

**CITY OF TUCUMCARI  
MINUTES  
February 11, 2010**

The Tucumcari City Commission met for their Regular Meeting on Thursday, February 11, 2010, 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; Doug Powers, Community Development Director; Yvette Fazekas, Planning and Zoning Administrator; Misty Vick, Grant Writer; Clara Rey, Human Resources Director; Alex Madrid, Streets and Sanitation Superintendent; and Jason Braziel, Interim Operations Commander.

Dr. Thomas Broom, Pastor of the Center Street Methodist Church, gave the invocation and City Clerk, Christine Dougherty led the group in the Pledge of Allegiance.

**Roll Call**

Mayor Apodaca asked for Roll Call:

Sandoval	Lafferty	Apodaca	Lumpkin	Witcher
Yes	Yes	Yes	Yes	Yes

**Consideration of Changes or Deletions to Agenda**

Mayor Apodaca asked if there were any changes or deletions to the agenda. Ms. Dougherty stated that Ms. Garcia would not be in attendance at this meeting to present the price agreement from the New Mexico General Services Department and therefore, item IX, D should be deleted from the agenda.

**Items from Commissioners**

Commissioner Lumpkin thanked all those in attendance for coming to the meeting. Mr. Lumpkin stated that he was grateful for the moisture however, he sympathized with the burden it caused City Staff. Mr. Lumpkin thanked all those that worked to deal with the recent storms.

Mayor Apodaca, Mayor Pro Tem Witcher, Commissioner Sandoval, and Commissioner Lumpkin had no comments.

**Approval of Minutes**

Mayor Apodaca stated that he found his comments to be incorrect in the minutes and requested that they be modified as stated below. On page nine, paragraph three, Mayor Apodaca stated that he finds Campbell to be busy with traffic. Additionally, on page

eleven, Mr. Apodaca stated that in his discussion in paragraph two, he stated that Mr. Lafferty would make a good citizen volunteer to the Ute Lake Water Commission. Lastly, Mayor Apodaca said that also on page eleven in the last paragraph he complimented the Lincoln County Chair for selling the Mesalands Community College Wind Program.

Mayor Pro Tem Witcher made a motion to approve the minutes of the February 2, 2010 Regular Commission Meeting with the changes indicated by Mayor Apodaca. Commissioner Lumpkin seconded the motion. Roll Call:

Lafferty	Apodaca	Lumpkin	Witcher	Sandoval
Yes	Yes	Yes	Yes	Yes

### **Approval of Vouchers**

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

Apodaca	Lumpkin	Witcher	Sandoval	Lafferty
Yes	Yes	Yes	Yes	Yes

### **Items from Citizens**

Mr. Carlos Romero approached the podium to address the Commission. Mr. Romero stated that he was in attendance at the meeting to represent his supervisor, Secretary Curry from the New Mexico Environment Department. Mr. Romero stated that he was present to express Secretary Curry's gratitude for the Commission's consideration of the Samcon contract. Additionally, Mr. Romero went on to inform the Commission that American Recovery and Reinvestment (ARRA) funds are available for clean water projects in the City, however strict deadlines must be met in order to be awarded the funds. Mr. Romero cautioned the Commission that in front of them this evening was an ordinance tied to ARRA funds that must be approved by February 12, 2010 or the funding will be lost. Mr. Romero stated that if the deadline is not met, New Mexico loses the funding. Mr. Romero also stated that Governor Richardson wants all contracts offered to the State in place by the deadline so that no funds are lost.

### **Ordinances and Resolutions**

Mayor Apodaca called on Mr. Doug Powers to present Ordinance 1075, A Bond Ordinance for its final reading. Mr. Powers approached the podium along with Mr. Chris Muirhead of the Modrall Sperling firm. Mr. Muirhead explained that this bond ordinance sets in motion the closing on USDA financing for the Wastewater Treatment Plant. The funding is in the form of \$2,188,000 in loan funds on a forty year note at a 2.75% interest rate. Mr. Muirhead explained that the rate is below the market rate and the loan can be pre-paid without penalty. The City, through this ordinance, would pledge the second and fourth increments of the 1/8% Gross Receipts Tax. There is also a provision for grant funds in the ordinance in the amount of \$4,780,000. Also, Mr. Muirhead explained that due to the unexpected additional cost of the project, the USDA has agreed to provide additional grant funds in the amount of \$1,178,375.

Mr. Muirhead went on to explain to the Commission that if they choose to approve this ordinance, it is not a system pledge it is a Gross Receipts pledge. Mr. Muirhead stated that the loan can be paid with other funds and that the closing will occur in 45-60 days. Mr. Muirhead also reminded the Commission of the City rate covenant which stated that revenues must equal 1.3 times the debt payment amount annually. Mr. Muirhead stated that USDA requires a minimum of 1.2 times.

Ms. Rose stated that Commissioner Lafferty asked at the last Commission meeting for additional examples of how the City might repay this debt. Ms. Rose stated that Mr. Garcia provided those to the Commission.

Mr. Garcia approached the podium and explained that at current revenue levels, the City will fall \$120,000 short annually to service this debt. Mr. Garcia stated that the funds originally dedicated to build a rail spur could be reallocated to service this debt, the financing for the Date and Elder streets water projects could be returned, user fees could be increased, and the revenues the City anticipates from the Ute Lake Ranch Golf Course water could be used to service this debt. Mr. Garcia explained that a combination of these options could be used to service the debt as well.

Mr. Garcia went on to explain that the water and sewer department budgets are lop sided. Mr. Garcia stated that the water department realizes additional income above operations and maintenance in the approximate amount annually of \$233,000 while the sewer department operates in a deficit of approximately \$383,000 annually. Mr. Garcia stated that if the revenue that will be generated from selling gray water to Ute Lake Ranch, the scenario is even more lop sided.

Mr. Garcia's final option would require referendum of the voters to increase and or reallocate City tax revenues. Mr. Garcia also explained to the Commission that the question before them tonight is not how to service the debt, but rather approval or disapproval of the Ordinance which sets the process for borrowing the funds in motion. Mr. Garcia went on to say that he recommends a rate increase of 14.9% along with the return of the Date and Elder streets funding.

Commissioner Lafferty asked if Mr. Garcia was referring to 2009 funding for return to the lender. Mr. Garcia explained that he was referring to the funding allocated for the Date Street lift station and the Elder Street sewer line. Mr. Powers stated that the Date and Elder streets projects do need to be completed as the City anticipates problems with the lines. Mr. Powers went on to say that he has investigated the matter and finds that the \$580,000 allocated for the Rail Spur could be reallocated for the Date and Elder streets projects. Mr. Garcia went on to explain that the Rail Spur funding is 60% loan at 4.25% interest and 40% grant funds.

Mayor Pro Tem Witcher stated that when the sewer system is completed, the City will have 40 years to pay off the debt incurred by the project. Mr. Witcher asked Mr. Powers how long the system will last. Mr. Powers deferred the question to Mr. Joe Ramirez, Wastewater Superintendent who stated that a typical wastewater plant will last 20-25 years before it requires major renovations. Mr. Muirhead explained that from a tax code analysis as a tax exempt debt, standards are that the useful life of the product should not

exceed the weighted average maturity of the bond and in this case that is 24-26 years. Mr. Muirhead stated that this is appropriate with this 40 year term.

Mayor Pro Tem Witcher asked if the City will be without this debt by the time renovations or a new plant is required. Mr. Muirhead responded in the positive.

Commissioner Lumpkin asked for the specifics on the Date and Elder streets funding. Mr. Garcia responded that the funds are \$476,760 grant, \$533,000 loan, resulting in approximately \$1,000,000 with a payback of around \$500,000. Mr. Powers stated that the project bid for Date and Elder streets was only \$235,000.

Commissioner Lafferty inquired why the City would consider returning the grant/loan funds slated for Date and Elder streets and fund the project out of the rail spur funding. Mr. Lafferty wondered why the City would borrow \$1,000,000 when the bid was only \$250,000 for the project. Mr. Powers explained that was the engineers estimate. Mr. Muirhead also stated that the projection for the Date and Elder streets project was \$1,000,000 and that the expectation was for the City to draw down the funds as needed. Mr. Muirhead stated that it was fortunate that the contracts came in lower than anticipated.

Commissioner Lafferty asked if passing the ordinance obligates the City to the 2009 funding. Mr. Muirhead stated that passing the ordinance does not obligate the City to the funds.

Commissioner Lumpkin asked Ms. Rose if she had any further comments on this issue. Ms. Rose stated that she had no comments. Mr. Muirhead went on to explain that the ordinance requires 75% of the entire Commission voting in the positive to pass the ordinance and that the City is not obligated until the loan is closed.

Mayor Pro Tem Witcher made a motion to approve the final reading of Ordinance 1075, A Bond Ordinance. Commissioner Lumpkin seconded the motion. Roll Call:

Lumpkin	Witcher	Sandoval	Lafferty	Apodaca
Yes	Yes	Yes	Yes	Yes

Mayor Apodaca called on Ms. Yvette Fazekas to present Resolution 2010-06, Requesting Participation in the 2010/2011 Cooperative Project. Ms. Fazekas explained that the Cooperative Project is to renovate North Fourth Street from Campbell to Heman.

Commissioner Sandoval asked if this project is already under contract. Ms. Fazekas responded in the negative.

Commissioner Lafferty stated that the Resolution says that the City assures that it has sufficient match for the project. Mr. Lafferty inquired how much the match is and how it will be funded. Ms. Fazekas stated that the City's portion is \$22,097 and will be matched with labor and equipment. Commissioner Lafferty asked Ms. Rose if she recommended passing this resolution. Ms. Rose responded in the positive.

Commissioner Lumpkin made a motion to approve Resolution 2010-06 Requesting Participation in the 2010/2011 Cooperative Project and Mayor Pro Tem Witcher seconded the motion. Roll Call:

Witcher	Sandoval	Lafferty	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

Mayor Apodaca then asked Ms. Fazekas to present Resolution 2010-07 Requesting Participation in the 2010/2011 Municipal Arterial Project. Ms. Fazekas explained that the project will repair Campbell Street from North Second Street to Eleventh Street and will be in cooperation with the New Mexico Department of Transportation. Ms. Fazekas explained that the City's share is \$118,482.70 for a total project of \$372,959.86. Commissioner Lafferty asked if Ms. Rose recommends the passing of this resolution. Ms. Rose responded in the positive.

Mayor Pro Tem Witcher made a motion to approve Resolution 2010-07 Requesting participation in the 2010/2011 Municipal Arterial Project. Commissioner Lumpkin seconded the motion. Roll Call:

Sandoval	Lafferty	Apodaca	Lumpkin	Witcher
Yes	Yes	Yes	Yes	Yes

Mayor Apodaca then asked Ms. Fazekas to present Resolution 2010-08, Requesting Participation in the 2009/2010 Cooperative Agreement Program (Local Government Road Fund) Project. Ms. Fazekas explained that the City previously entered into a resolution with the Department of Transportation (DOT). The DOT pulled the contract and reduced the amount of the award. This resolution modifies the amount.

Mayor Pro Tem Witcher made a motion to approve Resolution 2010-08 Requesting participation in the 2009/2010 Cooperative Agreement Program (Local Government Road Fund) Project. Commissioner Lumpkin seconded the motion. Roll Call:

Lafferty	Apodaca	Lumpkin	Witcher	Sandoval
Yes	Yes	Yes	Yes	Yes

### **City Manager's Report**

Ms. Rose informed the Commission that in their packets they will find the personnel comings and goings as well as the Department Head Reports. Ms. Rose stated that not all Department Heads submitted reports; however all will have reports in March.

Ms. Rose reported that she met with Mr. Roybal, City Manager from Santa Rosa. Ms. Rose asked Mr. Roybal to address the Commission. Mr. Roybal stated that he is looking forward to working with Tucumcari to haul Santa Rosa's refuse to the Tucumcari Landfill. Mr. Roybal stated that he toured the facility today and feels the rates are adequate and he looks forward to signing a contract. Mr. Roybal went on to say that Santa Rosa will work with Guadalupe County to bring their trash to Tucumcari as well. Mr. Roybal cautioned that it will take some time to secure the proper permits.

Ms. Rose explained that the rate to bring refuse to the Tucumcari Landfill is \$35 per ton. Ms. Rose stated that the engineer feels that rate should be sufficient for a year or two. Ms. Rose also reported that Santa Rosa has some equipment that Tucumcari might be able to utilize and the two cities look forward to working cooperatively.

Commissioner Lumpkin thanked Mr. Roybal for working with the City and stated that together more can be accomplished.

Ms. Rose then called upon Mr. Cherry to update the Commission on the street light situation. Mr. Cherry reported that the lights at the west interchange are working except for at the Convention Center. Mr. Cherry stated that the City pays \$15 per light pole whether it is lit or not for a total of \$1560 per month. Mr. Cherry stated that wiring is a problem. If any light is out, all the lights are out due to the system being old and engineered poorly.

Mr. Cherry went on to say that Xcel Energy has agreed to replace all the light heads if the City will re-wire the lights. Mr. Cherry said the estimated cost to re-wire is \$70,000 but after the system is upgraded, the cost per light will decrease to \$12. Mr. Cherry explained that preliminary findings on the light audit show that Xcel is overcharging by 40 lights. Xcel Energy has agreed to rebate the overcharge. Mr. Cherry stated that the decision needs to be made if the lights should be fixed or replaced. Mr. Cherry stated that he is working to get a commitment from Xcel. He expects them to come back with some recommendations and he will involve the business owners in the decision making process.

Commissioner Lumpkin stated that he believes the lights have been out since 2008. Mr. Lumpkin stated he is not pleased with either option. Mr. Lumpkin wondered if there was a way to at least get the lights in front of the businesses working again. Mr. Cherry stated that all the lights could be cut and then transformers could be used. Mayor Pro Tem Witcher stated that he was told guardian lights could not be used and he asked Mr. Cherry why that was the case. Mr. Cherry explained that Xcel will not sell guardian lights anymore, but the City could put them up with a meter. Mr. Cherry stated that Xcel promised to do the engineering. Ms. Rose added that Xcel has been promising and working to determine how far back they owe the City for overcharges.

Mr. Cherry went on to say that on the East end of town, Mike Riddle is pulling the new wire and the project is expected to be completed in two weeks. Commissioner Lafferty stated that he is pleased with the work on the East side of town, but is concerned as the West side has been an issue for long time and the City has been paying for services not rendered. Mr. Lafferty stated he is excited to move forward and hopes the project is completed soon. Mr. Lafferty went on to say that Tucumcari has the longest stretch of Route 66 running through it in the state which draws tourists and therefore lights should not be off at any Route 66 exit for which the City had to fight to have. Mr. Lafferty said that he had been asked by business owners at the west end of Route 66 if he would consider putting a business on a dark street. Mr. Lafferty stated that if the lights remain off, growth will be stifled. Mr. Lafferty said the City should ask Xcel to refund the overpayments as far back as they have been charged. Mr. Lafferty speculated that if the lights were shut off, it will be twice as hard to get them turned back on and the goal is to grow a well lit community.

Mayor Pro Tem Witcher stated that he believes the section that is not lit is bordered by the railroad on the north, and Arch Hurley canal on the south and that he did not believe there were any businesses there. Commissioner Lafferty challenged Mayor Pro Tem Witcher to park by the west exit at dusk and see how many cars get off there, see the dark truck terminal and turn around.

Ms. Rose stated that there will be many options and all of them will be put in front of the Commission. Mr. Cherry added that working with Xcel has been frustrating. Commissioner Sandoval asked if the wires are buried. Mr. Cherry responded that they are in conduit but are difficult to get out because they burn and the conduit has to be cleaned. Mr. Alex Madrid, Streets and Sanitation Superintendent, stated that from Kmart to the east interchange his crews have replaced six sections of lights.

Ms. Rose then had Mr. Cherry report to the Commission about a new phone system that will be purchased. Mr. Cherry stated that the system in City Hall is old and it is difficult if not impossible to find people to work on the system or to get parts to repair the system. Mr. Cherry said that he has met with vendors and for a cost of approximately \$25,000 new phone systems can be installed at City Hall, the Fire Department and the warehouse. The new system will integrate with the system at the Police Department. Mr. Cherry said that with the new system, many of the dedicated lines the City pays for now will be dropped. With the significant monthly cost savings, the payback is estimated in 13-16 months. Mayor Pro Tem Witcher asked when the new system will be installed. Mr. Cherry stated in about 6-8 weeks. Ms. Rose stated that she feels a new system is essential and with the significant monthly savings, it is a good investment. Mr. Lafferty asked if the new system will have voice mail. Mr. Cherry responded that everyone will have voice mail.

Ms. Rose went on to give a comprehensive report of the accomplishments since her employment at the City began approximately one year ago. These include:

- ✓ Increasing revenue
- ✓ Increasing court fees and fines
- ✓ Monitoring of contract files
- ✓ Phone audit
- ✓ Electric bill audit
- ✓ Lodgers tax delinquencies handled
- ✓ Audited utility accounts
- ✓ Sent delinquent accounts to attorney
- ✓ Decreased Senior Center subsidy to zero this year
- ✓ Controlled overtime
- ✓ Utilized workforce program staff at no charge
- ✓ Hired part-time in lieu of full-time staff
- ✓ Evaluating vacated positions for relevancy
- ✓ Did not give employee raises
- ✓ Decreased Convention Center electric bill by \$500 per month
- ✓ Cross trained so that each position is three deep
- ✓ Sharing equipment across departments
- ✓ Implemented maintenance logs

- ✓ Implemented asset management plan
- ✓ Implemented calendar for replacement of big ticket items
- ✓ Implemented vehicle roll-down system
- ✓ Reduced workmans compensation
- ✓ Hired a Risk Manager
- ✓ Implemented safety training
- ✓ Hired a grant writer
- ✓ Community Development office managing \$15 million in projects
- ✓ New phone system
- ✓ Decreased travel
- ✓ Included Department Heads in budget process
- ✓ Preparing for auction
- ✓ Cleaned City owned lots
- ✓ Returned property to tax rolls

Mayor Apodaca stated that at the last meeting excess property was discussed. The Mayor stated that spring is fast approaching and properties will have to be cleaned. The Mayor inquired how quickly the properties will be put up for bid. Ms. Rose responded that they will be taken care of in the next month.

Commissioner Lumpkin thanked staff for working on all the changes and asked Ms. Rose if she would provide him a copy of that list. Ms. Rose responded in the positive.

**Bids and Contracts**

Mayor Apodaca called upon Ms. Misty Vick to present the Wilson and Company contract for engineering services for the Third Street project. Ms. Vick explained that this contract is for 2010 CDBG design services and added that it gives the application more points to have the design already in place. Mr. Lafferty asked what the dollars attached to the project are. Ms. Vick responded that the total project amount is \$51,840 with \$34,041.30 for construction. Mr. Lafferty asked if there was any obligation and if there was a lump sum payment. Ms. Vick stated that there is always a lump sum payment and the contract will be subject to available funds. Ms. Vick said that the intent is to get the design work started. Ms. Rose explained that the application will be awarded extra points if the design work is in place.

Mayor Pro Tem Witcher made a motion to approve the Wilson and company contract for engineering services for the Third Street project. Commissioner Lumpkin seconded the motion. Roll Call:

Apodaca	Lumpkin	Witcher	Sandoval	Lafferty
Yes	Yes	Yes	No	Yes

Mr. Lafferty inquired if this followed the procurement code process. Ms. Vick stated that there was a bid process in which seven firms submitted bids through an RFP process and Wilson and Company submitted the winning bid.

Mayor Apodaca then called on Ms. Yvette Fazekas to present the Cooperative Agreement Project Number SP-4-10(913) between the NM Department of Transportation and the

City of Tucumcari. Ms. Fazekas explained that this project was also addressed with Resolution 2010-08 and provides \$32,251.55 from the NM DOT with a City match of \$10,750.52 for a total project of \$43,002.07 to repave the side streets between Second and Third streets. Commissioner Sandoval asked who will complete this work. Ms. Fazekas stated that bids will be opened on Tuesday and the contract will be awarded. Commissioner Lumpkin asked if this project will only cost the City around \$10,000. Ms. Fazekas explained that the \$10,000 match will be done with equipment and labor.

Commissioner Lumpkin made a motion to approve the Cooperative Agreement Project Number SP-4-10(913) between the New Mexico Department of Labor and the City of Tucumcari. Mayor Pro Tem Witcher seconded the motion. Roll Call:

Lumpkin	Witcher	Sandoval	Lafferty	Apodaca
Yes	Yes	Yes	Yes	Yes

Ms. Rose then presented the Contract with Samcon for the Wastewater Treatment Plant Phase Three. Ms. Rose referred the Commissioners to an email she received from Richard Rose in their packets. Mayor Pro Tem Witcher asked Mr. Romero if this is the contract he spoke of during Items from Citizens. Mr. Romero responded in the positive.

Mr. Lafferty stated that this is undoubtedly an important issue, however he expressed disappointment that the documentation was provided at noon today and a million dollar decision has to be made and the Commission is being pushed by the NMED and staff. Mayor Pro Tem Witcher stated that lots of people have been talking about this issue for months. Ms. Rose explained that this contract went to the attorney's office for review without a copy being saved for the office. She stated that she takes full responsibility for the error and that due to this issue, a new form is being created and this will not happen again.

Commissioner Lafferty stated that his comments were not meant to scold, only to illustrate a problem. Mr. Lafferty then asked the other Commissioners if they knew what was going to be done with this money. Mayor Pro Tem Witcher stated that he understood that the funds were for phase three of the Wastewater treatment plant project and to build a new laboratory. Mr. Witcher stated that he had been to the plant recently and toured the project.

Commissioner Sandoval asked if phases one and two were complete. Ms. Vick responded that phase one is complete and phase two should be completed by May. Ms. Rose then read the list of projects included in phase three adding that they total about \$6 million in cost.

Mayor Pro Tem Witcher asked Mr. Ramirez, Wastewater Superintendent if the project will leave the de-chlorination pool. Mr. Ramirez responded in the positive stating that the pool will stay as backup.

Commissioner Lafferty apologized to the NMED that the City waited until twelve hours before the deadline to approve the project.

Commissioner Lafferty made a motion to approve the contract with Samcon for the Wastewater Treatment Plant Phase Three and Mayor Pro Tem Witcher seconded the motion. Roll Call:

Witcher	Sandoval	Lafferty	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

**Items From Commissioners**

Mayor Pro Tem Witcher thanked all the behind the scenes staff that step up and do the hard work to keep the City running.

Commissioner Sandoval asked about the status of the computers at the library. Mr. Cherry responded that the Qwest circuit has degraded and that he is still working with vendors on proposals.

Commissioner Lumpkin thanked the staff and all the public in attendance.

Commissioner Lafferty had no comments.

Mayor Apodaca stated that when he began as a Commissioner it took him a long time to become familiar with City processes. He stated that no one ever gave him a package to learn how the City runs. Mayor Apodaca asked if there is anything like that to give to new Commissioners that may begin their service on the Commission soon. Ms. Rose responded that nothing such as that existed but, she will put it together for the new Commissioners. Commissioner Lafferty stated that the NM Municipal League puts on a class that tells you about the rules and how business is conducted. Mayor Apodaca stated that he was talking about projects specific to Tucumcari. Mayor Apodaca stated that there are 18 departments within the City and the City Manager is very busy and Commissioners take a lot of hits on behalf of the City.

**Adjournment**

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

Sandoval	Lafferty	Apodaca	Lumpkin	Witcher
Yes	Yes	Yes	Yes	Yes

The meeting was adjourned at 7:22 p.m.

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James L. Witcher, Sr., Mayor Pro Tem

ATTEST:

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Christine Dougherty, City Clerk