

CITY COMMISSION MEETING MINUTES  
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO  
CITY COMMISSION CHAMBERS, 405 W. 3<sup>RD</sup> St.  
WEDNESDAY, FEBRUARY 28, 2024

**A. CALL TO ORDER:**

The meeting was called to order by Mayor Rolf Hechler at 9:00 a.m., who presided and Angela A. Torres, 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. Rolf Hechler, Mayor  
Hon. Amanda Forrister, Mayor Pro-Tem  
Hon. Destiny Mitchell, Commissioner  
Hon. Merry Jo Fahl, Commissioner  
Hon. Ingo Hoepfner, Commissioner

Also Present: Angie Gonzales, City Manager  
Traci Alvarez, Assistant City Manager  
Jay Rubin, City Attorney  
Angela A. Torres, City Clerk-Treasurer  
Luis Tavizon, Chief of Police  
Arnie Castaneda, Water/Wastewater Director  
Tammy Gardner, Executive Assistant  
Andy Alvarez, Sanitation/Fleet Division Director

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

**2. SILENT MEDITATION:**

Mayor Hechler called for fifteen seconds of silent meditation and Mayor Pro-Tem Forrister asked that everyone keep the people who are experiencing the large fire in our thoughts and prayers.

**3. PLEDGE OF ALLEGIANCE:**

Mayor Hechler called for Commissioner Mitchell to lead the Pledge of Allegiance.

#### 4. APPROVAL OF AGENDA:

**Mayor Pro-Tem Forrister made a motion to remove item G6 from the agenda. Commissioner Fahl also made a motion to move item G2 after public comment. Commissioner Mitchell seconded both motions. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

#### D. PUBLIC COMMENT (3 Minute Rule Applies):

Walter Thannisch addressed the Commission with comments related to:

- There's a lack of understanding between the City of Truth or Consequences and the NM Dept. of Finance Administration. In 1950, the citizens of Truth or Consequences chose to establish a city government. They went to the state legislature to secure permission. In turn, the city agreed to abide by the rules and regulations of the State of New Mexico as administered. Presently, you're out of compliance with those rules & regulations. Your present auditor organization in Albuquerque. Your 6/3/2023 has yet to be released. I suggest you contact your audit firm to find out the reasons for that.

Melanie Feldkamp addressed the Commission with comments related to:

- She provided an update on the progress of Sierra County Business Center including developing board of directors, articles of incorporation, bylaws, agreement with Hot Springs High School, and acquired general liability insurance. They met with a non-profit about partnering but decided it would be more beneficial to create their own non-profit. Will submit the application for non-profit status today and are serious about moving forward and have met the objectives that were set by the Commission.

Cathy Mears-Martin and Rebecca Eza addressed the Commission with comments related to:

- They presented an update on Main Street including hiring an intern and Rebecca Eza their new Assistant Executive Director. Rebecca provided some personal and professional background and her community involvement. Cathy discussed the continuance of the e-commerce workshops, their continued involvement and support of Fiesta, collaborating with OJ in the Parks Department on a Clean and Beautiful grant, continuing work on their plans for the year for the economic transformation strategy.

Ron Fenn addressed the Commission with comments related to:

- I spent the day looking over some figures that were presented to the city by the NCA, which is an architect that was hired by the Police Department for estimate of renovation of the armory and figures from Bosque Associates. What I have found is that no matter what happens you won't have enough money to do this job. Depending on the unknowns about potential Bond issue which right now is set at about 5%. You're going to come up short about 1.7-2.05 on the construction and renovation of the armory. Where are you going to get that money from? In addition, the Police Department is going to be paying for all of the items that were in the bond issues including water, wastewater, and all other issues that were previously loaned from the finance authority. To say that the Police Department is using their money for their project is a falsehood and you're going to be paying for 30-40 years basically everything that they make in GRT. Where are they going to get the money for all of the things that they have been spending that GRT for in the last 10-11 years? Which amounts to a couple million dollars. Everybody in the City is going to end up paying. It needs to be re-thought seriously. Even if the people vote for this, you can still stop it.

Ariel Dougherty addressed the Commission with various comments. Copy of comments attached hereto and made a part hereof.

Steve Green addressed the Commission with comments related to:

- I received a document in the mail to vote against Ordinance 756, which he feels is disingenuous. He referenced specific statements he disagreed with, and he expressed concern about the small size of the existing Police Department. He mentioned attending previous meetings where no one spoke against the Ordinance. Government Bonds vs. Public Bonds – When Juan Fuentes, past City Manager, and I went up to Santa Fe to look for money for our out of compliance wastewater treatment plant, we were looking for government money. We kept finding government fees. What we were looking for totaled about 7% in government fees. 4-5 million that ended up being almost 9 million. That's a lot of money upfront. I have not a clue what the public bonds fees are, but I do know we refinanced our homes when interest rates came down and you can do the same thing with bonds. I don't know if this is a substantial government document. Only the lawyer Jay Rubin would know. Signed by local postal customer. Who's afraid to put their name here? Why aren't we allowed to know who is financing this? They're entitled to do that. Don't get me wrong. If this is a government document, then it should say "paid for by". We as citizens who are voting for this Ordinance are entitled to know.

Kathleen Sloan addressed the Commission with comments related to:

- Agenda Item F 1 budget adjustment there is a \$108,000 impact fee study. I would like to know if this impact fee study was initiated by the City Commission. I don't recall it coming before the City Commission. If it did, I'd like to know when. If it didn't, I'm wondering why it's under budget adjustment. This doesn't seem transparent, and I'd like to know who ordered this study and who set the scope of work. For G 6, the solid waste study that's coming up, I request you allow the people to do a Q&A on that. Back to budget adjustment F 1, there's \$267,000 in professional fees. It's coded 101. I think that's the general fund. I had trouble picking out things like studies, capital projects, out of the budget because it's coded by number, you can't figure out what's going on. My request in the upcoming budget, that you do clear transparent budgeting and cost assignment. For instance, impact fees should be under the water and wastewater budget. It's very difficult to know if our enterprise funds for instance, that's why we're doing all these studies, the general fund and the utilities have been transferring and transferring. Looking at the budget, it's not clear, if they're paying their own way, how much they need for capital projects, improvements, etc. I request that we have clearer, more transparent budgeting.

Susie Crow addressed the Commission with comments related to:

- I'm just a little bit confused that we would be consolidating low interest loans that are going to pay off in 6-8 years, to a 30-year loan at a higher interest rate costing us far more in interest rates. I don't think any one of you would make this kind of decision for your personal or business finances. You'd go out of business doing so. I'm also confused that you would spend \$22,000 just to write an Ordinance on something that you already knew 5-6 years ago that the community voted against, which does not include the consolidation of loans. If the Police Chief has only stated that he needs more evidence locker space, they can buy a steel building just like CHF has. There are low- cost creative solutions that will handle the issues that are brought up. I'm not convinced we need that huge 25,000 square feet building, increase our cost of heating/cooling, the whole furnishings and design. It doesn't make sense to me personally. I also feel like you could have accepted the petition from the community who said we don't want this and save the cost of the \$22,000 for the bond vote. There's a lot of ways you guys could be saving money, and you're spending it on new things that we don't want or need. We need infrastructure. You each know we need infrastructure. You know we have water leaking all over the streets, and every responsible community takes 10% every single year and updates their infrastructure. They fix 10% of their pipes. They fix 10% of their electrical infrastructure. They don't buy new smart meters and new streetlights with radio frequency antennas that are irradiating the community and making it unhealthy for us, our children, and all future people who would come to what used to be the city of health and is now really becoming a dangerous place to live.

Shelly Harrelson addressed the Commission with comments related to:

- She stated that she received the flyer against Ordinance 756 and mentioned that Ron Fenn paid for it. That kind of put the fire out to some of the questions we've been asking about why there's so much misinformation placed on this document. I'm here to discuss the misinformation that was put out to our constituents and all of our community as well as untruths and inflating what could be detrimental to our Police Department. This is not Mayberry. We don't live in Mayberry anymore. For those of you younger than that, that was a show that was on TV years ago. The current police station is converted from a mortuary and crematorium. The misinformation about the "expenses in this unnecessary project includes trading low interest government bonds for higher interest rates" – simply not true. The bonds are equal in interest rates. The state has chosen the bond with the least amount of paperwork, which is an indirect cost. That means we don't have to have people in our building do paperwork for hours and days which cost hourly rates. It's called indirect cost. We chose different bond rates with less paperwork, which costs our employees less time working. This will not extend taxpayers at a higher rate because it's the same. That's misinformation. Let's talk about the flyer. Go ahead and get yours out if you have one in radio land. Fix the leaks – let's talk about what the City's already done right now to fix the leaks. We have our Commissioners, and our City Manager has worked on \$16 million from the Water Trust Board. We have \$.5 million coming in from two representatives and Senator Brantley. We have \$1.5 million + another \$2.4 million coming in from the Governor and \$4.8 million from a city that we borrowed for a total of \$27.5 million. If you take that \$400,000 that we're asking to put toward the Police Department and divide that, it'd take you almost 70 years to get that same amount of money that we've gotten using our resources like we should and being fiscally responsible. The armory would benefit the city by being a tax paying business and not being vacant, which can cause more issues in the long run when we have a vacant building. We know that. We have people come up here when we're talking about their property being vacant all the time. Ordinance 756 does not state the armory. It states a law enforcement facility. That's not true.

**The following Item New Business G2 was moved after public comment.**

**G2. Discussion/Action: Solid Waste Cost of Service and Rate Design Study.**

Assistant City Manager Alvarez introduced David Yanke, NewGen Strategies & Solutions, LLC.

David Yanke, NewGen Strategies & Solutions, LLC reviewed the Solid Waste Cost of Service and Rate Design Study. (Presentation and study attached hereto and made a part hereof).

**Mayor Pro-Tem Forrister moved to approve the Solid Waste Cost of Service and Rate Design Study. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**E. REPORTS:**

**City Manager Gonzales reported the following:**

- We are working on FY25 budget internally. We've had meetings with each department talking about POs, how to do POs, how to change order, just really cleaning up our finance look within each department. We're trying to make it easy where you can answer questions and ask questions. I know what the auditor is asking for. We have a whole lot of new Administrative Assistants and new people that don't really understand what a requisition and PO are and what it all looks like to an auditor, so I'm able to help with that. We've been able to move forward in a positive light. We're doing budget hearings. One thing I do want to address. I only have one piece of paper, but this came out of the 2023 audit rule. There will be a 2024 audit rule out pretty quick. The audit rule is the law we and all entities in New Mexico have to follow. Right here on page 23 of the audit rule, this is something I didn't know. Paragraph M3: Agency Personnel, board and staff, and the agencies IPA, Independent Public Auditor, shall not release information relating to the audit to the public until the audit report is released to the OSA, Office State Auditor, and has become public record. I have seen some misleading comments about that sentence. That is directly out of the State Auditor's rule. Not everyone knows it and it's not taught in the audit trainings. Once the entrance conference starts, all we say is "the town/county/entity is in the process of the audit".
- McAdoo Street: We have contractors moving dirt, working today. Things are moving in a good direction. The sidewalk is going to be replaced. When the contractor removed the old sidewalk, they found another sidewalk under it. It had just been layered over the top of it. That's one of the minor goofy things that's going on.

Mayor Hechler added: We've been asked by the film company that's here to postpone the repair to McAdoo Street. On March 8, they're supposed to bring Joaquin Phoenix and Emma Stone here for some shots. They don't want to change anything with McAdoo Street right now because of the way it's going to look. That's the way they need it to look in the movie. Then they're going to Albuquerque for a month, and when they come back, they want it the same way 'til after May or Fiesta. Obviously, the first answer was 'no'. Since then, I've talked to a lot of folks. The construction crew that's doing McAdoo Street is willing to postpone, but they have to mobilize and de-mobilize. The film company is going to have to pay for that. We've had some other people that would be negatively impacted by it. We want to make sure there are no issues with it. I visited the cleaners. As soon as I said it, there were tears in the eyes and they said they'd been putting up with this for too long. I told them to talk to the film company, and

let us know if there's a suitable arrangement, we'll figure out a way to get through it. If not, we'll make that decision appropriate too. This is a several hundred-thousand-dollar benefit to our community if the film goes through the way it is. I don't think they're in a position to pack up and move because they've invested a lot of money in this community already. That's some of the decision process we're going through with McAdoo. Full disclosure, that's where we are right now. We're working through that. I don't know if we're going to be able to get it done or not. I don't know which way it's going to go. Obviously, I don't want to hurt or negatively impact anybody that's involved. Our community can probably handle it for a few more months, but we sure don't want to. That's the process we're going through. Please bear with us. We'll figure it out in the next couple of days. I have met the manager in charge of the film location and talked with him extensively yesterday, visited some other folks, and talked about things. I asked if they could do computer enhancements, and he said they can't for things of that level for the scene being shot. We'll figure it out.

City Manager Gonzales: The continuity of the film would be compromised. We were all thinking about the funding. I don't want the movie to hurt, and I've said this to them also. I don't want them to hurt our future funding for our infrastructure. We contacted the funding agency. They don't have a meeting until April, so I got some advice. The State of New Mexico has made these tax credits for these film companies. They did it to bring these films into our state. They also did it to bring these films to these rural areas. Do we hurt ourselves by telling them 'no'? Like Mayor said, it's a couple hundred-thousand-dollar bump to our Lodger's Tax, GRTs, small businesses, and to our entire economy. It's going to bump it up for a couple months. The funding agency is looking into their policies about these types of circumstances.

Commissioner Hoepfner: Is the water pressure for the hot springs impacted by the street being open? I heard the hot spring water is very high on that street, only 2 or 3 feet. I didn't see steam coming up, but is it impacting the water pressure?

City Manager Gonzales: I had a conversation with the State Engineers Office, the water people. They asked me the same question. I'm not a PE. I'm not an engineer. I do know that springs are very temperamental. The State Engineers office has said maybe that person should look at replacing the pump.

Commissioner Hoepfner: I'd just like to have an answer when people ask. Thank you.

### **City Commission Reports:**

#### **Commissioner Hoepfner reported the following:**

- Last weekend, Meteoric was a success. It was amazing, colorful. I love art & music, and it was a new experience for me. I like to see more and more things like that happening in our town and especially downtown and that we are supporting the arts. It's good for every business when more people come to town for events like that. I'm looking forward to Fiesta weekend and upcoming events and hope at one point, we will have at least one big event every quarter to help

all the small businesses in town. At that point when people from outside come to town, there are sometimes negative things happening. I saw a mural over-painted. Is it graffiti or is it art? It's his graffiti all over town. I would like to have a talk about implementing an Ordinance about fining people for graffiti and making it high enough that they think twice before doing it. I would like to see us photographing and recording murals and who made them. When one person tags a trash can it's a signal to other graffiti artists when they see the city isn't doing anything about it. For them, it's art. This is why I'd like to find a spot in TorC where we can have an actual graffiti wall where we can officially say this is where you can put your graffiti up. Graffiti artists respect each other and won't graffiti over another's art. We can provide them with a space to share their form of art. There are amazing graffiti artists out there.

**Commissioner Mitchell reported the following:**

- I'd like to ask for clarification from Angie or Traci about Kathleen Sloan's comment on the funds that our money comes out of. Is there public access to that information or is it just something that the city controls Fund 101 and we know that is General Fund? Or is there a way the public can access that information.

City Manager Gonzales: The budget is on the website. A budget of a public entity, you have to put some effort into looking at it and learning it. Normally, your 101 funds are your general funds. Your 201 funds are special.

Mayor Pro-Tem Forrister: It's ok as long as people can access it.

Commissioner Fahl: The codes are set by DFA too. It's not like we made up that number.

**Commissioner Mitchell:**

- I have some exciting news. Of course, everyone's all a buzz with the movie and they finally put out an open casting call. They're looking to get 2-300 extras in the film. It would be for everyone – kids aged 9 – adults. They're having this tomorrow night at the Hot Springs High School cafeteria from 4-6. Anybody can come and try to be an extra in the movie. I encourage people to come out and support them. That's a lot for this small town. It's a paid gig, and it's really exciting. My New Mexico Film Prize Jr. kids are wrapping up their film that's due on March 5<sup>th</sup>. They shot all in downtown TorC. They're super excited to get an opportunity not only to be an actor but to see the actual Hollywood movie process. It's really exciting for our community, and I encourage everybody to get involved. They have people everywhere talking to everyone about everything. It's a really good boost for our community and our economy.

City Manager Gonzales: Commissioner Mitchell, on our website is the City of Truth or Consequences Final Budget 2023-2024, and inside, the next page has all the different funds.



**Commissioner Mitchell:**

- A quick report on our Fiesta Fundraiser Brunch this past weekend. Because there were so many things going on downtown, everyone was kind of split, but we had a great show. We had some gracious contestants. It was a boost for Fiesta promotion wise. We are currently launching our Cash Party tickets for March 30th. Amanda, Rolf and I are selling tickets. Any of the Fiesta board is selling tickets. It's capped at 250 tickets max that we're going to sell. We're well over 50 sold.

Mayor Hechler: A quick comment on yours – during the Taste of Sierra County, which we had. There was also the Meteoric thing. I think it might be interesting for us down the road to look at a community calendar, so we don't step on each other's toes. I think we could have supported the Meteoric event, and you would have been more successful. Or the Meteoric event could have supported Taste of Sierra County, and we would have been more successful. Planning like that ahead of time, and maybe putting them on different weekends would benefit both parties. I think we should do that, so maybe the idea of a community calendar. That's not my idea. Dean LaManna suggested that, and I want to jump on board, but give him credit.

Mayor Pro-Tem Forrister: The Sentinel does put out a calendar already that has events.

Mayor Hechler: We could probably make each of them a little more successful if we worked on it a little harder that way.

Commissioner Mitchell: I was working with Dean LaManna and we put together a list of every event taking place in just the month of February. I had over 50 different events taking place on different dates, different organizations from parties to meetings. The Visitor Center, the Chamber of Commerce, the Sentinel, we're all trying to get something like that. That's just the list I came up with based on fliers around town, NM Square, newspaper, etc. I'm trying to find an interactive calendar online and that's just been a pet project and it's taken a lot.

**Commissioner Fahl reported the following:**

- I have some things on here. The first 4 are something I wanted to refer for you, Angie, that maybe you can look into and report at the next Commission meeting.
- You've been talking about doing the budget planning. It's great that you're doing that. I hope in the past you've talked about things to help our staff in their professional development. I hope when you're doing that if you can budget for each department that they have training dollars, and we actually send them to professional development classes. I think that's really critical for their success.
- At the next meeting, can you give us an update on what the status is for the restrooms and their improvement and how we're going to use them or whatever for Ralph Edwards and Louis Armijo Parks?
- In January, we'd gotten a report about how successful we were in December and combining all the departments. They all set aside 3 or 4 days, and they helped

the Water Department fixing leaks. We said then maybe you could coordinate something so they could all do that together. Maybe you could tell us what the status is on that.

- Whatever happened with Matthew 25 and working out there? They were moving and they haven't moved. That was based on their funding for a recipient. Whatever happened to that? If you could just give us updates at the next meeting so you have time to research that, that'd be great.
- The Turtleback Network Trail Group got back together first part of February, so the committee has met. There are a number of items as you guys remember from the plan. We kind of assigned responsibilities for the 4 of us that showed up. We're going to start moving forward, so that's exciting. I'll give you reports as we start doing things. It was good to get everybody back together and focused on implementing parts of the trail.
- These are fliers for the Geronimo Springs Museum. We're having a guest speaker on Saturday March 9<sup>th</sup>. She has her own film. As you can see from the flyer, she's really an expert on the travels of Coronado. This was a really cool fact. When Christopher Columbus first came over here, he had 200 guns on his ship. They dismantled them from the ships, and that's how they took over. When Coronado started his travels, they brought 6 guns. They actually found 2 of them. Very fascinating history. You have to buy tickets in advance. It'll be at the Moose Lodge and serving chicken fried steak and mashed potatoes. I encourage you guys to go, and if you can find a place to post those fliers, that would be awesome.
- Talking about the movie – The movie people came and talked to the museum because they want to use some of our artifacts. They're going to use the museum in some movie shoot and use some of our artifacts. The museum is benefitting financially from that.

Commissioner Mitchell: I want to chime in. I forgot one more promotion. Ingo's Art Café is having a book talk from Author Teresa Janssen who wrote a book about growing up in Cutter back when the population was 3,000 in the early 1900s. She will be here Monday March 4<sup>th</sup> at Ingo's at noon. It's a free book talk open to anybody especially if you have any questions about the history of Cutter and the boom of the railroad and the building of Elephant Butte Dam. It's just a fascinating book.

Commissioner Hoepfner: We talked so much about Fiesta. I just wanted to say that Acknowledge Create Teach is also planning our fundraiser over the weekend. Since Fiesta is Cars & Stripes, we're calling our event bass & lights. There's a pretty sizable group that like electrical music as well. We are providing this to bring more people to town. We will have 6 different music producers who will perform in 4 different locations.

**Mayor Pro-Tem Forrister reported the following:**

- Over the weekend, there was a UTV ride with over 39 buggies that went out. People were wondering why there were emergency vehicles out in the Caballos. It was just the UTVs and they had a really good time. From what I heard, it was a pretty good event. I want to update everybody on the Legislative for Sierra

County. They received over 10.2 million dollars from our Senator, Representative, and Governor. The City got 4.4 million for waterline distribution along with Ken James got \$60,000, TorC Senior Center got \$50,000, the FDH got 1.5 million.

- We had the not-so-newlywed game, so those of you not there, it was hilarious. We had 12 different contestants. I learned some things that I did not want to know about my friends and family in the community. It was a really fun event. Sharon with Farm Bureau sponsors the buyer's dinner at the livestock auction during the fair. When she first started it, she was paying \$900. This past year, it was \$4700. This was a fundraiser to help with that as well.
- On April 5<sup>th</sup>, we have a really cool thing coming to our gym. UNM & UTEP are going to playing a volleyball game. The volleyball team is sponsoring that and selling cheap tickets. Come and watch a game that you won't have to travel to ABQ or El Paso to watch. It'll be right here in our own gym.
- Going back to talking about our budget. I realize that some people don't have the cognitive ability to understand budget, but that does not mean that we are not being transparent. It is not our job to break down budget for everybody in the community. You have to do a little bit of research on your own. We don't understand it fully. We try to work on it and filter through it as best as possible. Some of those things are handed down through DFA that we have to do. Just because you don't understand something doesn't mean we're in the wrong.
- Our city is really needing foster parents, so if you have any inclination on doing that, go and see CYFD. They are needing foster parents really badly.

**Mayor Hechler reported the following:**

- I want to thank my fellow Commissioners for being so engaged in our community. I used to be a commissioner, and although I thought we had a wonderful Commission under Mayor Green. A lot of times, the Commissioners had no report. It didn't mean they weren't engaged, but I think it's important that we tell our community people why we're Commissioners and what we're doing. It's wonderful that we're so engaged in our community, and I appreciate you guys for doing that.
- On February 16, we had a technological engineer here to look at the Lee Belle Johnson Center, so we're moving forward with that. Thank you to Traci and our Manager for helping me get those folks here. It looks like they're going to bring a truck in, and we're going to do some drilling for holes to see if pilons will solve the problem of shoring up the base of the Lee Belle Johnson Center. That'll be moving in a positive direction. We're going to get a price from our engineer. I'm hoping that Lodger's Tax will help us in paying for that because it's a public building that benefits our community. That will give us an idea of whether or not we need to move forward and fix that building. It's an iconic building to our community. I want to fix it, but we need to make sure the price is right.
- I've had two meetings with Virgin Galactic over the past month or so just trying to figure out what's going to be happening with them. They're here to stay unless something catastrophic happens. I went through a downsizing when I worked at

Spaceport a while back and they laid off about 70 people then they came back, and we started launching. This is kind of the same scenario. They're building the second generation of the Delta Craft. They had layoffs in order to get that done. They're building it at the Mojave. When they do their testing and it's successful, they'll build a 2<sup>nd</sup> and maybe 3<sup>rd</sup> Delta Craft. That's the business model for moving forward to what they can launch many times a year. I'm optimistic they'll be back. Hopefully they will. Certainly, those conversations were positive in my mind. I was also able to weigh-in on a Spaceport America development plan. I talked with Angie Nelson and figured out what we're trying to do with Spaceport and their development plan in the future. I had some remarks regarding the bond issue and that's to continue to pay for Spaceport and what that's going to look like. I wanted more outreach from Spaceport for our community. We haven't been getting that. It's going to be important for us. The bonds are with us until 2029. At that point in time, the community is going to make a decision. If it continues the way it is now, I don't know if we'll want to re-issue those bonds because we haven't had much contact with Spaceport America. We need to have that contact. They need to come here and talk to us and tell us what's going on. I was able to weigh in in that regard.

- I've got a letter addressing the New Mexico State Park fees. It's in the process of getting looked at to make sure it's ready to present. I'm going to share that with our other community leaders. Mayor Morrison's already got a copy and he likes it. I'll send that to the County. The way I drafted the letter is I would like our civic and community leaders to sign it. I want to send it to the Governor's office. I want to send it to our Representatives and our Senator before the deadline of March 26. I don't like the way the fees are supposed to be raised. I think it's exorbitant, but I do acknowledge that they need to raise their fees to some degree and there should be a happy way. I kind of outlined that for them, and I hope it's successful. I retired from State Parks, and I know a little bit about the operation. Hopefully, that will work.
- I met and talked with Mayor Morrison and our Chief about the Animal Control Ordinance and our ACOs. I believe Elephant Butte is going to move forward to contract with the City to provide ACO service and to pay us our fees as we requested. That was a study initiated by Mr. Swingle when he was our City Manager. I think they're going to move forward with that. They may also adopt some of our Ordinances and they're going through that process right now.

**City Attorney Rubin had no reports.**

## **F. CONSENT CALENDAR:**

### **1. Take Home Vehicle Forms.**

Commissioner Hoepfner asked why we are giving the Police Department take home vehicles if they live 75 miles away.

Chief Tavizon explained that it is not for that purpose. They are on call all of the time, so they are issued a take home vehicle, so they have an availability to get here. Once we get to a point where we have available housing, there are some of the officers that want to move closer.

**Commissioner Fahl moved to approve the Consent Calendar as submitted. Mayor Pro-Tem Forrister seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**G. ORDINANCES/RESOLUTIONS/ZONING:**

**1. Discussion/Action: Resolution No. 37 23/24 Budget Adjustment Request.**

Assistant City Manager Alvarez explained that this was first presented to our Impact Fee Board, and we scheduled a second meeting with the board, but unfortunately, they had to cancel because we didn't have a quorum. We then brought it to the Commission for discussion action at a request to use impact fee money to proceed forward with an impact fee study. The budget adjustment is to move the money from the cash account into the revenue and expense account that will be expended. Impact fees are assessed during the planning and zoning process, through my office when I do the review of new "builds". I work with our engineer when we are reviewing the plans. Once this budget adjustment is approved, then we will look at procuring a firm to do the Impact Fee Study and there will be at least one public meeting or more (depending on the cost).

**Commissioner Fahl moved to approve Resolution No. 37 23/24 Budget Adjustment Request. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**2. Discussion/Action: Resolution No. 38 23/24 Authorizing and providing for the incurrence of indebtedness for the purpose of providing a portion of the cost of acquiring, constructing, enlarging, improving, and/or extending its water system.**

Assistant City Manager Alvarez: This is part of the USDA requirement for the previous ordinance that was brought to the commission, which will be coming back again to the commission for a public hearing, and final adoption. As we move through the process with USDA, even though we are going through Bank of the Southwest for the construction loan, during that time USDA has to prepare their closing documents so they will be able to close on the Bank of the Southwest loan by the time we complete construction. They have to have a resolution in place in order to start their closing paperwork.

**Mayor Pro-Tem Forrister made a motion to approve Resolution No. 38 23/24 Authorizing and providing for the incurrence of indebtedness for the purpose of providing a portion of the cost of acquiring, constructing, enlarging, improving, and/or extending its water system. Commissioner Fahl seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**3. Discussion/Action: Resolution No. 39 23/24 Approval of the sale of compost at the Wastewater Treatment Plant.**

Arnie Castaneda, Water/Wastewater Director: This is a resolution to approve fees to load compost. We are giving the compost away for free. At least for now. Maybe in the future we can sell it. In the past there was no formal procedure in place. People would just go to the treatment plant and ask us to load their vehicle with compost. We me a schedule for people to come in Monday, Tuesday, Thursday, and Friday from 9am to 2 pm to pick up as much compost as they want if they want to load it themselves. Wednesday is reserved for appointments for our staff to load it for them with the tractor. The following fees apply.

- *Bobcat Bucket - \$50.00 per load.*
- *John Deere Backhoe Bucket - \$75.00 per load.*
- *5-gallon buckets can be filled free of charge, up to 10 loads per day.*

Included in the packet is a flyer and application for the customer to complete so we know where the compost is going.

**Commissioner Mitchell made a motion to approve Resolution No. 39 23/24 Approval of the sale of compost at the Wastewater Treatment Plant.**

**Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**4. Discussion/Action: Publication of Ordinance No. 764 an Ordinance Amending the City of Truth or Consequences Municipal Code of Ordinances, by adding a new section 14-49 establishing Electric Connection Fees.**

Bo Easley, Electric Division Director: This is an ordinance to establish electric connection fees for service upgrades, installing secondary wires, installing transformers, providing, and installing 35-ft Lift Pole per service size, and things of that nature. In the past we would have to eat the cost for the construction of transformers over 150 KVA, so we added a portion for the fee of the installation charge.

City Clerk Torres: This is for publication, and once a public hearing is held and if the ordinance is approved, then we will come back with a resolution for the fees.

**Commissioner Fahl moved to approve publication of Ordinance No. 764 an Ordinance Amending the City of Truth or Consequences Municipal Code of Ordinances, by adding a new section 14-49 establishing Electric Connection Fees. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**H. NEW BUSINESS:**

**1. Discussion/Action: Public Arts Board request for funding for the Carol Plec Sculpture.**

Public Arts Board Member Andy Underwood: We came before you in the past about this project. We are requesting funding to complete the project that the Sierra County Arts Council has started. The Sierra County Arts Council approached the Public Arts Advisory Board a few months ago seeking permission to place a sculpture at the Healing Waters Plaza. Our board advised them to go before the Parks and Recreation board. We got approval from them, and then we got approval from you. The Sierra County Arts Council came back to the Public Arts Advisory Board with a request for funding to complete the project. The Arts Council raised around \$9,000 towards this, and they need \$18,238.75 to complete the project. After a long discussion at the board meeting, the Public Arts Board unanimously voted to make a request to the Commission to allow the board to use their 2% of the lodger's tax budget to help the Arts Council complete this project.

**Commissioner Mitchell moved to approve the Public Arts Board request for funding for the Carol Plec Sculpture in the amount of \$9,283.75. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**2. Discussion/Action: Solid Waste Cost of Service and Rate Design Study.**

**Item was moved after public comment.**

**3. Discussion/Update: PD Update.**

Chief of Police Tavizon: I wanted to circle back to Commissioner Hoepfner's comment for the tagging downtown. It has been a hard process. We had that individual who tagged 18 different areas so there were 18 different victims. He also tagged the beautiful mural that was at Bullocks. We tried to get felony level graffiti and vandalism on that, but the District Attorney's Office was a little hung up on that. They didn't quite want to do it since it was a smaller area. They thought that maybe the artist could fix that. I share that frustration with you. Our judicial system is in shambles right now. We charged him with the 18 misdemeanor level vandalism charges. There is an ordinance and state law in

## CITY COMMISSION FEBRUARY 28, 2024 REGULAR MEETING MINUTES

place for the crime, so even if the individual is found guilty, he is a homeless individual, so if there is any restitution that he has to pay, he has no source of income to pay for it.

Commissioner Fahl: What did you think of Commissioner Hoepfner's idea of finding an area for them to go play. Do you think that would lessen them vandalizing other areas?

Chief of Police Tavizon: I really don't. They already know that they can't do it just anywhere, yet they still do it. It's a pretty cool idea. Maybe we could try it if we found a place? The only way that we will know if it works is if we try it.

### **January 2024 stats:**

- His team was extremely busy. These calls for service include Animal Control, Code Enforcement, and our Police Officers. We had 1,042 calls for service in the month of January.
- Animal Control had 160 calls for service.
- We had 17 motor vehicle accidents.
- Our School Resource Officer took 19 reports.
- We had 29 CYFD Ski referrals.
- Our Officers, including our Detective did 60 follow-ups.
- We had 177 traffic stops, but only 32 citations. There are some mixed feelings about that. Our job isn't necessarily to have a source of funding and write citations to everybody. It may be an educational purpose to stop someone and say "you're speeding. Please slow down" and give them a break. Our Officers are generous in my opinion. When I was a young Officer, I wasn't so generous. Everybody got tickets. I am glad that there is a little bit of discretion, and they are considering our locals and trying to educate them at first and give them a couple of opportunities to become in compliance.
- The Officers gave 3 DWI's.
- They had 25 arrests.

### **February 1<sup>st</sup> to February 27<sup>th</sup> stats:**

- 943 calls for service.
- 124 Animal Control calls for service.
- 22 motor vehicle accidents.
- 11 CYFD ski referrals.
- 14 SRO reports.
- Officers conducted 45 follow-ups.
- 124 traffic stops with 33 citations issued.
- Code Enforcement had 5 code violation calls.
- We had 2 officers who became certified as field training officers so now we have certified field training officers teaching our young officers.
- We had 3 individuals in our local government leadership conference through Leadership New Mexico. I hope that we are able to send more city employees to that program. City Manager Gonzales and I have been working with a company



to bring in a basic supervisor liability course for the city employees in a leadership role.

- I got to go up to Municipal Day and a Chief of Police Meeting to hear the different legislative bills that were going to affect us. The Mayor and I got to meet with the Governor for a little bit. She was quite cordial.
- We sent a couple of our officers to an advanced roadside impairment driving enforcement training. The training isn't the basic alcohol related DWI. It goes more into marijuana and other controlled substances, and being able to recognize what they are under the influence of when you get those impaired drivers. That was a good class.
- Our new detective is in the detective academy. APD was very gracious in giving us a free spot to their detective academy. It is a 6-week academy that they put their detectives through. He will get some onsite, real life APD crazy experience up there.

#### **4. Discussion/Action: Summary Plat Amendment at 808 N. Maple.**

Assistant City Manager Alvarez: This summary plat amendment was held before our Planning & Zoning Board on February 12<sup>th</sup> via public hearing. The applicant wishes to eliminate a lot line and combine their two lots into one parcel. They have started to do some building, but in order to build their main residence, they have to eliminate that lot line so they can build in the center. They followed all of the Planning & Zoning rules and regulations, and they submitted a current plan for their existing structures. There were no opponents during the public hearing. We did have one proponent. There were no issues or concerns from the board. This is actually a success story for the city. This property had been previously abated by the city with a lien placed on the property. The city obtained the property, then we turned around and we were able to place it up for sale. The property owner bought it and they have been developing it and cleaning it up.

Steve Green: My wife and I live at 561 E. 8<sup>th</sup> Street, and for a long period of time, we looked at dirt out our front windows. There were 2 parcels of land that just sat vacant, and then one day I came home and there were two women walking on the property which is 808 N. Maple. I went over there and introduced myself and a friendship was born immediately. These are people who come to a community and become active in the community, and who are going to be here because this is their retirement home. We watch the two buildings being constructed, and we cannot wait for the house to be built. We get along well with Kim and Terry more than well. The deciding factor is that our two dogs get along. They say you can't pick your neighbors, but in this case, we did pick our neighbors and we are graciously happy for that.

**Mayor Pro-Tem Forrister moved to approve the Summary Plat Amendment at 808 N. Maple. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**5. Discussion/Action: First Amendment to Land Lease Agreement between Truth or Consequences Municipal Airport, Ads-B Radio Station Site Sv154-25.**

Assistant City Manager Alvarez: We are just asking to enter back into a land lease agreement with the ITT corporation. This radio station and land lease that is out there is a piece of equipment that is integral to airplanes and pilots, as well as our airport. This is what pings airplanes when they fly over our airport. They don't even necessarily have to land. It is a location monitor for the FAA to be able to monitor flight patterns. It is also helpful to the pilots when they are up in the air because it will ping other planes in the area so they know where the air traffic is. We need to have this in place as long as we are part of an FAA airport.

**Commissioner Fahl moved to approve the First Amendment to Land Lease Agreement between Truth or Consequences Municipal Airport, Ads-B Radio Station Site Sv154-25. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**6. Discussion/Action: Approval of Purchase Requisitions over \$20,000.**

The item was removed from the agenda.

**7. Discussion/Action: Amendment to CD Technology Agreement.**

City Manager Gonzales: In your packet is the amendment to the CD Technology Agreement. CD Technology was awarded the RFP last spring. The city went out for a request for proposals through the bid process.

Mike Torres, CD Technology: When this contract was awarded, it was contracted for my company to provide 16 hours of tech support per week for the City of Truth or Consequences, but very seldom do we not spend 40-60 hours a week at the city. It is very rare that I don't touch the city in some way daily. 90% of the time we take care of issues as soon as we can. There are times that we can't get to it that day, but we do our best. I have two other people that I employ that I have to pay, so that is why I brought this amendment before you.

City Manager Gonzales: What we are trying to do as an amendment is add \$15,000 to the contracted amount to be paid by the end of June of 2024.

Mike Torres, CD Technology: I provided a scope of work for an outside company to come in and re-build the network at the Police Department. The entire city network has been very fragile. We spent the last year and a half just patching it and trying to keep it alive, and now we are moving to a point where we are going to replace the network.

**Commissioner Hoepfner moved to approve the Amendment to CD Technology Agreement. Commissioner Forrister seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**I. ADJOURNMENT:**

**Mayor Hechler adjourned the meeting at 12:08 p.m.**

**Passed and Approved this 13<sup>th</sup> day of March, 2024.**



  
\_\_\_\_\_  
Rolf Hechler, Mayor

  
\_\_\_\_\_  
Angela A. Torres, CMC, City Clerk

Public Comment – TorC Commission Meeting – February 28, 2024 – Ariel Dougherty

Greetings, Commissioners. I am voting against Ordinance 756 and urge others to do the same. With this action your body – once again – is taking our community on a “pie-in-the-sky”, wild goose chase. How much have we citizens paid in legal fees on the folly of Hot Spring Land Development?

First, and foremost, there is NO PROJECTED BUDGET for the anticipated expenses of the renovation of the Armory. An architect's ball-park figure of “\$3,343,750 + NMGR” was drawn up five days after you approved Ordinance 756 for publication which you paid \$22,000 for its writing.

Most egregious in this complicated, extreme effort is the lumping of numerous prior loans into the ordinance. These loans that now have low interest government bond rates, are incorporated under this public bond *at higher rates*. You commissioners have no idea what the public rates will be over forty years. This is more than egregious. It is folly. And to boot, the math DOES NOT ADD UP. \$4.5 million will not pay for all of this.

A simple, better solution to the September 13 Item H. 7. “Request to renovate the Armory into a new Police Department, and explore financial options.” would have been to direct the Police Chief to *first* hold public meetings to get citizen input prior to launching this fiasco. No law says this is necessary. But it might have a more positive outcome.

Sadly the phrasing of agenda items like this set in motion ill will when no public welfare is expressed or discussed. Maybe that is where to begin a more positive interaction between government and public. The refrain “*We have always done it like this.*” does not suffice. We citizens have a right to petition our government. VOTE AGAINST 756.

Where are the minutes of your last meeting? This is an OMA violation.

I respectfully request that these comments and two letters to Mayor Hechler be included in this meetings' minutes. Thank you.



Ariel Dougherty films &lt;arielcamera@gmail.com&gt;

## Some SERIOUS Problems With Ordinance 756

Ariel Dougherty films &lt;arielcamera@gmail.com&gt;

Tue, Feb 27, 2024 at 10:33 AM

To: "Hechler, Rolf" <rhechler@torcnm.org>, Amanda Forrister <amanda.forrister@torcnm.org>, "Mitchell, Destiny" <dmitchell@torcnm.org>, "Fahl, Merry Jo" <mfahl@torcnm.org>, ihoepner@torcnm.org

Cc: "Gonzales, Angela" <agonzales@torcnm.org>, City Clerk <torcclerk@torcnm.org>, Jay Rubin <jrubin@zianet.com>, "Sandoval, Heather" <hsandoval@nmag.gov>, "rtorrez@nmag.gov" <rtorrez@nmag.gov>, Kathleen Sloan <kathleensloan@gmail.com>, Frances Luna <Frances@gpkmedia.com>

Dear Mayor Hechler,

### PART TWO:

Regarding Ordinance 756 and the idea – once again – of renovating the armory into a police facility, the T or C Commission is taking our community on another "pie-in-the-sky" wild goose chase at the expense of us citizens who ultimately pay the funds for your actions. How much has the City – i.e. we citizens – had to pay on the folly of the Hot Spring Land Development?

At the Sept 13, 2023 meeting when the IDEA LAUNCHED, there was no mention or concern expressed by any Commissioner to this new, barely in the position a year, Chief of Police that the public had in another citizens REFERENDUM, voted against such a move six years earlier. Nor was there any mention of how such a move would **benefit and serve the public welfare** which is the sole purpose of your and city employees service. No Public Comments were made for or against the idea.

First and foremost there exists NO PROJECTED BUDGET for the anticipated expenses for the renovation of the Armory into a police facility. Only a *post-facto* architect's ball-park figure of "\$3,343,750 + NMGR" was drawn up five days after your Commission approved Ordinance 756 for publication. As a development director I ALWAYS had to have a detailed budget attached to any fundraising proposal.

There is no complaining among you or other Commissioners of the tens of thousands of dollars you had already spent – \$22,000 to a law firm to draw up Ordinance 756, who will further benefit from fees in executing the \$4.5 million bond loan, and the expenses of three people to go to New York.

Most egregious in this complicated, truncated effort in the ordinance is the lumping of numerous other prior loans into the process. It incorporates these loans – that have low interest government bond rates -- to be paid off, and lumped under this one public bond at higher rates. This is absurd. And I vehemently oppose this. You and your fellow Commissioners have no idea what the ultimate rates over a forty year period will be. This is more than egregious. It is folly. Further, all the math DOES NOT ADD UP. There is no way the \$4.5 million will accomplish all this. And all GRT funds are directed to paying off this bond loan.

Clearly, the Commission blindly – with no budget offered and no interest rate guarantee -- has allowed a single city employee to step out of his law enforcement duties to become a fund seeking officer with no knowledge or experience. We – Concerned Activists Versus Egregious Government – want governance that is responsive to community needs. Not city employees wishes.

A simple better solution to the September 13 Item H. 7. "Request to renovate the Armory into a new Police Department, and explore financial options." might have been to direct the Police Chief to hold several public meetings getting citizen input prior to launching this fiasco. No law says this is necessary. But it might have a more positive outcome.

Sadly the entire phrasing on agenda items like this set in motion ill will with the public. Maybe that is where to begin a more positive interaction of government and public. The refrain "We have always done it like this." no longer suffices. We citizens have a right to petition our government. That is what the referendum is about.

Sincerely, Ariel Dougherty  
Concerned Activists Versus Egregious Government

p.s. Could you please acknowledge receipt of this email and that it was read. Thank you for your courtesy.



February 28, 2024 | City of Truth or Consequences

## SOLID WASTE COST OF SERVICE AND RATE DESIGN STUDY

Mr. Dave Yanke, President



1

## SCOPE OF ANALYSIS

- 1 • Conduct a comprehensive cost of service study that allocates costs to each specific solid waste service
- 2 • Develop a five-year revenue requirement forecast (FY 2024 – FY 2028)
- 3 • Calculate the revenues realized under current rates for the projected five-year revenue requirement
- 4 • Design rates for residential customers  
• Design rates for commercial customers  
• Design rates for the collection center
- 5 • Present findings to City of Truth or Consequences staff and City Commission

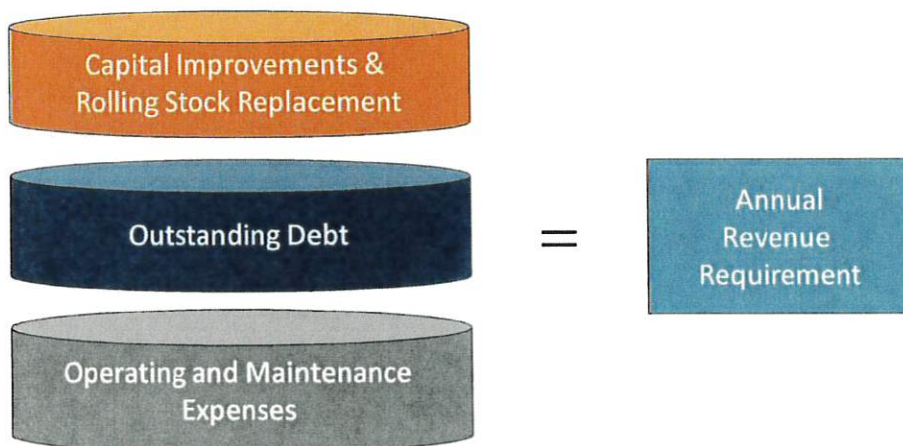
2

## COST OF SERVICE METHODOLOGY

- 1 • Develop the “Test Year”
- 2 • Develop a revenue requirement forecast
- 3 • Allocate costs to service categories
- 4 • Determination of billing units
- 5 • Cost of service calculation

3

## WHAT IS THE “REVENUE REQUIREMENT”



4

## SERVICE CATEGORIES

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- **Collection Services**

- Refuse Poly Cart Collection
- Dumpster Refuse Collection
- Dumpster Recycle Collection

- **Collection Center**

- Garbage Operations
- Recycling Center

- **Other**

- Administration
- Cart Maintenance and Delivery
- Disposal/Hauling

## DEVELOPMENT OF REVENUE REQUIREMENT

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**The development of the revenue requirement forecast includes the following items:**

- Truth or Consequences Solid Waste Management expenses are forecasted to increase from \$2.1 million in FY 2024 to \$2.3 million by FY 2028:
- Cash funding strategy for the purchase of new vehicles: \$236K per year for FY 2024 – FY 2028.
  - 13 vehicles are projected to be replaced over the 10-year forecast (includes pickups, side-loaders, and backhoes)



## REVENUE REQUIREMENT

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Total Expenses	\$2,233,450	\$2,456,731	\$2,432,446	\$2,366,731	\$2,454,101
Non Rate Revenues	\$131,500	\$131,500	\$131,500	\$131,500	\$131,500
Rate Revenue Requirement	\$2,101,950	\$2,325,231	\$2,300,946	\$2,235,231	\$2,322,601

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## OVER / (UNDER) RECOVERY – CURRENT RATES

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Revenue from Current Rates	\$2,267,763	\$2,276,757	\$2,286,176	\$2,295,605	\$2,305,043
Revenue Requirement	\$2,101,950	\$2,325,231	\$2,300,946	\$2,235,231	\$2,322,601
Estimated Over/(Under) Recovery Under Current Rates	\$165,813	\$(48,475)	\$(14,770)	\$60,374	\$(17,557)
Cumulative Over/(Under) Recovery Under Current Rates	\$165,813	\$117,339	\$102,569	\$162,943	\$145,386

## Notes:

- Any minor arithmetic deviation is due to rounding

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## POLY CART RATES

- NewGen is not proposing any changes to the current Poly Cart rates for FY 2024-FY 2028.

	Current Rate
Residential Rate	\$34.69
Commercial Rate	\$50.22

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## CURRENT DUMPSTER RATES

- The City currently charges commercial customers by a class designation system.

Class	Class Description	Current Rates
Class 1	Lodges (fraternal) without bars, churches, beauty shops, barber shops, T.V. shops, rock shops, jewelry stores, accounting, legal, medical, real estate, insurance, dental offices and miscellaneous small shops. Motels, hotels, and apartments with fewer than ten units and RV Parks with fewer than ten spaces.	\$69.57
Class 2	Lodges (fraternal) without bars, package stores without bars, service stations, garages, small grocery stores, body shops, small cafes, laundries, florists and small merchandising businesses. Motels, hotels, and apartments with ten to 20 units and RV Parks with ten to 20 spaces.	\$110.87
Class 3	Bars and package stores in conjunction with bars, medium sized store buildings, medium sized restaurants and cafes and governmental offices. Motels, hotels, and apartments with 21 to 30 units and RV Parks with 21 to 30 spaces.	\$162.40
Class 4	Department stores, drug stores and banks. Motels, hotels, and apartments with 3 to 40 units and RV Parks with 31 to 40 spaces.	\$217.50
Class 5	Large restaurants, large grocery stores, hospitals, trailer parks. Motels, hotels, and apartments with more than 40 units and RV Parks with more than 40 spaces.	\$626.27

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## CURRENT DUMPSTER RATES (CONTINUED)

- Outdated rate design system
- Can lead to inequities
- Class selection can be subjective



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## PROPOSED COMMERCIAL DUMPSTER RATES

- For all FY 2025 proposed rate increases, NewGen has assumed that rates will be implemented July 1, 2024. For subsequent rate increases (i.e., FY 2026 - FY 2028), NewGen has assumed that rate increases will go into effect at the beginning of the fiscal year (i.e., July 1).
- Rate increases for commercial refuse and recycling services are outlined below:
  - **Refuse:** NewGen recommends that the City implement a dumpster rate matrix that determines customer's rates by container size and collection frequency. (This is the industry standard.)
  - **Recycling:** NewGen recommends that the City implement a rate matrix for recycling that determines rates by frequency of collection.

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### PROPOSED COMMERCIAL DUMPSTER RATES (CONTINUED)

- NewGen recommends that the City implement a dumpster rate matrix that determines customer's rates by container size and collection frequency.

FY 2025 Proposed Refuse Rates						
Container	Collections per Week					
Size (Cubic Yards)	1	2	3	4	5	6
1.5	\$69.57	\$88.45	\$123.29	\$158.13	\$192.96	\$227.80
3	\$69.57	\$96.99	\$136.11	\$175.22	\$214.34	\$253.45

FY 2025 Proposed Recycling Rates						
Container	Collections per Week					
Size (Cubic Yards)	1	2	3	4	5	6
1.5	\$30.00	\$60.00	\$90.00	\$120.00	\$150.00	\$180.00
3	\$30.00	\$60.00	\$90.00	\$120.00	\$150.00	\$180.00

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### PROPOSED COMMERCIAL DUMPSTER RATES (CONTINUED)

Rate Increases			
	FY 2026	FY 2027	FY 2028
Refuse	7.5%	7.5%	7.5%
Recycling	5.0%	5.0%	5.0%

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## CURRENT COLLECTION CENTER RATES

- The City currently charges commercial customers by a class designation system.

	Minimum Fee (lbs tiers)				Per Ton Rate	
<b>Residential</b>	<b>0-200</b>	<b>201-400</b>	<b>401-600</b>	<b>601-800</b>	<b>801+</b>	
MSW	\$6.00	\$11.22	\$13.32	\$18.84	\$60.00	
Yard Waste	\$6.00	\$11.22	\$13.32	\$18.84	\$60.00	
	Minimum Fee (lbs tiers)				Per Ton Rate	
<b>Commercial</b>	<b>0-100</b>	<b>101-350</b>	<b>351-650</b>	<b>651-1,000</b>	<b>1,001-1,999</b>	<b>2,000+</b>
C&D	\$20.00	\$30.00	\$40.00	\$50.00	\$60.00	\$65.00
Yard Waste	\$20.00	\$30.00	\$40.00	\$50.00	\$60.00	\$65.00
	Minimum Fee (lbs tiers)			Per Ton Rate		
	<b>0-200</b>	<b>201-400</b>	<b>401-600</b>	<b>601+</b>		
Tree Branches	\$3.50	\$7.00	\$10.50	\$ 35.00		

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## PROPOSED COLLECTION CENTER RATES

- NewGen recommends that the City standardize and increase the rates for residential trash, commercial trash, and tree branches being brought to the collection center.

<b>FY 2025</b>	Minimum Fee (lbs tiers)					Per Ton Rate
<b>All Trash</b>	<b>0-200</b>	<b>201-400</b>	<b>401-600</b>	<b>601-800</b>	<b>801-1,200</b>	<b>1,200+</b>
MSW/Yard Waste	\$9.00	\$18.00	\$27.00	\$36.00	\$54.00	\$90.00
<b>By FY 2028</b>	Minimum Fee (lbs tiers)					Per Ton Rate
<b>All Trash</b>	<b>0-200</b>	<b>201-400</b>	<b>401-600</b>	<b>601-800</b>	<b>801-1,200</b>	<b>1,200+</b>
MSW/Yard Waste	\$11.50	\$23.00	\$34.50	\$46.00	\$69.00	\$115.00

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## PROPOSED COLLECTION CENTER RATES (CONTINUED)

- NewGen recommends that the City increase the per ton rate of trash collected at the collection center.

Proposed Per Ton Rate Increases					
	Current	FY 2025	FY 2026	FY 2027	FY 2028
MSW/Yard Waste	\$60.00	\$90.00	\$105.00	\$115.00	\$115.00
Increase	-	\$30.00	\$15.00	\$15.00	-

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## OVER / (UNDER) RECOVERY – PROPOSED RATES

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Revenue from Proposed Rates	\$2,101,950	\$2,325,231	\$2,300,946	\$2,235,231	\$2,322,601
Revenue Requirement	2,267,763	2,436,458	2,578,523	2,693,493	2,744,650
<b>Estimated Over/(Under)</b>					
<b>Recovery Under Proposed Rates</b>	\$165,813	\$111,226	\$277,577	\$458,262	\$422,049
<b>Cumulative Over/(Under)</b>					
<b>Recovery Under Proposed Rates</b>	\$165,813	\$277,040	\$554,616	\$1,012,878	\$1,434,927

**Notes:**

1. Any minor arithmetic deviation is due to rounding
2. This tables' over/(under) recovery assumes a 30% reduction in dumpsters collected.

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## RECOMMENDATIONS

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- Recommend implementing dumpster rate matrix to streamline method of charging commercial customers and ensure equity.
- Monitor if dumpsters collections decrease and/or dumpsters are returned.
- Recommend implementing standardized collection center rates.

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## QUESTIONS?

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Dave Yanke  
President  
NewGen Strategies and Solutions, LLC  
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(512) 649-1254

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