

**CITY OF TUCUMCARI
MINUTES
December 17, 2009**

The Tucumcari City Commission met for their regular meeting on Thursday, December 17, 2009, at 6:00 p.m. in the City Commission Chambers. Members present constituting a quorum were Antonio Apodaca, Jim Lafferty, Robert Lumpkin, Jimmy Sandoval, and Jim Witcher.

City staff members present were Bobbye Rose, City Manager; Mike Cherry, Assistant City Manager; Christine Dougherty, City Clerk; Marty Garcia, Finance Manager; Vicki Strand, Deputy Finance Director; Yvette Fazekas, Zoning Coordinator, Misty Vick, Grant Writer/Project Coordinator; and Kalon Lafferty, Deputy Fire Chief.

Mr. Lendy Borden, Pastor of the Abundant Life Church, gave the invocation and Commissioner Lumpkin led the group in the Pledge of Allegiance.

Roll Call

Mayor Apodaca asked for Roll Call:

Apodaca	Lumpkin	Witcher	Sandoval	Lafferty
Yes	Yes	Yes	Yes	Yes

Consideration of Changes or Deletions to Agenda

Mayor Apodaca asked if there were any changes or deletions suggested for the agenda. The Mayor Moved Item G under Bids and Contracts, Grant Agreement Number 03142 to be Item I.

The City Clerk informed the Commission that Item B under Old Business could be deleted as the presenter asked to be removed from the agenda.

Items from Commissioners

Commissioner Lumpkin thanked all those in attendance for coming to the meeting.

Commissioner Sandoval had no comments.

Commissioner Lafferty had no comments.

Mayor Pro Tem Witcher wished everyone a Merry Christmas.

Approval of Minutes

Mayor Pro Tem Witcher made a motion to approve the minutes of the December 10, 2009 Regular Meeting. Commissioner Lumpkin seconded the motion. Roll Call:

Lumpkin	Witcher	Sandoval	Lafferty	Apodaca
Yes	Yes	Yes	Yes	Yes

Approval of Vouchers

Commissioner Lumpkin made a motion to approve the vouchers for payment and Mayor Pro Tem Witcher seconded the motion. Roll Call:

Witcher	Sandoval	Lafferty	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

Items from Citizens

Mayor Apodaca asked if any citizens wished to address the Commission. Being none, the meeting continued.

Ordinances and Resolutions

There were no ordinances or resolutions to discuss.

City Manager's Report

Ms. Rose called upon Mr. Garcia to give the Financial Report for the month of November 2009. Mr. Garcia apologized to the Commission for just getting their financial packet to them today for their review. Mr. Garcia noted that there has been a decrease in Gross Receipts Tax by 21% over the three year average. Mr. Garcia stated that the decrease appears to be in all categories. Mr. Garcia went on to explain that the Taxation and Revenue Department attributes this to the timing of reporting, however Mr. Garcia stated it is difficult to determine the cause of the decrease. Overall, Mr. Garcia reported a 2.1% increase over the three year average.

Mr. Garcia reported that the exit meeting with the auditor was held and his department is working of the deficiencies. He reported that a locking door has already been installed in City Hall in order to securely house the IT equipment which has been a recurring finding in the audit.

Mr. Garcia went on to say that Financial Policies and Procedures have already been adopted by the Commission.

Mr. Garcia also reported that he has been able to secure the file for the utility audit the Commission requested. He explained that it is a very large file as there are approximately 4000 water meters in the City. Mr. Garcia explained that he is working on a plan to review all water meters. He reported that the utility billing clerk will be out again for several weeks due to medical issues. Mr. Garcia stated that he wished her well. Mr. Garcia reported that work on the budget for the next fiscal year will begin this month. He stated that budget development forms have been created for each department. He also stated that contingency plans are being made if the state decides to cut funds.

Mr. Garcia explained that in the current budget report he gave to the Commission, there are items that need correcting. He explained that the grants need to be reviewed when Mr. Powers returns to work and budget amendments will be completed.

Mr. Garcia went on to say that a mid-year budget review will be completed soon.

Mr. Garcia wanted to clarify that for the month of November, it appears the water fund experienced a \$3-4 million loss. He explained that several entities were over billed and the problem was not corrected until December.

Mr. Garcia stated that with 58.3% of the fiscal year remaining, the budget is in good shape. He explained that his department has been very busy with the audit, addressing the audit findings, helping with the utility billing and training.

Commissioner Lafferty asked Mr. Garcia if he was comfortable with the cash balances in his report. Mr. Lafferty expressed concern that there are six departments with negative cash balances. Mr. Garcia responded that these areas will have to be addressed. He also explained that blanket insurance is paid in full in the month of November and this can skew the figures.

Mayor Pro Tem Witcher stated that the airport is in a negative balance situation. Mr. Garcia explained that the airport made a large purchase of fuel that has not been sold yet.

Mr. Rose concluded the Managers Report by handing out a draft of the Safety Policy to the Commissioners for their review before the next meeting where the policy will appear on the agenda.

Bids and Contracts

Kalon Lafferty presented the EMS Fund Act Application by the Tucumcari Fire Department. Mr. Lafferty explained that this grant application is an annual submittal on behalf of the department for operating funds. He explained that the application asks for \$24,600 which is the base rate for a department of our level. The request is for \$9000 to upgrade rescue equipment, \$2500 for continuing education to keep staff licensed, \$1500 for mileage and per diem for trainings, \$6000 for maintenance of the 1987 model rescue unit, and \$5000 for medical and non-medical supplies. Mr. Lafferty went on to explain that the Fire Department handled 18 EMS runs. Mr. Lafferty explained this figure is low as it is not the primary duty of the Fire Department.

Commissioner Sandoval asked if this will be enough funding for training. Mr. Lafferty responded in the positive, explaining that there are not many EMS personnel in the Fire Department.

Mayor Pro Tem Witcher made a motion to approve the EMS Fund Act Application by the Tucumcari Fire Department. Commissioner Lumpkin seconded the motion. Roll Call:

Sandoval	Lafferty	Apodaca	Lumpkin	Witcher
Yes	Yes	Yes	Yes	Yes

Mr. Lafferty then went on to present the EMS Fund Act Application by the Tucumcari EMS Department. Mr. Lafferty explained that the department is allowed to apply at the highest rate, the ALS rate. Mr. Lafferty explained that the total request by the department was for \$41,100. The breakdown of the request is \$15,000 for repair and maintenance of the four ambulances, \$4500 for training of personnel, \$2000 for travel and per diem, \$15,000 for medical supplies, \$2500 capital outlay request for a new stair chair, and \$2100 for three radios. Mr. Lafferty stated that the EMS department made 1093 runs in the previous year which is down slightly.

Mayor Pro Tem Witcher made a motion to approve the EMS Fund Act Application by the Tucumcari EMS Department. Commissioner Lumpkin seconded the motion. Roll Call:

Lafferty	Apodaca	Lumpkin	Witcher	Sandoval
Yes	Yes	Yes	Yes	Yes

Misty Vick then presented the recommendation for award of the Main Street contract. Ms. Vick explained that this award is for engineering for the water lines in the Main Street district. She stated that seven bids were received and one was very high. Ms. Vick stated that the recommendation is for TLC Plumbing out of Albuquerque to receive the award.

Mayor Pro Tem Witcher made a motion to approve the award of the Main Street Contract to TLC Plumbing for water lines in the Main Street District. Commissioner Lumpkin seconded the motion. Roll Call:

Apodaca	Lumpkin	Witcher	Sandoval	Lafferty
Yes	Yes	Yes	No	Yes

Yvette Fazekas then presented the Municipal Arterial Program (MAP) Agreement Amendment Number One for Project Number MAP-7637(902). Ms. Fazekas explained that this amendment extends the time for the New Mexico Department of Transportation project on Third Street.

Mayor Pro Tem Witcher made a motion to approve Amendment Number One for Project Number MAP-7637(902). Commissioner Lumpkin seconded the motion. Roll Call:

Lumpkin	Witcher	Sandoval	Lafferty	Apodaca
Yes	Yes	Yes	Yes	Yes

Ms. Rose then presented the contracts for the sale of water to the water cooperatives. Ms. Rose explained that the draft versions of these contracts were provided to the Commission at the last meeting. She explained that several meeting with representatives of the water cooperatives have been held and the prices in these agreements were negotiated. The rates will escalate beginning with \$2 per 1000 gallons and increasing to \$2.19 per 1000 gallons in the 2011-2012 fiscal year, and finally being calculated based on a formula. Ms. Rose stated that her recommendation is to approve the contracts for all the water cooperatives to begin at the same time. Commissioner Lafferty asked for clarification that these contracts were for the water cooperatives only and did not include the Feed Yard. Ms. Rose responded in the positive.

Mayor Pro Tem Witcher made a motion to approve the contracts for the sale of water to the water cooperatives. Commissioner Lumpkin seconded the motion. Roll Call:

Witcher	Sandoval	Lafferty	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

Ms. Rose then went on to present the Commission with the contract for the sale of water to the Feed Yard. Ms. Rose reported that the Feed Yard has been paying \$1.86 per 1000 gallons of water. She reminded the Commission that the Feed Yard is not a water cooperative, however they have been charged the same amount as the water cooperatives. Ms. Rose stated that the contract states the price is to be adjusted each September and this has not occurred. Ms. Rose stated that the Feed Yard is a commercial business residing outside the City limits. Ms. Rose also stated that last month the water bill for the Feed Yard was \$900, if they had been charged regular commercial rates for a business outside the city; their bill would have been \$2300. Ms. Rose recommended that the Feed Yards rate should be increased by eight percent as the other commercial and residential users. She also recommended that that they be charged via a separate contract that is negotiated annually. Ms. Rose stated that there is an option in the ordinance that allows the City to adjust the commercial rate without changing the ordinance.

Commissioner Lafferty stated that in previous minutes he read that Mayor Pro Tem Witcher thought everyone should be given the same water rate increase. Mr. Lafferty stated that he too had reviewed the ordinance and found that the City has the right to negotiate special contracts with industrial and commercial users. Mr. Lafferty stated that in comparison to the Feed Yard, other commercial users are small users. The next highest water user is a hotel at 124,000 gallons in a month.

Mr. Lafferty stated that he feels the Feed Yard is a different customer that can be assessed rates differently. Mr. Lafferty also stated that the City did not review the price each year even when local customers' rates were increased. Mr. Lafferty stated that staff should determine what the Feed Yard is being charged and conduct a rate study of industrial and commercial rates. Mr. Lafferty agreed with Mayor Pro Tem Witcher that the Feed Yard should be given the same 8% increase the citizens were given.

Mayor Pro Tem Witcher asked if the users outside the City limits and the water cooperatives rates drop after 3000 gallons. Ms. Rose responded in the negative explaining that they are charged a flat rate per gallons used.

Commissioner Lafferty stated that for the sake of clarification, we are not sure what the Feed Yard is paying as the rate has changed during these negotiations. Mr. Garcia responded that it is a flat rate. Mr. Lafferty stated that the goal is to defend the rate increasing by 8% like the citizens.

Mayor Apodaca stated that the City has done a lot to help the Feed Yard establish itself as a business. He reminded everyone that the City donated the land for the feed yard to the EDC, paid for a \$6000 permit for the business and gave them reduced water costs. Mayor Apodaca stated that in comparison to other businesses, it is not fair.

Commissioner Lafferty made a motion to approve the contract to sell water to the Tucumcari Feed Yard at \$2 per 1000 gallons to stay in effect for 18 months. Mr. Lafferty went on to move that staff bring a rate study to the Commission so that the rate can be re-negotiated in 18 months. Mayor Pro Tem Witcher seconded the motion. Roll Call:

Apodaca	Lumpkin	Witcher	Sandoval	Lafferty
Yes	Yes	Yes	Yes	Yes

Mayor Apodaca then called on Yvette Fazekas to present the Department of Finance and Administration Grant Agreement Number 03142 for the Swimming Pool. Ms. Fazekas explained that the DFA pulled these funds as part of the budget savings during the recent special legislative session. However, because the City had already expended these funds in the amount of \$6975, DFA re-allocated the funds to the City. Mayor Pro Tem Witcher made a motion to approve the DFA Grant Agreement Number 03142 for the swimming pool. Commissioner Lumpkin seconded the motion. Roll Call:

Lumpkin	Witcher	Sandoval	Lafferty	Apodaca
Yes	Yes	Yes	Yes	Yes

Mayor Apodaca then called on Misty Vick to present the contract for the railroad district water lines. Ms. Vick explained that TLC Construction was the low bidder, the bonds have checked out and the company is in good standing.

Ms. Rose stated the time on this project was extended until February, however it does need to move forward. Mayor Pro Tem Witcher asked Ms. Rose if she recommended approval of this contract. Ms. Rose responded in the positive. Mr. Sandoval asked for clarification on the project extension. Ms. Vick confirmed that the extension was until February. Ms. Vick explained that the lines to be replaced are in front of the rail depot on Second and Third streets. Mayor Pro Tem Witcher asked if the project included a line to the depot itself. Ms. Vick responded in the positive. Commissioner Lafferty asked if new lines would be included to the existing businesses in the area. Ms. Vick responded in the positive.

Mayor Pro Tem Witcher made a motion to approve the TLC Plumbing and utility construction contract for the Railroad District waterlines. Commissioner Lumpkin seconded the motion. Roll Call:

Witcher	Sandoval	Lafferty	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

Misty Vick then presented the Grant Agreement Number 03146 from the Department of Finance and Administration for the Industrial Park. Ms. Vick explained that this was another grant agreement that was frozen by the DFA and now re-authorized for the amount the City has left in the grant. The amount is \$798,035. Commissioner Lafferty asked what the funds will be used for. Ms. Vick responded that the funds are obligated to several projects including water lines for the depot, CDBG projects, and for wastewater projects. Mayor Pro Tem Witcher made a motion to approve the Department of Finance and Administration Grant Agreement Number 03146 for the Industrial Park. Commissioner Lumpkin seconded the motion. Roll Call:

Lafferty	Apodaca	Lumpkin	Witcher	Sandoval
Yes	Yes	Yes	Yes	Yes

Old Business

Ms. Rose explained to the Commission that Mr. Sandoval had requested information on the National League of Cities Conference to be held in Washington, D.C. March 13-17. Ms. Rose reported that the cost to send two people to this conference would be around \$7000 and that a budget amendment would have to be executed in order for anyone to travel to this conference. Mayor Pro Tem Witcher asked if the \$7000 figure was all inclusive. Ms. Rose responded in the positive. Mayor Pro Tem Witcher stated that he felt the budget was too tight to justify this expense and that it was not important to be represented at this time as our representatives travel to our area frequently.

Mr. Sandoval stated that it is kind of expensive to travel to this conference but felt that the City will never move forward if we do not reach out to leaders at the federal level. Commissioner Sandoval stated that the conference will include classes to learn what to do for the growth of our community. Mr. Sandoval speculated that economic times will not get better for several years and the City should seek training.

Mayor Apodaca suggested that perhaps some Commissioners could go to the conference in Washington and the others could represent the City in Santa Fe this year. Commissioner Lumpkin stated that he is concerned about expending this much money during difficult financial times. Mr. Lumpkin went on to say that the Commission has asked the Department Heads to tighten their belts as the state has cut funding. Mr. Lumpkin also stated that employee raises were halted and water rates were increased. Mr. Lumpkin understood that the trip would be to make connections with representatives. However, Mr. Lumpkin stated that the representatives are good about listening to our needs over the telephone as well as making frequent trips to our area. Mr. Lumpkin felt it was not the time to engage in this kind of travel as the rewards are not justified by the cost.

Commissioner Lafferty stated that if you look at the college, lots of things are happening and that if you ask Dr. Barry, he'll say that he is a bulldog and that he keeps the college's name in front of the people that make decisions about funding. Mr. Lafferty stated that the trip does seem extravagant and suggested that the City ask the Manager to talk to the college about their next trip to Washington and the possibility of her traveling with them.

Commissioner Sandoval stated that the next trip is scheduled for February 13. Commissioner Lafferty suggested that Ms. Rose tag along with a known success. Mr. Lafferty made a motion to table the possibility of sending representatives to the National League of Cities Conference and Mayor Pro Tem Witcher seconded the motion. Roll Call:

Sandoval	Lafferty	Apodaca	Lumpkin	Witcher
Yes	Yes	Yes	Yes	Yes

New Business

Ms. Fazekas explained that four of the seats on the Planning and Zoning Commission have expired. Ms. Fazekas stated that three of the four people whose terms are expiring have agreed to serve on the commission again.

Mayor Pro Tem Witcher made a motion to appoint Mike Cherry, Frank Gillard, and Danny Aragon to serve on the Planning and Zoning Commission. Commissioner Lumpkin seconded the motion. Roll Call:

Lafferty	Apodaca	Lumpkin	Witcher	Sandoval
Yes	Yes	Yes	Yes	Yes

Items From Commissioners

Commissioner Sandoval had no comments.

Commissioner Lafferty stated that he would like to move forward with the water ordinance. He also asked for a break down of how the Industrial Park funds will be expended. Commissioner Lafferty also stated that with the municipal election fast approaching, the City needs to get a Commissioner educated on the water issues associated with Ute Lake.

Mayor Pro Tem Witcher thanked everyone for coming and wished everyone a Merry Christmas.

Commissioner Lumpkin thanked everyone for coming and thanked the City employees for all their efforts. He also thanked Mr. Lake for his work. Commissioner Lumpkin wished everyone a Merry Christmas.

Mayor Apodaca wished everyone a Merry Christmas and announced that the next meeting will be January 14, 2010.

Adjournment

Mayor Pro Tem Witcher made a motion to adjourn the meeting. Commissioner Sandoval seconded the motion. Roll Call:

Apodaca	Lumpkin	Witcher	Sandoval	Lafferty
Yes	Yes	Yes	Yes	Yes

The meeting was adjourned at 6:53 p.m.

Antonio Apodaca, Mayor

ATTEST:

Christine Dougherty, City Clerk