

**CITY OF TUCUMCARI  
MINUTES**

November 20, 2008

The Tucumcari City Commission met for their regular meeting on Thursday, November 20, 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; Jeannette Maddaford, City Clerk; and Doug Powers, Community Development Director. Jason Bruce, Youth Minister of the First Baptist Church gave the invocation and Jim Lafferty led the group in the Pledge of Allegiance.

**Consideration of Deletions to Agenda**

None

**Approval of Minutes**

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

Apodaca	Lumpkin	Witcher	Sandoval	Lafferty
Yes	Yes	Yes	Yes	Abstain

**Approval of Vouchers**

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

Lumpkin	Witcher	Sandoval	Lafferty	Apodaca
Yes	Yes	Yes	Yes	Yes

**Items From Citizens**

None

**Public Hearing**

City Clerk Maddaford swore in John L. Appel, Attorney for the New Mexico Finance Authority with Coppler & Mannick, P.C. of Santa Fe, who is the closing counsel for the Water Trust Board for the City of Tucumcari's Water Trust Project. He explained the grant of \$201,920 and loan of \$50,480 would finance the planning, design, and engineering for a new 220-gallon storage tank, replacement of transmission lines from Five Mile Park to the City, and rehabilitation of three existing wells. The twenty-year, zero percent interest loan has a .25% administration fee on the outstanding balance. The annual payments of \$2,670 will be due on June 1 of each year until 2028 with no penalty assessment for pre-payment. The closing is anticipated to be on January 9, 2009. Commissioner Lafferty noted the Agreement called for matching funds and Mr. Appel reported that the matching funds have already been demonstrated to the New Mexico Finance Authority. There being no further comments, the Public Hearing was closed.

Resolutions and Ordinances

ORDINANCE 1066 - AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND AMONG THE NEW MEXICO WATER TRUST BOARD AND THE NEW MEXICO FINANCE AUTHORITY (LENDER/GRANTORS) AND THE CITY OF TUCUMCARI (BORROWER/GRANTEE), IN THE AMOUNT OF TWO HUNDRED FIFTY-TWO THOUSAND, FOUR HUNDRED DOLLARS EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF PLANNING/DESIGN AND ENGINEERING OF IMPROVEMENTS AND UPGRADES TO THE CITY’S EXISTING WATER SYSTEM, TRANSMISSION AND STORAGE FACILITIES, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR PAYMENT OF THE LOAN AMOUNT SOLELY FROM PLEDGED REVENUES; CERTIFYING THAT THE LOAN GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWERS/GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT APPROVING THE FORM AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTIONS INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT. Mayor Pro Tem Witcher made a motion and Commissioner Lafferty seconded the motion to adopt Ordinance 1066 and noted that this grant/loan will be the start of the process that will help to take care of the water quality problem. City Manager recommended approval of Ordinance 1066, as this would help meet EPA water requirements as pointed out by Mayor Pro Tem Witcher. Commissioner Lafferty noted this obligates water revenues and asked if there were other obligations for the Water revenue. Mr. Sutherland noted there are some other bonds that use the water revenues to pay the indebtedness. Roll Call:

Witcher	Sandoval	Lafferty	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

**City Manager’s Report**

City Manager John Sutherland reported that the Wastewater Treatment Plant construction is moving along on schedule. The concrete is being poured for the new hard-bottom drying beds. Equipment for the new 66 Lift Station has not been delivered, so the project has not progressed. The Water Trust Board is very interested in the City’s Wastewater Re-use Project to provide processed wastewater to local users. He noted the Board seems very likely to award some money for that project. The City has received notice from the New Mexico Environment Department that the City’s groundwater discharge permit application for wastewater reuse is administratively complete which is a significant benchmark. The City has begun working with the Eastern Plains Council of Governments to develop an “Enhancement Project” proposal to be submitted to the New Mexico Department of Transportation for Main Street from Adams Street to Third Street. A MainStreet Revitalization Plan has been submitted to Governor Richardson by Economic Development Director Pat Vanderpool that would provide for “streetscaping” Main Street and for turning the parking lot in front of the Railroad Depot into a park-like area with pedestrian walkways and a fountain. The signed MainStreet Grant documents have been returned from the State, so the City is ready to go out for contract proposals. The 2008 Financial Audit fieldwork has been completed except for some fieldwork that is scheduled for Monday afternoon followed by the exit conference on Tuesday, November 25, at 1:30 p.m. The City’s audit is expected to

be completed by the State's deadline. The next step in construction for the City's Pool is the installation of solar heating and a water slide that is on the current agenda for approval. The next step in the Second Street Repaving is on the agenda for Commission approval. Adams Street Grip 2 Project had a water ponding problem at the corner of Laughlin and Adams Street which has been addressed and mitigated. The wheelchair access area in front of the Museum has been expanded and improved to provide a pedestrian by-pass around the wheelchair ramp. McGee Street from College to Park Street has been repaired/resurfaced by the City Street Department. It was a learning/training project for the Street Department employees. A formal notice of intent to resign was received from Pat Petrak, Director of the City's Lab.

Mayor Apodaca asked for a status report on the new landfill and discussion of a transfer station. Mr. Sutherland reported a meeting with the engineering firm is scheduled for the December 10 to make sure there is an understanding of the goals for the new landfill. Also he reported the engineer is suppose to do a cost comparison for a transfer station and a landfill. The Mayor asked about the City's financial health. Mr. Sutherland stated the financial health was good and he would give the financial report later in the meeting.

**Old Business**

Mayor Apodaca acknowledged reading the September 2, 2008 Golf Course Advisory Board Minutes.

**Bids and Contracts**

Community Development Director Doug Powers reported that a Request for Proposals was advertised for the Second Street Project from Route 66 Boulevard to Charles Street to do water lines, service lines, meter cans, milling of asphalt, new asphalt with Community Development Block Grant funds, Municipal Arterial Project funds, and Cooperative Project funds. Two responses to the RFP were received from Engineers, Inc. and Wilson and Company. The evaluation committee met and evaluated the proposals with Wilson and Company receiving the highest rating by the committee. A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to award the contract to Wilson and Company for the Second Street Project. Roll Call:

Sandoval	Lafferty	Apodaca	Lumpkin	Witcher
No	Yes	Yes	Yes	Yes

Doug Powers, Community Development Director, acknowledged the City has a Capital Outlay Grant in the amount of approximately \$72,000 which was earmarked for the engineering, swimming pool solar panels, and water slide. Design Plus was contracted and they gave a quote of \$10,960. Commissioner Lafferty asked if the local engineering firm was given an opportunity to bid on this project and Powers reported that he had visited with Engineers, Inc. and they said they were not interested in this project. A motion was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to approve the Design Plus, LLC for engineering services for the swimming pool improvements. Roll Call:

Lafferty	Apodaca	Lumpkin	Witcher	Sandoval
Yes	Yes	Yes	Yes	Yes

Mr. Sutherland presented Amendment One to the State of New Mexico Enhanced 911 Grant No. 07-E-14 which increases the original grant by \$64,143.00 to be used for the Quay County Regional Dispatch Center and the Department of Public Safety for logging recorders. A motion was made by

Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin to approve the Enhanced 911 Grant Amendment One No. 07-E-14. Roll Call:

Apodaca	Lumpkin	Witcher	Sandoval	Lafferty
Yes	Yes	Yes	Yes	Yes

A letter was received from George Adelo, attorney for Robert Hengstenberg owner of Sands Dorsey Drug building, requesting an alternate date for the hearing. Commissioner Lafferty pointed out in the lawsuit in which the City was named, Hengstenberg requests the City be enjoined from taking any further action in this matter until his claims are heard and adjudicated. Lafferty asked if the engineer had developed a cost estimate. Powers stated he did not know when it would be available. A motion was made by Commissioner Lafferty and seconded by Mayor Pro Tem Witcher to notify Mr. Adelo the hearing will be rescheduled to another date as soon as the City's engineering cost estimate report becomes available. Roll Call:

Lumpkin	Witcher	Sandoval	Lafferty	Apodaca
Yes	Yes	Yes	Yes	Yes

### **Finance Report**

City Manager Sutherland gave the finance report in the absence of the Finance Director who was attending a DFA Budget Workshop. He reviewed the Gross Receipts Tax Revenue Report for July, August, and September which is 6.22% up for the three-year average. A Summary Expenditure Report was reviewed which showed the expenses were slightly less than budget for the first four months of the year and revenues are slightly higher than expected. He noted at this point there are no crises situations in Tucumcari. He noted at the City Managers' meetings, they have been cautioned on discretionary spending. Commissioner Lafferty referred to the Revenue vs. Budget spreadsheet where he had concerns about a \$250,000 drop in revenue as compared to the prior three-month average. If the CDBG grant of \$131,345 was taken out of the report (since it is for a project and not operating), then it would be a 31% drop. He stated the document does not show the City is doing OK, so he stated he was concerned when he is told everything is OK but documents say something else. He stated he would be glad to use whatever information the City Manager is using to be assured the City is in a sound financial condition. Mr. Sutherland said he uses the Gross Receipts Tax Report which indicates the City is running a head 6.22% for the three-year average and he used the budget summary that was given to the Commissioners at the last meeting. He said he was not comfortable with the Revenue vs. Budget spreadsheet generated by Finance Director Garcia until he sees how the amounts are determined. Lafferty did not see how any confidence or stability could be ascertained from the Gross Receipts Tax Report under the three-year average when it showed a -1.54% in July, +27.45% in August, and a September three-year average of -4.27%. Mr. Sutherland stated since the State is slow in transmitting the monthly GRT collected for the City, one must average the column to get a sense of the overall collection for the time period. Mayor Apodaca said he sees and hears all around where other cities are hurting and yet he hears Tucumcari is doing ok, so that is why he keeps asking as to the status. He also noted that he is looking to July 1, 2009 and how the City will be doing at that point.

### **Items from Commissioners**

Commissioner Lumpkin said he drove around town and he was pleased to see the new wheelchair ramp at the Museum. Also he got a report on the Golf Course from golfers who said they are happy with the direction the Golf Course is going. He reported he was asked about the landfill and now he hears it is

moving forward and it will be about one year until it opens as the engineer is planning for it to coincide with the closing of the old landfill. He said he wanted to compliment on those items.

Commissioner Sandoval asked how the Police Department was doing in regard to protection of the community. The City Manager said everything was good.

Commissioner Lafferty cautioned fellow Commissioners that the City borrowed some more money tonight. During budget preparation the Commissioners wanted to make sure they did not have to raise utility rates. Since the City is doing well, he hoped a utility raise does not come up at budget time. He stated that he is never comfortable with best guesses. He also noted that he is hearing some concerns about the Police Department

Mayor Pro Tem Witcher stated that he had the opportunity to drive around the City and went to the Wastewater Treatment Plant facility and noted that the construction was going well and the City will be in A-1 shape in regards to wastewater when it is finished. Joe Ramirez, Superintendent, took him on a tour and explained what was going on as well as the re-use of the City's gray water and the use of the sterilized fertilizer that can be used on the parks, cemetery, and golf course. He encouraged the Commissioners to go out and see it.

Mayor Apodaca wished everyone a Happy Thanksgiving and happy holiday.

**Adjournment**

There being no further business, a motion to adjourn was made by Mayor Pro Tem Witcher and seconded by Commissioner Lumpkin. Time noted 6:45 p.m. Roll Call:

Witcher	Sandoval	Lafferty	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

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Antonio Apodaca, Mayor

ATTEST:

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Jeannette Maddaford, City Clerk