consequences engages in the following program areas.

Program Area	General Description	Title VI/ Nondiscrimination Concerns and Responsibilities	Review Procedures for Ensuring Nondiscrimination
Ex. Planning	Develop strategies to maintain and enhance the quality and safety of the City Transportation and Infrastructure	Ensure compliance with Title VI Plan Requirements	Ensure outreach notification for participation of low-income and minority populations in the planning process
Ex. Right of Way	Acquisition Process and assistance in relocation of displaced individuals, businesses, nonprofit organizations and property management	Ensure compliance with Title VI Plan Requirements	Maintain data on affected participants for the Title VI reporting as well as prevention of discrimination
Ex. Environmental	Ensure public involvement for social, economic and ethnic groups in areas directly affected	Ensure compliance with Title VI Plan Requirements	Ensure outreach notification and participation of low-income and minority populations during the environmental review process
Ex. Research	Maintain documentation proof of notification and involvement for social, economic and ethnic groups in areas directly affected	Ensure compliance with Title VI Plan Requirements	Ensure outreach notification and participation of low-income and minority populations during the design and construction process.

VI. Title VI Complaint Procedures

The complaint procedures cover the following:

- Title VI of the Civil Rights Act of 1964
- Section 504 of the Rehabilitation Act of 1973
- Civil Rights Restoration Act of 1973
- Civil Rights Restoration Act of 1987
- Americans with Disabilities Act of 1990
- Executive Order 12898
- Executive Order 13166

Any person believing, he or she has been excluded from, denied participation in, denied the benefits of, or otherwise has been subjected to discrimination under any transportation service, program or activity (whether Federally funded or not) due to that person's race, color, national origin, gender, age, disability, economic status, or limited English proficiency has the right to file a complaint.

An individual, group of individuals or entity may file a formal Title VI complaint. Complaints must be submitted to the NMDOT Title VI Coordinator in writing, signed and dated, within 180 days of the alleged discriminatory act (or latest occurrence). The complaint should be submitted to the following address:

Attn: Title VI Coordinator
Construction and Civil Right Bureau
1570 Pacheco St.
Suite 110
Santa Fe, NM 87505

The complaint should include the name, address, phone number and signature of complainant. The formal complaint should describe the alleged discriminatory act that violates Title VI in detail.

Title VI complaints may also be filed directly with the United States Department of Transportation (USDOT), Federal Highway Administration (FHWA), Federal Transit Administration (FTA), Federal Aviation Administration (FAA) or the Federal Railroad Administration (FRA) within the 180 day period of the alleged discriminatory act (or latest occurrence).

Title VI complaints must be investigated within 60 days. Investigating a complaint includes interviewing all parties involved and key witnesses. The investigator may also require relevant information. City of Truth or Consequences may specify if there is a particular individual(s) the City of Truth or Consequences should not investigate due to conflict of interest or other reasons.

Title VI complaints may be forwarded to either the New Mexico Department of Transportation or the Federal Highway Administration for investigation, If the complaint is forwarded to one of these agencies. City of Truth or Consequences will provide the name and contact information for the person handling the Title VI complaint to the complainant.

Federal law prohibits retaliation against individuals because they have filed a discrimination complaint or otherwise participated in a discrimination investigation. Any alleged retaliation should be reported in writing to the investigator.

Title VI complaints may also be files directly with the following agencies:

New Mexico Department of Transportation
Construction and Civil rights Bureau
1570 Pacheco St. Suite A10
Santa Fe, NM 87505
Phone: (505) 629-9890

Federal Highway Administration, New Mexico
4001 Office Court Dr.
Suite 801
Santa Fe, NM
Phone: (505) 820-2021

City of Truth or Consequences Title VI Complaint Form

Section I

Name:

Address:

Telephone (Home/Cell):

Telephone (Work):

Email Address:

Section II

Are you filing this complaint on your own behalf: Yes ☐ No ☐

*If you answered "yes" to this question, go to Section III.

If you answered "no" please enter the name and relationship of the person you are filing the complaint against:

Name:

Relationship:

If you are filing a complaint as a third party, please explain why in the space below:

Have you have obtained permission of the aggrieved party if you are filing on behalf of a third party: Yes ☐ No ☐

Section III

I believe the discrimination I experienced was based on (check all that apply):

☐ Race

☐ Color

☐ National Origin

Date of Alleged Discrimination
(Month, Day, Year):

Date:

Explain, as clearly as possible, that happened and why you believe you were discriminated against. Describe all persons who were involved. Include the name and contact information of the person(s) who discriminated against you (if known) as well as the names and contact information of any witnesses. If more space is needed please attach additional sheets to this form:

Section IV

Have you previously filed a Title VI complaint)? Yes ☐ No ☐

Section V

Have you filed this complaint with any other Federal, State, or local agency, or with any Federal or State court? Yes ☐ No ☐

If yes, please check and name all that apply:

☐ Federal Agency: _____

☐ Federal Court: _____

☐ State Agency: _____

☐ State Court: _____

☐ Local Agency: _____

Please provide information about a contact person at the agency/court where the complaint was filed.

Name: _____

Title: _____

Agency: _____

Address: _____

Telephone: _____

Section VI

Name of agency complaint is against:

Contact person:

Title:

Telephone number:

Signature: _____

Date: _____

Please submit this form in person at the address below, or mail form to:

City of Truth or Consequences

505 Sims

Truth or Consequences, NM 87901

VII. Title VI Program Management Procedures

The City of Truth or Consequences is made up of approximately 6,000 residents and provides municipal services to residents and other users. These services include, but are not limited to, water, sewer, electric, solid waste, recreation, police, zoning, streets, airport, and related services, along with being a local government agency that responds to citizen concerns. The City accommodates requests by routing the request to the appropriate department for action by that department's director/supervisor. The director/supervisor may delegate some responses to the staff.

The City also maintains an infrastructure capital improvement plan (ICIP) for the funding of capital projects, including streets/roadway transportation improvements. This plan is developed thru a public participation process that includes public hearings. Meeting notices and/or minutes are available for translation upon request.

The City of Truth or Consequences Title VI Coordinator shall:

- Ensure the transportation planning process fully complies with the requirements of Title VI.
- Monitor the transportation planning process overall strategies and goals and ensure compliance with Title VI requirements.
- Review operational policies and procedures to ensure Title VI compliance.
- Monitor the service equities of planning data collection and analysis for potential impacts on social, economic, and/or ethnic groups.
- Ensure the planning organizational membership attempts to reflect the makeup of the population served. This would include periodically reporting the MPO/RPO racial, ethnic, and gender composition of public involvement organizations or groups.
- Ensure the opinions and views of all groups within their populations are solicited and considered in the planning of transportation projects.
- Monitor compliance with Environmental Justice issues to identify low-income and minority populations that may be impacted by transportation planning process.
- Evidence that input from minority groups/persons has been considered in the transportation planning process. Evidence could include but is not limited to the participation level and composition of participants in public information settings. Also reporting any follow-up and conclusions to issues communicated throughout the planning process.

- Monitor the gathering and utilization of demographic data used to identify and locate low-income and minority populations in order to investigate the possible benefits and detriments of transportation plans on these populations.
- Monitor compliance with Limited English Proficiency populations to improve access and comprehension of the transportation planning process for individuals comprising the LEP population.

VIII. Title VI Related Training

The City of Truth or Consequences Title VI Coordinator shall ensure that staff is trained and familiar with City of Truth or Consequences related policies and procedures

IX. Limited English Proficiency (LEP) Plan

Recipients of federal funding should conduct a Four Factor Analysis to prevent discrimination of the basis on limited English Proficiency.

Limited English Proficiency (LEP) is a term used to describe people who do not speak English as their primary language and who may have limited ability to read, write or understand English. According to the US Census Bureau State and County Quickfacts for 2016 New Mexico's population is 2,088,070 of which 6,023 reside in the City of Truth or Consequences. Also, according to the US Census Bureau 2008-2012 American Community Survey, approximately 36% of New Mexicans over 5 years of age speak a language other than English at home. In addition, 10% of the state's population identifies themselves as speaking English less than "well", The Census data shows that 17.6% of the population of Truth or Consequences over 5 years of age speak a language other than English at home.

Authority and Guidance

Title VI of the Civil Rights Act of 1964

Presidential Executive Order 13166 - Improving Access to services for Persons with Limited English Proficiency 1987 Civil Rights Restoration Act

Federal publications providing implementing guidance:

United States Department of Justice Guidance, Enforcement of Title VI of the Civil Rights Act of 1964 - National Origin Discrimination Against Persons with Limited English Proficiency, Federal Register NOL. 65, No. 159, August 2000.

United States Department of Policy Guidance Concerning Recipients' Responsibilities to Limited English Proficiency Persons, Federal Register Vol. 70, No. 239/December 2005

Four Factor Analysis

LEP individuals should have meaningful access to state funded services, programs and activities of recipients of federal or state funds. Access should include having language assistance provided at no cost to the LEP individual(s). A flexible and data driven analysis to assess the need for language assistance is covered by the following four factors:

1. The number or proportion of LEP persons served or encountered in the eligible service population.
2. The frequency with which individuals come in contact with the program, activity or service.
3. The nature and importance of the program, activity, or service.
4. The resources available to the recipient and cost.

The four-factor analysis identifies the mix of LEP services required. These are two main ways to provide language services: oral interpretation and written translation. Oral interpretation can range from on-site interpreters for critical services to telephonic interpretation services. Written translation can range from translation of an entire document to a translation of a short description or summary of the document. Any initiative or action to provide meaningful access to LEP persons should be based on what is necessary and reasonable as a result of the four-factor analysis. Each of the following factors is examined to determine the level and extent of language assistance measures required to sufficiently ensure meaningful access to public services within the City of Truth or Consequences

Factor 1: The number or proportion of LEP persons in the service area who may be served or are likely to be encountered at a City program, service or activity.

The U.S. Census Bureau has a range of four classifications of how well people speak English. The classifications are (1) 'very well,' (2) 'well,' (3) 'not well,' and (4) 'not at all.' For planning purposes, we are considering individuals who speak English 'not well' or 'not at all' as Limited English Proficient, or LEP. All programs/projects must consider the number and percent of persons in regards to their English language skills within the planning area for inclusion in public involvement and public engagement meetings. For each program, project, service, or activity, an assessment will be conducted to determine the number of LEP, minority, and low-income populations to ensure meaningful public involvement. The City of Truth or Consequences Citizen Participation Plan will be followed to ensure all groups have notification and access.

Factor 2: The frequency with which LEP persons come in contact with a City program, activity or service. The program/project must be evaluated in relationship to the number of persons who are within the program/project area and the number of times they have frequented the program or activity. For public meetings, a sign-in sheet or survey must be utilized to determine the demographic and frequency of participation. Planners and project managers must provide notice to LEP persons within the project/program area so that they are aware of any

programs/projects that may affect their quality of life. Programs, services, and activities that have potential impact for LEP persons include, but are not limited to:

- Public involvement and public engagement meetings/hearings for constructions projects affecting LEP communities or individuals
- Requests for permits
- Real estate transactions/condemnation
- Requests for certifications, licenses
- Phone

Factor 3: The Nature and Importance of the Program, Activity, or Service by the City of Truth or Consequences to the LEP population. The City of Truth or Consequences owns the utility infrastructure composed of Electric, Water, Sewer and Sanitation Services. As a direct owner, the City of Truth or Consequences is responsible to ensure that they provide/are responsive to the LEP population. As owners of the Utility infrastructure, the City is responsible for ensuring that any LEP person using the infrastructure has access to information on routes, times and other utility services.

Factor 4: The Resources Available to the City of Truth or Consequences and Overall Cost to provide LEP assistance. The City of Truth or Consequences is a small municipality, serving approximately 6,023 residents, with limited funding. However, the City of Truth or Consequences has the ability to provide notices, summaries and other written information in Spanish for the LEP population that it serves upon request. There are also City staff members that provide interpretation services by phone or in person as needed.

Providing Language Assistance

LEP persons may receive oral language interpretive services either in person (at public service locations or at public information meetings) or via telephone contact. Language assistance may be provided by multilingual staffing, a third-party interpreter, or via a telephone interpreter service.

Provide Notice to LEP Persons

In order to inform the LEP population of service, programs and activities and that language assistance is available; any of the following notification initiatives could be implemented:

- Posting language assistance signs in areas where the public is likely to view them;
- Including information about the availability of language services in outreach materials such as pamphlets, brochures and flyers;
- Working with community-based organizations to inform LEP persons of language assistance availability;

- Announcement and notices at schools and religious organizations for important community involvement events and the availability of language services.

X. External Communication (Notification to public beneficiaries)

The City of Truth or Consequences provides information to members of the public detailing their Title VI obligation and notifying members of the public of the protections against discrimination afforded to them by Title VI. Requirements including:

- Dissemination of Information: The City of Truth or Consequences shall provide information on its Title VI requirements to members of the public via accessible printed and electronic media, including posting on the City's website.
- Contents of Notification: At a minimum, the notification should include the following:
 1. Statement that your organization operates the Federal Program(s) without regard to race, color, national origin, sex, age, or disability.
 2. Identify procedures to be followed by members of the public to request additional information regarding the City's Title VI obligation.
 3. Identify procedures to be followed by members of the public to file a discrimination complaint against the City.

XI. Data Collection

Describe your organization process for collecting and analyzing data on the race, color, national origin, and sex of participants and beneficiaries of your organizations programs and activities. Examples include tracking the race/ethnicity of residents relocated through your organization's right of way program, tracking the race/ethnicity of members of the public participation in public meetings, and collecting U.S. Census data on population by your organization's projects.

Program Area	Type of Data Collected & Process for Collecting	Intended Outcome of Data Analysis (i.e. Title VI Purpose for Collecting Data)
Commission/Department Head Meetings	Meeting sign-in sheets, public/employee comments	Title VI, PPP
Transportation/Infrastructure Improvement Projects	Meeting sign-in sheets Public comments	Meeting LMI requirements set by funding sources
City of Truth or Consequences Utility Office	Tracking the race/ethnicity of residents	Title VI, Meeting requirements set by funding sources.

XII. Notice of Rights

The following notice is posted in accessible public places throughout the City of Truth or Consequences as well as on the City's website:

TITLE VI NOTICE TO BENEFICIARIES: YOUR RIGHTS AGAINST DISCRIMINATION UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

City of Truth or Consequences operates its programs and services without regard to race, color, national origin, sex, age, and disability. Anyone who believes they have been excluded from participation in, denied benefits of, or otherwise subjected to discrimination under any City of Truth or Consequences program or activity because of their race, color, national origin, age, sex, or disability may file a discrimination complaint with City of Truth or Consequences or the New Mexico Department of Transportation.

For more information on the procedures to file a Title VI discrimination complaint, please contact:

City of Truth or Consequences

505 Sims

Truth or Consequences, NM 87901

Ph. 575-894-6673

Fax 575-894-7767

A complainant may file a complaint directly with the New Mexico Department of Transportation, Construction and Civil Rights Bureau, 1570 Pacheco St. Suite A10, Santa Fe, NM 87505; or by calling (505) 629-9890.

If information is needed in another language, contact (575) 894-6673.

Si necesita información en otro idioma, Contacta con (575) 894-6673.



H.3

**CITY OF TRUTH OR CONSEQUENCES
COMMISSION ACTION FORM**

ITEM:

Discussion/Update: Notification of all current Board Member Vacancies.

BACKGROUND:

We currently have numerous vacancies on some of the City Boards and we are trying to think outside the box to get the positions filled and would like to read the list now for those in attendance and listening on the radio today. If someone is interested or knows someone who might be interested, they can contact the City Clerk's Office or print an application from the City Website under the City Boards page or the City Clerk's page.

STAFF RECOMMENDATION:

None. Update only.

SUPPORT INFORMATION:

Current List of Vacancies.

CURRENT LIST OF VACANCIES
As of 07/20/2018

Golf Course Advisory Board - Meets on the first Wednesday of each month at 5:00 p.m.
(1 – Vacancy, 2 year term)

Consists of five members, two of which must be female members. Chairman, Vice Chair, & Secretary/Treasurer are 2 year terms, all other members are 1 year term. Terms expire on June 30.

Library Advisory Board – Meets on the last Monday of each month at 5:30 p.m.
(2 – Vacancies, 3 year terms)

Consists of five members. Each serve a 3 year term. Terms expire on June 30.

Lodger's Tax Advisory Board – Meets Quarterly on the 4th Thursday of the month at 5:30 p.m.
(2 – Vacancies for members in the Tourism Service; 1 for a 3 year term & 1 for a 4 year term.)

Consists of five members, two of whom shall be owners or operators of lodgings subject to the occupancy tax within the municipality, two of whom shall be owners or operators of industries located in the municipality that primarily provide services or products to tourists and one member who shall be a resident of the municipality and represents the general public.

Planning & Zoning Commission – Meets Monthly, no dates scheduled at this time.
(5 – Vacancies, board has not been active since October 2013)

Consists of five members whose terms shall be for two years, except that three of the first appointees shall serve for two years and two for one year. Terms expire on June 30.

NOTE: All terms that expire on June 30 states: any member of the Board shall continue to hold his office until his successor is appointed and qualified