

**CITY OF TUCUMCARI
MINUTES**

MARCH 27, 2008

The Tucumcari City Commission met for their regular meeting on Thursday, March 27, 2008, at 6:00 p.m. in the City Commission Chambers. Members present constituting a quorum were Jimmy Sandoval, Jim Lafferty, Antonio Apodaca, Robert Lumpkin, and Jim Witcher.

City staff members present were John R. Sutherland, Jr., City Manager; Marty Garcia, Finance Director/Assistant City Manager; Jeannette Maddaford, City Clerk; Doug Powers, Community Development Director; Yvette Fazekas, Community Development Grant Writer; Elizabeth Morris, Community Development Grant Writer; Roger Hatcher, Police Chief; Charlie Sandoval, Water Superintendent; and Ron Wilmot, Convention Center Director.

Mayor Pro Tem Jim Witcher, Minister of the First Christian Church, led the invocation and Commissioner Robert Lumpkin led the group in the Pledge of Allegiance.

Consideration of Addition/Deletions

Mayor Apodaca asked that the New Business items B and C – Coronado Partnership LLC Agreements be moved after Items from Citizens.

Approval of Minutes

A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to approve the minutes of the March 13, 2008 regular Commission meeting. Roll Call:

Apodaca	Lumpkin	Witcher	Maestas	Lafferty
Yes	Yes	Yes	Yes	Yes

Approval of Vouchers

A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to approve the City vouchers. Roll Call:

Lumpkin	Witcher	Maestas	Lafferty	Apodaca
Yes	Yes	Yes	Yes	Yes

Items from Citizens

Sharon Quarles, city resident, addressed the Commission saying she was from a historical town in Louisiana and had seen the up side and down side to economics in small towns where buildings from the 1700-1800 were saved and some lost. She requested that the southern section, from the staircase, of the Sands Dorsey building be made safe for a possible future business. She acknowledged that she and her husband had 111 Gallery in the north end of the Sands Dorsey building which was lost during the fire, but saved their inventory. She asked that the bracing be removed so business could have access and for safety reasons. She stated that her goal was to save a portion of the building to have for many generations to come.

Connie Falls, a resident, noted that when the building was burning people were crying and from talking to many of the town's people in town, they all want a portion of the building saved if at all possible. She stated that the community would not be behind making it another parking lot. She pointed out once an old building is torn down it can never be brought back.

Don Schutte, owner of Pajarito Interiors, noted that he and Ruth Nelson have made a significant investment in downtown and he has been very active in the MainStreet Program to revitalize and renovate the downtown, but the Sands Dorsey building is a public hazard, a nuisance, and is detrimental to the revitalization process. In order to renovate the Sands Dorsey building, it takes money, yet the owner has abandoned the building. Now he feels that the City has taken up the

owner's banner. The City declared the building a hazard last year. He noted that this matter is dragging on and on. He stated that it is regrettable, but the building needs to be torn down as the owner is not going to put the funds into the building nor does the City plan to put \$2-3 million into a building they do not own. He stated that the only expeditious manner is to have the building declared a nuisance, give the owner 30 days to tear the building down or the City will take action to have it torn down, so the citizens can get on with trying to rebuild the downtown.

New Business

Warren Frost, Attorney for the Quay County Gaming Authority, presented an Option Agreement to Acquire Membership Interest with Coronado Partnership LLC. He reminded the group that several months ago, the Gaming Authority had been asked to decrease their membership interest to nine percent on the group's share of the racetrack and casino. Since that time there has been some additional developments, the principal, Coronado Partnership, has asked the Quay County Gaming Authority to give up an additional four percent as there may be an opportunity to bring in another partner which would strengthen the application. Also if any one group has more than five percent interest in a racino, then everyone has to be licensed to operate a racetrack/casino through the Racing Commission. To accomplish this, the Gaming Authority decided for each entity, San Jon, Logan, Tucumcari, and Quay County, to have their own interest and no longer have a Gaming Authority. The Option Agreement gives the City the option to acquire 1.5% interest in the racino in the event that Coronado Partnership is granted the license. In addition the agreement states that the City of Tucumcari will help in acquiring and promoting the racino. City Manager Sutherland recommended approval of the Option Agreement as it is a continuation of the work the Commission had started. A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to approve the Option Agreement to Acquire Membership Interest with the Coronado Partnership LLC. Roll Call:

Apodaca	Lumpkin	Witcher	Sandoval	Lafferty
Yes	Yes	Yes	Yes	Yes

The Development Agreement between the City and Coronado Partnership makes it clear to the Racing Commission, the Gaming Commission, the Governor, and everyone that the City of Tucumcari gives its complete support to the Racino and states that Tucumcari will take whatever steps necessary to assist and insure the development of the project should they get the license. He stated that the Agreement does not obligate the City monetarily, as Coronado are responsible monetarily for taking all steps to pay for the development, but that the City would take care of sewer, water, drainage, and issues of condemnation. In addition to the infrastructure, one of the ways Coronado plans to finance the racino is through Industrial Revenue Bonds, so by signing the Agreement the City is saying the City will assist and facilitate looking into and helping Coronado acquire the Revenue Bonds. City Manager Sutherland recommended signing the Development Agreement as this falls in line with the previous action and will help bring the application to a positive conclusion for the City. A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Robert Lumpkin to approve the Coronado Partnership LLC Development Agreement. Roll Call:

Lumpkin	Witcher	Sandoval	Lafferty	Apodaca
Yes	Yes	Yes	Yes	Yes

Ordinances and Resolutions

ORDINANCE NO. 1059 – AN ORDINANCE AMENDING THE OFFICIAL ZONING DISTRICT MAP: A PART OF ORDINANCE 1052 ADOPTED AND APPROVED ON OCTOBER 11, 2007. Yvette Fazekas, Grant Writer, explained the Planning Commission had heard this request and the Public Hearing had been advertised in the Quay County Sun. The property for rezoning from Single Family Residential to Special Use of a Mission Art Gallery/Church is located at 220 South Jackson. Fazekas read letters from landowners in the area who gave positive comments. A motion was made by Commissioner Lumpkin and seconded by Mayor Pro Tem Witcher to approve Ordinance 1059. Roll Call:

Witcher	Sandoval	Lafferty	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

RESOLUTION 2008-12 – A RESOLUTION BY THE CITY COMMISSION, THE GOVERNING BODY OF THE CITY OF TUCUMCARI, NEW MEXICO, WHEREBY THE CITY COMMISSION INSTRUCTS CITY STAFF TO SUBMIT AN APPLICATION FOR FUNDS THROUGH THE NATIONAL SCENIC BYWAYS PROGRAM. Ron Wilmot, Convention Center Director, requested approval to submit a grant application for funding to develop an electronic interpretive slide show exhibit to enhance the Route 66 Byways which will be housed at the Tucumcari Convention Center. The City Manager recommended approving the request for funding as Scenic Byway money had been pursued in the past and the

Tourism Department recommended applying again and Mr. Wilmot has found a creative way to match the funds. A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to approve Resolution 2008-12. Roll Call:

Sandoval	Lumpkin	Lafferty	Lumpkin	Witcher
Yes	Yes	Yes	Yes	Yes

City Manager's Report

Charlie Sandoval, Water Superintendent, reported that Pat Petrak, Head of the Water Lab, has published the City's Consumer Confidence Report for 2007. It is available for viewing at City Hall, City Library, City Planning Department, City Laboratory, and on the City's website, www.cityoftucumcari.com. He stated that if anyone had any questions about the chemical quality of the water, they could call Pat Petrak at the City Lab as she is the most knowledgeable person. Also he reported that the City of Tucumcari had won an award for the best tasting water in New Mexico in a competition for cities under 25,000 taps. As a result of the award, he will be taking the City's water to the National Rural Water Association Conference in Washington, DC in April to compete on the national level. He showed the large plaque which will be put on display in City Hall. He stated that when the Environmental Protection Agency required less levels of uranium in water, it had made the Water Department work harder to deliver better water from the Hoover Well Fields to the

City Finance Director Marty Garcia presented a summarized budget report for the month of February 2008 and year to date. He stated that everything looks pretty good. The funds that are departmentalized with two lines, the first line is revenue and the second line is expense. The audit is going pretty well and the auditors will be back next week for three days which should complete their field work.

City Manager Sutherland reported that on March 14, 2008, the City Commission had their first 2008-2009 budget work session. He thanked everyone involved as it was a very productive meeting. March 18 he participated in the evaluation of the Requests For Proposals for the closure of the old landfill and the results will be presented tonight. On March 20 he met with Keith Wale, President of Coronado Wrecking and Salvage of Albuquerque, in order to get a quote for developing a plan to mitigate the risks associated with the old Sands Dorsey building and/or demolition of the building. On March 20 he met with Wayland Oliver and Joseph Gendert of Engineers, Inc. to discuss their availability and interest in some current projects of the City including Ute Reservoir pipeline, Sands Dorsey building, and the wastewater reuse groundwater. On March 24, he met with the Tucumcari Housing Authority Executive Director to review budget performance for the current year and begin budget development for 2008-2009. On March 25 he attended the public meeting of the racino concerning the Coronado Partnership LLC of which a product of that meeting was presented to the Commissioners. On March 26 he attended a presentation by Xcel of their plans and goals for Eastern New Mexico region. On the 26th he attended the Ute Water Commission meeting in Melrose at which the Interstate Stream Commission provided the methods the City should follow to access their water allocation at the Reservoir. This was an important development because the City had requested guidance almost two years ago and it has taken until now for the Interstate Stream Commission to come back and give formal guidance on how to go forward. The Water Commission formed a working group to development the documents necessary to meet the ISC's requirements. On March 27 he met with Steven Quintana, a structural engineer with WH Pacific, who will develop a plan he will sign regarding the Sands Dorsey building.

Bids and Contracts

Elizabeth Morris, Community Development Grant Writer, reported that a Request for Proposal for Engineering Services for the closure of the Tucumcari Landfill was advertised and on March 18, 2008 the two RFP's received from Daniel B. Stephens and Associates and Gordon Environmental, Inc. were evaluated. Based on the committee's rating and ranking, Gordon Environmental, Inc was recommended to the Commission by the City Manager as well as the evaluating committee. A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to award the professional engineering services for the closures of the Tucumcari Landfill to Gordon Environmental, Inc. Roll Call:

Lafferty	Apodaca	Lumpkin	Witcher	Sandoval
Yes	Yes	Yes	Yes	Yes

New Business

Commissioner Lumpkin, member of the steering committee, asked for help with the First Annual Renewable Energy Conference to be held in Tucumcari on April 2 & 3. He noted that this conference would deal with solar and wind energy as it relates to residential and commercial as well as other types of renewable energy topics. He noted this will be a very big

event for Tucumcari as Tucumcari/Quay County is starting to become known for the renewable energy resources and training facility at Mesalands Community College. He asked everyone to bring a friend to the conference or register on the website and forward to a friend.

Craig Currell of the Mesalands Dinosaur Museum gave a brief Lodger's Tax Recipient report to the Commissioners stating that museums do not make money and that the Lodgers Tax Board had always been very generous in the past. He stated that Tucumcari was very fortunate to have two museums and noted on November 3, 2007 they welcomed their 100,000 visitor to the Dinosaur Museum. Two years ago he stated that he was told by Lodgers Tax that the Dinosaur Museum was the only applicant that who met the criteria. Last year their funding was reduced over 50% from the year before and wondered who was receiving the additional funding that was drawing more people to Tucumcari than the Dinosaur Museum.

Commissioner Lafferty noted that the Sands Dorsey building was requested to be on the agenda and thanked staff for the reports handed out to the Commissioners, but noted he had not had time to review them. He noted at the last meeting, everyone thought it was time to move on. In the City Manager's report, it was mentioned that an engineer will be preparing a report, but in reviewing the RFP he was not sure the City is asking for the right information as he did not feel it was the City's responsibility to salvage the building for the owner, but the responsibility to make the building safe. He noted that the different opinions in the reports caution the City in letting the building stand. One report he read from stated the engineer cautioned if one salvages the walls, there could be a problem with the sub-floor, so he asked why spend the money in attempting to salvage someone else's property. He noted that there is sentimental value, but it must be separated from the taxpayer's money. One quote stated it will cost \$90,000 to stabilize the walls. Mayor Pro Tem Witcher stated that safety should be the main concern for the City. He stated that he recommends making a park paved with the brick at the site of Sands Dorsey corner and that the City should condemn the building/take control of the building because of the public safety issues and then it would come under City ownership. Mayor Apodaca asked if the City had any idea how much this would cost and where the money would come from. The City Manager said he would be in a better position to give some figures as there has been some interest shown by engineers. He noted that the problem had been finding a structural engineer who would put his name and seal on paper and say this is exactly what you need to do, so he City could go forth with getting quotes or going out for RFP. Many engineers have come and looked at the building, but have not put anything on paper. Then he will need the direction of the Commissioners to find the dollars to take care of the building. Also he pointed out, it is still a privately owned building. Mayor Pro Tem asked the City Manager to contact the City's Attorney to see if the City has the right through eminent domain and safety for the citizens to do whatever the City needs to do to make it safe. A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lafferty to move forward and do all the legal work necessary for the City to receive the deed to the land and start the process of tearing the building down as soon as possible with the idea of saving the structural material for use as a park. Commissioner Lumpkin noted that the owner should be given 30 days notice and then he recommended moving on demolition as quick as possible. Roll Call:

Witcher	Sandoval	Lafferty	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

Lumpkin addressed the topic of inviting the Renewable Energy Transmission Line Authority Board to Tucumcari for one of their meetings, so consideration would be given to a additional transmission lines being placed in Quay County so the power from future wind farms can be carried to the power companies. Mayor Pro Tem Witcher echoed Lumpkin comments and asked the City to go forward to invite them to Tucumcari.

Mayor Apodaca appointed Commissioner Lumpkin to chair and spearhead the effort of forming a Rapid Response Team for Renewable Energy due to his expertise with renewable energy. The group would consist of the Economic Development Director Pat Vanderpool, City Commissioner Lumpkin, one person from the County Commission, and Dr. Barry from Mesalands Community College who could travel at a moments notice or meet on a moments notice with prospective renewable energy firms to consider locating in Quay County.

Community Development Director Doug Powers presented information on the Special Assessment District. He reported that the Street Assessment Plan with corrections has been submitted to the engineer. It is from the Street Assessment Plan the prioritizing of street repair projects will be selected. Based on a discussion from the last meeting concerning the cost of a Special Assessment District, Powers developed some cost figures based on engineering figures from the Adams Street project. He stated the information reflects the total cost of the example paving project even though the City might be able to do some of the work in-kind plus there is the option of using chip seal versus asphalt. Also the addition of curb and gutter affects the cost and if the waterlines have to be replaced the cost would increase considerably. He examined an area mentioned by Mayor Apodaca for Reed and Harmon Streets from Grove to Leonard, and Grove, Lake and Leonard from

Whitmore to Reed. The total cost of the project would be \$1,376,143.45 with corner lots costing \$15,581.37 and regular lots \$12,465.10. In looking at paving six lots in Commission District 5, it would cost \$26,914.06 for a regular lot not including intersections and \$33,642.58 for corner lots. If curb and gutter was required, then the cost would increase. Powers said if Commissioner Lafferty could give an exact location, then a more realistic number could be prepared. City Manager Sutherland added that when the preliminary draft of streets was examined, District 5 has some of the worst streets. Powers also offered to work with any Commissioner in preparing estimates for areas in each Commission District.

Commissioner Lafferty noted that several months ago, staff came to the Commission with proposals to hire an engineer to look at piping the Ute Water allocation to Tucumcari. At the time of the RFP it had been for design and construction specifications for a treatment plant. He stated that the City's agreement with Ute Lake Ranch does not require this, so at the time it was tabled and it has never been brought back to the Commissioners. His thought was the City needed to start moving on this as the Ute Water Project is going forward and he did not want the City to be behind on having a plan to pipe the 2200 acre feet of water to Tucumcari as the City has a gross receipts tax in place to facilitate the project. Commissioner Lumpkin noted that the City has 6,000 acre feet of water reserved which is almost six times more than the 1,300 acre feet of water delivered to the City's residents. It was noted that Tucumcari only has access to 2,200 acre feet of water as the 3,600 acre feet have been allocated to Ute Lake Ranch. Therefore, if the City needs to use their allocation, the infrastructure will be in place to carry the water to Tucumcari. Sutherland said if things are left as they are right now, at some point the City will be forced to use water from the town well field which has higher uranium content and is the limiting factor to the City's development. The City needs to be looking for alternate sources of water. It was pointed out that the water at the Metro Park Well Field is in the plans to for piping water to the City. Due to the aquifer only recharging at the rate of 750 acre feet per year, it would be necessary for the Metro Park to be rested every other year to recharge. Therefore a plan to bring the water from Ute Lake is more imminent. Sutherland explained that over the last several months the scope of work has been refined prior to going out to bid. Not know if Ute Lake Ranch will go forward with their treatment plant and diversion system, the City needs to be prepared with a plan. So the plan is to bring a proposal to the Commissioners in the near future if some quotes are received. Commissioner Lafferty asked that Ute Lake allocation be place on the next agenda if some quotes are received. He stated that as Ute Lake Ranch has their planning meetings, the City of Tucumcari needs to be at the table saying what is good for Tucumcari and remind them what the contract says. Sutherland stated that there is \$868,732.58 has been set aside for bringing Ute Lake water to Tucumcari.

Commissioner Lafferty thought it was important to have a public review of the City and Housing Authority's audit once it is final. City Manager said that was his intent.

A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to appoint Thomas Evens, Jr. as a representative from the general public to the At Large position on the Lodgers Tax Advisory Board. Roll Call:

Witcher	Sandoval	Lafferty	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to appoint Joe Barnett, Christie Benavidez, Artie Molinas, and Leona Fay Mayfield to the Recreation Advisory Board. Roll Call:

Sandoval	Lafferty	Apodaca	Lumpkin	Witcher
Yes	Yes	Yes	Yes	Yes

Items from Commissioners

Commissioner Lumpkin thanked everyone for coming to the meeting and stated that there is never any negative input because it is all appreciated.

Commissioner Lafferty asked that Mayor Apodaca consider him for the Finance Committee assignment as the budget and audit have always been a priority for him.

Commissioner Sandoval stated that he would like to see the parking on the northwest corner of First Street and Main changed to a turning lane.

Mayor Apodaca made the following assignments:

Planning and Zoning Advisory Board – Jim Witcher

Community Development Advisory Board – Antonio Apodaca

Recreation Advisory Board – Jim Lafferty

Museum Advisory Board – Jim Lafferty

Library Advisory Board – Jimmy Sandoval

Lodgers Tax Advisory Board – Jim Lafferty

Keep Tucumcari Beautiful Advisory Board – Jim Witcher

Senior Citizens Advisory Board – Jimmy Sandoval

Economic Development Commission – Antonio Apodaca

Spirit Board – Pat Vanderpool, EDC Executive Director

Eastern Plains Council of Governments – Jim Witcher

Finance Committee – Antonio Apodaca and Jim Lafferty

Audit – Jim Lafferty and Jim Witcher

Eastern Plain Regional Planning Organization – Doug Powers & John Sutherland

El Llano Estacada – Doug Powers

Golf Advisory Board – Jim Lafferty

Adjournment

There being no further business, a motion to adjourn was made by Commissioner Lumpkin and seconded by Commissioner Lafferty. Time noted 7:30 p.m. Roll Call:

Lafferty	Apodaca	Lumpkin	Witcher	Sandoval
Yes	Yes	Yes	Yes	Yes

Jim Witcher, Mayor Pro Tem

ATTEST:

Jeannette Maddaford, City Clerk