

CITY COMMISSION NOVEMBER 13, 2019 REGULAR MEETING MINUTES

CITY COMMISSION MEETING MINUTES
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
CITY COMMISSION CHAMBERS, 405 W. 3RD St.
WEDNESDAY, NOVEMBER 13, 2019

A. CALL TO ORDER:

The meeting was called to order by Mayor Sandra Whitehead at 9:00 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. Sandra Whitehead, Mayor
Hon. Kathy Clark, Mayor Pro-Tem
Hon. Rolf Hechler, Commissioner
Hon. Paul Baca, Commissioner
Hon. George Szigeti, Commissioner

Also Present: Morris Madrid, City Manager
Renee Cantin, City Clerk-Treasurer

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

2. SILENT MEDITATION:

Mayor Whitehead called for fifteen seconds of silent meditation.

3. PLEDGE OF ALLEGIANCE:

Mayor Whitehead called for Commissioner Clark to lead the Pledge of Allegiance.

4. APPROVAL OF AGENDA:

Commissioner Hechler moved to approve the agenda as amended and name C.3 as November 30th for Small Business Saturday. Mayor Pro-Tem Clark seconded the motion. Motion carried unanimously.

C. PRESENTATIONS:

1. Presentation of a Commendation to Officer Sergio Maldonado:

Chief Apodaca presented the Commendation to Officer Sergio Maldonado for responding to a multiple structure fire at the Cielo Vista R.V. Park on October 9th, 2019. Upon arrival he found three structures fully engulfed and there had been multiple explosions. Officer Maldonado found a severely injured man near one of the structures and carried him over his back to a safe location.

2. Proclamation naming November 16th, 2019 as American Legion Women's Auxiliary Centennial:

Mayor Whitehead read the presented proclamation naming November 16th, 2019 as American Legion Women's Auxiliary Centennial.

3. Proclamation naming November 30th, 2019 as Small Business Saturday:

Mayor Whitehead read the presented proclamation naming November 30th, 2019 as Small Business Saturday.

4. Presentation related to an update on the Water-Wastewater projects. Alfredo Holguin, Wilson & Company, Inc.:

Mr. Holguin from Wilson & Company, Inc. presented the various Wastewater projects which included:

- USDA Funded - MSD Water System Improvements
- DWSRLF Funded - Water System Improvements
- CIF Funded - Full System Water PER
- CWSRLF Funded - Vacuum Sewer Improvements
- WTB Application - Booster Station & Austin St. Improvements

5. Presentation related to the Automated Metering Infrastructure (AMI). Chris Clark, Landis-Gyr:

Mr. Chris Clark from Landis-Gyr reviewed his PowerPoint presentation on the Automated Metering Infrastructure (AMI) which included the following items:

- Multi-purpose Utility Platform
- AMR versus AMI Utility Touchpoints
- Network Components
- C6500 Series Collector
- Router (*NEMA 4; all weather proof enclosure; Multi-WAN port capability for redundancy; 120/240 Volt Power; Battery Back Up; Minimum deployment height 20ft. Up to 1 Watt Power Output; Shared with AMI and DA Devices*).

- Extending network reach and redundancy
- Network Management
- Remote Network Management
- On Demand Meter Read
- Remote Disconnect/Reconnect
- Remote Meter and Communication Configuration
- Service History Report
- Outage Tracking Report & Real Time Map
- Benefits which includes predict and improve asset life and performance; reduce/minimize outages and restoration times; provides additional member engagement capabilities; helps become proactive in addressing member premise issues; improves operational performance/costs; saves members money.

Commissioner Szigeti asked everyone to keep in mind that we are still operating the same way we did when we had first took over electric and we need to bring our system into the 21st Century.

D. COMMENTS FROM THE PUBLIC:

Jack Noel addressed the Commission related to:

- He addressed the Commission with concerns regarding Smart Meters. He feels that the meters are a health hazard, they cause fires, and he feels that we should not install them in our community. He also feels that they should have been further discussed with input from the public before a decision was made.

Rick Dumiak, 705 Charles addressed the Commission related to:

- He feels that estimating the meter readings was ridiculous. He relies on a fixed income as do others in the community, and a \$100 increase in one month was completely insane. The only response he received was by city office staff. Neither the City Manager nor the Mayor/Commissioners would return his calls or emails.
- He has dealt with Smart Meters in the past, and they do work. However, he feels we should spend money on other things that need to be fixed, rather than spending money on new meters.

David Amin, 407 Broadway addressed the Commission related to:

- He spent 8 hours doing his own research on Smart Meters, but he would have rather spent his time helping the city do their research on these Smart Meters before a decision was made. If the Commission would read the data, they would see that there are some drawbacks and liabilities associated with faulty electrical systems on these meters.

Carol Versello, 123 E. 3rd addressed the Commission related to:

- She addressed the Commission with concerns regarding issues she feels are caused by Smart Meters. Those concerns include health issues, law suits, the meters blowing out electrical appliances, the meters causing radiation, electrical

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fires, leaked data that is collected by the meters, and rate increases due to the installation of the Smart Meters. She asked that the citizens be included in any decisions that may affect them in any way.

Greg D'Amour, Recreation Advisory Board Chairman addressed the Commission related to:

- He addressed the Commission regarding the painting of the mural at the Dog Park. The artist and the family who funded the project would like to have an unveiling on December 14, 2019 at 11:00 a.m. at the Dog Park. They will be asking permission for this at the next meeting.

Ron Fenn, 316 N. Foch addressed the Commission related to:

- He addressed the Commission with concerns regarding issues due to Smart Meters. He asked if this Commission has studied the issue in depth or reviewed any of the substantial documentary and testimonial information on the cost and hazards of this technology. He made claims against City Manager Madrid regarding law suits at his previous employment, and having a special interest conflict in the purchase negotiation of the meters. He also feels that the money for the AMI Smart Meters could replace over 750 aging transformers and poles which would save power losses that the meters cannot. Over 250 people signed the petition, so this will then be up to the Commission to either accept his Moratorium Ordinance, or put it to a public vote which may end up the same way.

Ariel Dougherty addressed the Commission related to:

- She is speaking in regards to items C.5, H.1, and I.1. She feels that it is discouraging to have the potential contractor of the Smart Metering system make a presentation when it is well known that a large segment of the voting public opposes this action and there is no equal presentation by the Ad Hawk Advocates for a healthy city. She feels that this company has failed to provide evidence that Smart Metering is safe. She also feels that the decision to install the Smart Meters is not in the best interest of the community. Enough signatures have been gathered for the proposed Ordinance for a Moratorium. She feels that such an action will deter new residents from wanting to move here.
- She doesn't understand why we would reduce the number of members on the Planning & Zoning Committee. She also said most of the boards do not have women representation. She feels that this lack of diversity reflects persistent gender discrimination.

Diane Lombardo addressed the Commission related to:

- She feels that we need a Police Chief that is highly qualified for the position.
- She asked why we are hiring an Animal Shelter Supervisor instead of an Animal Shelter Manager. She also feels that we need someone highly qualified to run the Animal Shelter.
- She then touched on couple of incidents involved with Animal Control which included a broken wing on a Dove, a hoarding case, and domestic rats that were set free.

Carolyn Cazares addressed the Commission related to:

- She has concerns regarding the Smart Meters being installed so close to her porch. She feels that the installation is a great hazard toward our community.
- She asked if former Mayor Green and former City Manager Fuentes has any current involvement in the installation of the Smart Meters or any current influence toward the Commission and their decision making.

Tracy McGowan, 1700 Corzine St. addressed the Commission related to:

- She addressed the Commission with concerns regarding health issues caused by Smart Meters. Many of the Smart Meters are being removed throughout various areas in the US and Canada. She also expressed her concerns regarding fires and other issues that come with the installation of Smart Meters.

Bill Fink, 6th St. in T or C addressed the Commission related to:

- He asked why there hasn't been anything published on the Election that will be held in March. He would like to see something showing which seats are available for the upcoming election.

Ed Williams, addressed the Commission related to:

- He addressed the Commission with his take on the public comments presented today. The city has had issues with our infrastructure for a while now, and sooner or later we've got to make a decision that may be a pro or con in the eyes of the community. We have old meters that we can't get parts for anymore, and we are losing money all over the place. Most of the transformers were changed to dual voltage when we switched over to the new system. They are ugly, but they work. The city has been behind the curve for so long, so it is good that we are trying to update things because if we don't, and we wait for everything to crash all at once, people are going to complain that their rates increased 10% to 30%. He also mentioned that PNM requested a \$5.9 million dollar rate increase to cover their project.
- He thanked Traci Burnette and city staff for all that they do.

E. RESPONSE TO PUBLIC COMMENTS:

Commissioner Szigeti responded to the following:

- He finds it highly disturbing that people continue to come in and say there was no public input regarding the AMI System and the Commission did not do their own research. We had 5 years of opportunity for public input and the Public Utility Advisory Board has been looking at this issue since 2014. We have looked at the issues, we've read the information and safety issues, and he does not believe anyone on this Commission would want to put in a system that we believe would be harmful to our citizens. He then listed several occasions when the Smart Meters were discussed with input from the public.
 1. *In 2015 the City Commission held a public workshop where YESCO presented the concept of the water meter testing program to determine the*

accuracy of the city's water meters. This would include a survey of the age of the existing meters as well as testing of sampling meters thus the savings that could be realized by replacement of the aging meters with new more reliable meters could be estimated.

- 2. On September 8th 2015 the department heads of Water and Electric Department made a presentation to the City Commission illustrating all of the problems the meter readers had to deal with, and how dangerous the job can be. After this, YESCO was asked by the City Manager to include both Water and Electric Meter Replacement and their position.*
 - 3. On September 25, 2015 YESCO presented their plan for a combined Water and Electric Meter Study to the Public Utility Advisory Board. The board recommended approval to proceed, and sent it to the City Commission.*
 - 4. On October 13, 2015 the City Commission held a public workshop where YESCO presented their plan. A sampling of both Water and Electric Meters would be tested and using this data they would prepare a performance based contract to replace all of the cities meters.*
 - 5. Over the next few years this project moved forward with regular updates to the Public Utility Advisory Board and to the Commission. There were also a lot of other meetings and workshops presented by the city and during this whole time public comment was available at all of the meetings. The only objections we received during that time were due to the projected cost of the YESCO Project, and that cost was what ultimately led to the city passing on that project and the decision to go a separate route and do these things directly.*
- He then addressed Mr. Fenn's attack toward City Clerk Cantin when his first petition was rejected. He feels that Mr. Fenn owes City Clerk Cantin an apology because her rejection of his petition just might have possibly kept Mr. Fenn out of jail. When you present a petition to be approved, the documents attached to the petition is what must be presented to the public for the signatures, and that is what must be presented back through the Commission. In this you are saying that you intended to alter that document after it was approved. If you altered it after it was approved, any signatures on that altered petition would not be valid and you would have wasted all of your time. If it had been altered after the signatures were collected, that would be fraud, and that would make you liable for criminal prosecution.
 - He also touched on comments regarding internet research. With the internet today, anybody can become an instant expert. A few hours of research can provide you with a lot of information, but the thing about the internet is that there is nothing on any webpage that tells you how true that information is, so you have to be very careful and look at where the information is coming from. He also noted that he has researched several national agencies for safety and none of them recognize the small amounts of energy coming from Smart Meters as being hazardous.

City Manager Madrid responded to the following:

- He wanted to say that he agrees that our community need not be divided.
- He also thanked Mr. Williams for that little dose of reality.

Mayor Pro-Tem Clark responded to the following:

- She updated Mr. Fink on the positions that are available in the upcoming Election.

Mayor Whitehead asked City Clerk Cantin to give some additional information on the Election.

City Clerk Cantin stated that the Election Resolution was passed by the Commission on October 9th, 2019. The publication will go out after the Secretary of State does a Proclamation by Resolution for all Municipal Officer Elections that will be held in March and she is expected to do that by December 4th. To add to Mayor Pro-Tem Clark's statement, we also have a Municipal Judge Position up, and that is for a 4 year term. The Declaration of Candidacy will be on January 7, 2020 from 9:00 A.M. – 5:00 P.M. and Write in Candidate Filing Day is January 14, 2020 from 9:00 A.M. – 5:00 P.M.

Mayor Pro-Tem Clark continued with some information about Smart Meters and said that she would like to look at the option to Opt-out from having a Smart Meter.

Commissioner Szigeti also wanted to respond in relation to the P & Z positions. Currently the composition of the board is 5 members which means we have to have a minimum of 3 people on the board in order for it to convene. Over the past years, we have not had 3 people sign up to be a part of that board at any given time and that is why we are wanting to change the number of members required to serve on the board.

F. CONSENT CALENDAR:

- 1. City Commission Regular Minutes, October 23, 2019**
- 2. Acknowledge Public Arts Advisory Board Minutes, August 13, 2019**
- 3. Accounts Payable, October 2019:**

**Mayor Pro-Tem Clark moved to approve the consent calendar as noted.
Commissioner Hechler seconded the motion. Motion carried unanimously.**

G. PUBLIC HEARINGS:

- 1. Public Hearing/Discussion/Action: Final Adoption of Ordinance No. 708 authorizing the City to Enter into a Loan Agreement with the New Mexico Environment Department for the purpose of obtaining Project Loan Funds in the amount of \$473,000.00 for rehabilitation of the Vacuum Sanitary Sewer System:**

City Manager Madrid turned it over to Grant/Projects Coordinator & Designated Zoning Official Burnette to give an overview.

Grant/Projects Coordinator & Designated Zoning Official Burnette announced that this Ordinance came before the Commission on October 9th for approval of publication. The amount is for \$473,000. \$373,000 of that is a loan, and \$100,000 will be forgiven. This loan is through the New Mexico Environment Department for the rehabilitation of the Vacuum Sanitary Sewer System.

City Attorney Rubin added that this is not the actual loan agreement. This authorizes us to enter into an agreement. It also indicates that the loan will not exceed \$373,000 as well as \$100,000 for the subsidy.

Opponents:

Ron Fenn listed his self as an opponent because he has to pick a side, and there is no public here which is a problem. He asked why we have not engaged our community to the point to where they want to be involved, and make comments or observations. Also asked where the bottom line is for this information. He calculated the bottom line on the other loan we applied for and it came out to over \$2.7 million dollars of interest. We don't know what we can address when we only have the sale price, and not the tax or any additional charges that are added. The total cost is different than what you are borrowing. It is important for us to know exactly what we are getting ourselves into. The state of our economy in this city is pretty rough, and the expenditure of monies that we don't have is problematic. Simple solutions are what we need in this community. He is terribly concerned that this community doesn't want to be involved. Nobody cares because they cannot speak any longer, but we can speak during a Public Hearing, and he will be at every Public Hearing to ask the same question every time. We don't even have a proponent for this Public Hearing. So based on the fact that the majority are opponents, you should deny this on the basis of what Public Hearings are supposed to be about and that is listening to the people. The people will tell you what they are feeling and you are supposed to honor your public.

City Manager Madrid recommended approval of this item.

With no further comment, Mayor Whitehead closed the Public Hearing at 11:03 A.M.

Commissioner Szigeti moved to approve Final Adoption of Ordinance No. 708 authorizing the City to enter into a Loan Agreement with the New Mexico Environment Department for the purpose of obtaining Project Loan Funds in the amount of \$473,000.00 for rehabilitation of the Vacuum Sanitary Sewer System.

Commissioner Baca seconded the motion. Commissioner Szigeti has asked if anyone has had any complaints from the public on the sewer and water system telling us we need to fix and upgrade our systems. They all confirmed they have. **Roll call vote was taken by the Clerk. Motion carried unanimously.**

H. ORDINANCES/RESOLUTIONS/ZONING:

1. Discussion/Action: Ordinance No. 710 for publication amending Section 11-2-2.D and F of the Code of Ordinances related to reducing the number of members to serve on the Planning & Zoning Commission:

City Manager Madrid reported that this item is an attempt to try and reactivate this Commission by reducing the number of members needed to serve on this Commission. The number of members can always be expanded if needed, but this is a good way to try and get this Planning & Zoning Commission active again.

City Attorney Rubin added that one of the changes we would like to make other than changing the amount of members needed to serve on the board is to change the amount of members needed for a quorum.

Mayor Pro-Tem Clark asked that they make sure that all three members are present in order for them to take action on any item.

City Attorney Rubin responded, with that being said, we will need to keep the wording in Section F as is and not amend it.

Mayor Pro-Tem Clark moved to approve Ordinance No. 710 for publication amending Section 11-2-2.D and not changing F of the Code of Ordinances related to reducing the number of members to serve on the Planning & Zoning Commission. Commissioner Hechler seconded the motion. Roll call was taken by the Clerk. Motion carried unanimously.

2. Discussion/Action: Resolution No. 18 19/20 authorizing and providing for incurrence of indebtedness for the USDA Water System Improvements Project in the amounts of a \$5,487,000 loan and a \$3,930,000 grant:

City Manager Madrid stated that this is the first step in the process and the interest rate on this loan is \$2.125%.

Grant/Projects Coordinator & Designated Zoning Official Burnette added that this is our big USDA Grant Application that we have been waiting on. It is a \$9.4 million grant/loan combination and it will take care of rehabilitating and/or replacing our downtown water lines on the MainStreet district, purchasing a 300,000 gallon tank for our Cook Street Treatment Plant, and it will also be used to address our Chlorine Treatment System and Water SCADA System as well. In your packet is a letter of conditions from USDA dated for September 26, 2019 which is one of many requirements that we go through to proceed forward. She also mentioned that a rate study will be conducted and provided by RCAC.

Commissioner Szigeti moved to approve Resolution No. 18 19/20 authorizing and providing for incurrence of indebtedness for the USDA Water System Improvements Project in the amounts of a \$5,487,000 loan and a \$3,930,000 grant. Mayor Whitehead seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

3. Discussion/Action; Resolution No. 19 19/20 authorizing interim financing with Rural Communities Assistance Corporation (RCAC) for the USDA Water System Improvements Project in the amount of \$925,000:

City Manager Madrid announced that this is part of the same package. They require us to do interim financing with another parties until the financing agreement grants and loans are finalized.

Grant/Projects Coordinator & Designated Zoning Official Burnette added that this will be conducted through Rural Communities Assistance Corporation.

Commissioner Hechler moved to approve Resolution No. 19 19/20 authorizing interim financing with Rural Communities Assistance Corporation (RCAC) for the USDA Water System Improvements Project in the amount of \$925,000.

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

4. Discussion/Action: Resolution No. 20 19/20 declaring surplus property for disposal at either a live auction or online auction:

City Manager Madrid stated that this is required in order to remove items from our inventory for sale.

City Clerk Cantin added that we have a few items that were left out of the last Resolution that was passed so we did another Resolution so we can do all of the items at the same time.

Commissioner Szigeti moved to approve Resolution No. 20 19/20 declaring surplus property for disposal at either a live auction or online auction. Commissioner Hechler seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

5. Discussion/Action: Resolution No. 21 19/20 Budget Adjustment for Fiscal Year 2019/2020:

City Manager Madrid gave a detailed description of the adjustments which included:

General Fund– Transfer In		
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Fund 101 101-1099-39935 DFA #11000-0001-61100	\$300,000	Increase Transfer in from Senior Grants to pay back upfront grant costs
General Fund– Transfer Out Fund 101 101-1099-49930 DFA #11000-0001-61200	\$300,000	Increase Transfer Out to cover upfront Senior Grant costs
Senior Grants- Transfer In Fund 304 304-4903-39935 DFA #21900-0001-61100	\$300,000	Transfer in from General Fund to cover upfront grant costs
Senior Grants – Transfer Out Fund 304 304-4903-49930 DFA #21900-0001-61200	\$300,000	Transfer Out to pay back General Fund for upfront grant costs
Senior Grants – Revenue Fund 304 304-4903-32314 DFA#21900-0001-47499	\$90,000	Increase Revenue - Equipment Vehicles Grant for SJOA
Senior Grants – Expense Fund 304 304-4903-80810 DFA#21900-2002-58999	\$90,000	Increase Expense - Equipment Vehicles Grant for SJOA
Senior Grants – Revenue Fund 304 304-4903-32315 DFA#21900-0001-47499	\$210,000	Increase Revenue - Building Renovations Grant for SJOA
Senior Grants – Expense Fund 304 304-4903-80845 DFA#21900-2002-58999	\$210,000	Increase Expense - Building Renovations Grant for SJOA
Emergency Repair Reserve- Expense Fund 316 316-9103-47425 DFA#30800-2002-54030	\$55,000	Increase Expense - Repair Water Lines from ending cash balance
Electric – Expense Fund 503 503-3702-80845 DFA#51400-2002-58999	\$158,300	Increase Expense -Replace Old Primary Under Ground from ending cash balance
Electric – Expense Fund 503 503-3702-80845	\$54,000	Increase Expense - Replace 2 Poles/Remove Conductors from Austin St.

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DFA#51400-2002-58999		to Coal St. from ending cash balance
Electric – Expense Fund 503 503-3702-80845 DFA#51400-2002-58999	\$35,000	Increase Expense - Bathroom Addition & Remodel Electric Office from ending cash balance
Electric – Revenue Fund 503 503-3702-37380 DFA#51400-0001-46900	\$132,431	Increase Revenue - Refund from Sun Financial LLC (Solar)
Municipal Street – Expense Fund 216 216-4503-47420 DFA#21600-2002-54040	\$6,000	Increase Expense for Engine Core that was damaged & not rebuild able from ending cash balance
Municipal Street – Expense Fund 216 216-4503-43550 DFA#21600-2002-54030	\$20,000	Increase Expense for Hot Mix for Water/Waste Water Taps
Municipal Street – Transfer In Fund 216 216-4503-39935 DFA#21600-0001-61100	\$15,000	Increase Transfer In to the Streets Dept for Hot Mix being Paid by Streets from Emergency Repair Reserve
Municipal Street – Transfer In Fund 216 216-4503-39935 DFA#21600-0001-61100	\$5,000	Increase Transfer In to the Streets Dept for Hot Mix being Paid by Streets from Waste Water Reserve
Emergency Repair Reserve- Transfer Out Fund 316 316-9103-49930 DFA#30800-0001-61200	\$15,000	Increase Transfer Out to the Streets Dept for Hot Mix being Paid by Streets
Waste Water Reserve- Transfer Out Fund 317 317-9203-49930 DFA#30800-0001-61200	\$5,000	Increase Transfer Out to the Streets Dept for Hot Mix being Paid by Streets
Waste Water-Transfer Out Fund 506 506-4005-49930 DFA#50300-0001-61200	\$42,935.05	Increase Transfer Out -USDA Loan PMT from FY18/19 should have had transfer in from WW
USDA WWTP-Transfer In Fund 309 309-6403-39935 DFA#30900-0001-61100	\$42,935.05	Increase Transfer In -USDA Loan PMT from FY18/19 should have had transfer in from WW
Capital Improv. Jt Util.-		

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Transfer In Fund 306 306-6103-39935 DFA#30600-0001-61100	\$100,000	Increase Transfer In from Water for Colonias CIF-4927 PER Project (infrastructure)
Water – Transfer Out Fund 504 504-3803-49930 DFA#50100-0001-61200	\$100,000	Increase Transfer Out from Water for Colonias CIF-4927 PER Project (infrastructure)
Capital Improv. Jt Util. – Revenue Fund 306 306-6103-32380 DFA#30600-0001-47499	\$81,000	Increase Revenue -Colonias CIF-4927 PER Reimbursements
Capital Improv. Jt Util. – Expense Fund 306 306-6103-80855 DFA#30600-2002-58999	\$100,000	Increase Expense -Colonias CIF-4927 PER Expenses
State Library – Revenue Fund 294 294-5003-32393 DFA#29900-0001-47398	\$14,185	Increase Revenue to include new Bond Award
State Library – Expense Fund 294 294-5003-60834 DFA#29900-2002-57999	\$14,185	Increase Expense to include new Bond Award
R&R Airport – Revenue Fund 312 312-8403-31393 DFA#30900-0001-46060	\$99,500	Increase Revenue -Fuel Farm Surety Bond
R&R Airport – Expense Fund 312 312-8403-60599 DFA#30900-2002-58999	\$99,500	Increase Expense Fuel Farm Surety Bond
Solid Waste – Expense Fund 505 505-3904-47420 DFA#50200-2002-54040	\$20,000	Increase Expense - Budget for Loader Parts- From ending cash Balance

Mayor Pro-Tem Clark moved to approve Resolution No. 21 19/20 Budget Adjustment for Fiscal Year 2019/2020. Commissioner Baca seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

I. UNFINISHED BUSINESS:

1. Discussion/Action: Electric Cost Adjustment (ECA) related to the recommendation by the Public Utility Advisory Board:

Commissioner Szigeti announced that this item was presented to the City Commission about a year ago. At that time we were getting ready to enter into a new contract with Sierra Electric Coop so we didn't want to take any action because we didn't know where we were heading with rates and such. The current code allows for two types of automatic increases on the utility bills. One is an Automatic Rate Increase which relates to the cost of purchasing electricity, and other is the Automatic Pass Thru which relates to the actual cost of running the department, the cost of fuel and all of that. For a long time we had an adjustment we called a Pass Thru which was actually a misnomer, because it was a rate increase related to the cost of electricity. The Commission at that time corrected that language and changed it to an Energy Cost Adjustment, but then we had some issues with the way it was being calculated.

The old Energy Cost Adjustment used the base rates from Sierra Electric Coop and the Hydro Power from WAPA, but it did not reflect the real cost of electricity from those sources, and since then we added the Solar Farm which is another variable in estimating our cost. The old pass thru was calculated in 2009, and was checked in 2011, but for the remaining years it was set at \$0.414 per kWh and was never checked again. We started looking at this with the Public Utility Board and we determined that this is not really working, and decided that we need to have a better reflection of the actual utility costs.

He reviewed the variations in the costs and explained why we need a cost adjustment on our utility bill that varies with what we are paying for electricity. He explained that the rates are higher in the summer months of April through September, because we have to pay more for our electricity, but during the winter months which are October through March the cost is lower. During the last discussion on this topic, they agreed that calculating this every month like Sierra Electric does would be too much of a burden on our staff.

The Commission agreed to direct City Manager Madrid to take on this issue.

City Manager Madrid agreed, and stated that he will report back to the Commission on the progress.

J. NEW BUSINESS:

1. Discussion/Action: Authorization to open a checking account for the USDA Water System Improvements project:

City Manager Madrid reported this item is brought before you because USDA requires us to keep all cash for this funding source in a separate cash account.

Mayor Pro-Tem Clark moved to approve opening the check account. Commissioner Baca seconded the motion. Motion carried unanimously

K. REPORTS:

City Manager Madrid reported the following:

- Our target date to close the pool is December 1, 2019. The dome won't be used anymore because it's unsafe. He reported the problems with the pool and stated that they are going to do a complete inspection of the structure above ground, and underneath. We have an architect that we are consulting with to give us some ideas for a permanent cover which will be designed to be user friendly year round. They don't have any abstract diagrams yet, but when they do get some they will be sure to involve the Recreation Board, Friends of the Pool as well as the community. The estimated time frame for having another operational pool would be about a year, given that funding is available.
- In regards to the downtown water infrastructure, they discovered a slow leak that needs to be repaired. We will need to notify the downtown merchants that we are going to try and fix this by Monday.
- He gave a description and overview on what happened with the estimated bills and the complaints they have received.

City Attorney Rubin reported the following:

- None.

City Commission Reports:

Mayor Whitehead reported the following:

- She wished everyone a very Happy Thanksgiving and Happy Holidays.

Commissioner Szigeti reported the following:

- He thanked the utility staff for coming to the meeting today and wished they were here for the Energy Cost Adjustment discussion.
- He also touched on the article Mr. Noel put in the paper last week about water quality. The ad ended with some incorrect information about the city water. Let it be known that we do meet federal guidelines for our water, and we also meet what we need for the Smart Meters.

L. EXECUTIVE SESSION:

1. **Limited Personnel Matters (various positions) *pursuant to 10-15-1(H.2):***
2. **Threatened & Pending Litigation (current & possible Litigation) *pursuant to 10-15-1(H.7):***

Commissioner Szigeti moved to approve going into executive session at 12:16 p.m. to discuss Limited Personnel Matters (various positions) pursuant to 10-15-

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1(H.2) and Threatened & Pending Litigation (current & possible Litigation) pursuant to 10-15-1(H.7). Mayor Pro-Tem Clark seconded the motion. Roll call vote was taken by the Clerk-Treasurer. Motion carried unanimously.

Mayor Whitehead reconvened the meeting in open session at 12:45 p.m.

Commissioner Szigeti certified that only matters pertaining to Limited Personnel Matters (various positions) pursuant to 10-15-1(H.2) and Threatened & Pending Litigation (current & possible Litigation) pursuant to 10-15-1(H.7) was discussed in Executive Session and no action was taken.

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

None.

N. ADJOURNMENT:

Meeting was adjourned at 12:45 p.m.

Passed and Approved this 11th day of December, 2019.


Sandra Whitehead, Mayor

ATTEST:


Renee L. Cantin, CMC, City Clerk