

**CITY OF TUCUMCARI
CITY COMMISSION MEETING MINUTES
February 24, 2011**

The Tucumcari City Commission met in a regular meeting on Thursday, February 24, 2011, at 6:00 p.m. in the City Commission Chambers. Members present constituting a quorum were; Antonio Apodaca, Amiel Curnutt, Jimmy Sandoval, and Jim Witcher.

City staff members present were Bobbye Rose, City Manager; Mike Cherry, Assistant City Manager/Fire Chief; Christine Dougherty, City Clerk/Purchasing Agent; Doug Powers, Planning and Development Director; Yvette Fazekas, Planning and Zoning Administrator; Jason Braziel, Chief of Police; Dennis Dysart, Finance Director; and Clara Rey, Human Resources Director.

Reverend Margot Thompson of the Center Street United Methodist Church gave the invocation and Mr. Sandoval led the group in the Pledge of Allegiance.

Consideration of Changes or Deletions to the Agenda

Mr. Witcher asked if there were any changes to the agenda. There were none.

Commissioner Curnutt made a motion to approve the agenda and Mayor Pro Tem Apodaca seconded the motion. Roll Call:

Curnutt	Witcher	Apodaca	Sandoval
Yes	Yes	Yes	Yes

Items from Commissioners

Mayor Pro Tem Apodaca had no comments.

Commissioner Sandoval stated that in the last two months, three businesses have closed and he finds this sad and hard for the community. Mr. Sandoval stated that people often have to leave when a business closes and move to another community. Mr. Sandoval said that we need to start moving forward and figure out why businesses might be closing.

Mr. Sandoval also said that the meeting held by the City and the Small Business Development Center (SBDC) to help businesses learn how to respond to City Requests for Proposal had quite a few attendees. Mr. Sandoval said there was even one attendee from Clayton. Mr. Sandoval stated that the questions asked at the meeting were good. Mr. Sandoval said that at the next Commission meeting, representatives from the SBDC will make a report on their efforts.

Commissioner Curnutt thanked all those in attendance for coming to the meeting and said that he appreciates seeing them at the meeting.

Mayor Witcher thanked those in attendance for coming to the meeting and stated that Mr. Lumpkin was absent due to illness; however he had just taken his last chemotherapy treatment.

Approval of Minutes

Mayor Witcher asked if everyone had a chance to review the minutes. Mr. Apodaca stated that he would like an addition made to his comments regarding the airport grant on page four. Mr. Apodaca said that the City Manager stated that the matching funds for the grant can come from either leftover airport funds, the economic development tax, or the emergency reserve fund. Mr. Apodaca said he wanted clarification on which area the funds will come from and he would like this added to the minutes.

A motion was made by Mayor Pro Tem Apodaca to approve the minutes of the February 10, 2011 Commission meeting with the addition he made and seconded by Commissioner Curnutt. Roll Call:

Witcher	Apodaca	Sandoval	Curnutt
Yes	Yes	Yes	Yes

Approval of Vouchers

A motion was made by Mayor Pro Tem Apodaca and seconded by Commissioner Curnutt to approve the City vouchers for payment. Roll Call:

Apodaca	Sandoval	Curnutt	Witcher
Yes	Yes	Yes	Yes

Items from Citizens

Mayor Witcher asked if there were any citizens wishing to address the Commission. Being none, the meeting continued.

Mayor Witcher stated that at every Commission meeting there is time for comments. He said he hears people say that they can't talk to the Commissioners, but there is time at every meeting for this to occur.

Consideration of Racetrack Development Agreement Between the City and Coronado Partners, LLC

Mayor Witcher stated that Mr. Frost has not yet arrived to present this agreement and it will be heard later in the meeting.

Ordinances and Resolutions

Ms. Rose presented the final reading of Ordinance 1087 explaining that the City Commission appointed three members to the Tucumcari Memorial Park Cemetery Advisory Board who have had their first informal, organizational meeting. There was discussion that the Cemetery serves the entire county and representation on the Advisory Board should be reflective of that. Ms. Rose stated that she recommends that the Commission approve the ordinance which provides for County representation on the advisory board.

Commissioner Sandoval asked if this advisory board is necessary and what their duties will be. Mayor Witcher stated that the cemetery ordinance is 60 years old and the advisory board will assist in rewriting the ordinance and serve as advisors to the Commission on cemetery operations. Mr. Sandoval agreed that the rules are old but stated that there have been no problems at the Cemetery in a long time.

Mr. Sandoval stated that the Cemetery problems began in the last five months. Mr. Sandoval asked if the supervisor knows what the problems are. Ms. Rose stated that she advised the supervisor to abide by the ordinances that govern the Cemetery and that has caused the unrest amongst citizens. Ms. Rose stated that the ordinance needs to be changed and modernized.

Mr. Sandoval said that he agreed with changing the ordinance but didn't want an advisory board telling the Commission what to do; he said the supervisor should know what to do. Mr. Witcher said that there are other issues that need to be looked at so that all citizen needs can be met. Mr. Witcher said that the job of the advisory board will be to help the City and the Commission.

Mayor Pro Tem Apodaca then asked if an advisory board was going to be created related to utility rates. Mr. Witcher responded in the negative. Mr. Apodaca added that if many advisory boards are approved for creation, the Commissioners may work themselves out of jobs. Mr. Apodaca agreed with Mr. Sandoval that he was uncertain what an advisory board can tell the Commission that they do not already know. Mr. Apodaca went on to say that the Commission has increased utility rates a few times in recent years and wondered how many seated Commissioners will be on the Commission in the future to consider rate increases.

Mr. Witcher stated that this ordinance deals with only the Cemetery advisory board. Mr. Apodaca stated that because we are discussing advisory boards, he wondered if one will be created regarding utilities. Mr. Witcher stated that the question is only to approve or not approve an amendment to the ordinance regarding the Cemetery advisory board to allow County representation on that advisory board. Mr. Apodaca stated that he has no problem with County representation on the Cemetery board.

Commissioner Curnutt made a motion to approve the Final Reading of Ordinance 1087, Amending Ordinance 1081 Establishing the Tucumcari Memorial Park Cemetery Advisory Board and Mayor Pro Tem Apodaca seconded the motion. Roll Call:

Sandoval	Curnutt	Witcher	Apodaca
No	Yes	Yes	Yes

City Manager's Report

Mr. Witcher stated that the regularly scheduled City Finance Meeting that is scheduled for 10 a.m. on Friday will be rescheduled for Monday at 10 a.m.

Ms. Rose asked Mr. Dysart to present his financial report. Mr. Dysart directed the Commission to the packet he handed out on their desks. Mr. Dysart said that pages two and three summarize activity for the last two months and noted that things are flat with not much change.

Mr. Dysart directed the Commission to the actual budget on page one of the packet where the effect of the \$1.75 million received in 2008 as revenue that cannot be included as revenue this year impacts the budget. Mr. Dysart stated there is a \$2.845 million deficit. Mr. Witcher stated that the dollars have not changed, only the paperwork. Mr. Dysart confirmed Mr. Witcher's comment.

Ms. Rose stated that she received a call from Ms. Lydia Fazekas regarding Veteran's Park. Ms. Fazekas has purchased a gazebo and Steel Electric has agreed to provide the power to the gazebo at no charge.

Ms. Rose said the review of the Carma Intake Structure Plans is nearing completion and she has requested that the ISC staff place it on the March 24 agenda. Ms. Rose has also flagged the project for expedited review so Carma can get it installed as soon as possible. Ms. Rose stated the City certainly wants to be the first to have a permanent intake into the lake.

The City has received a check from Ute Lake Ranch (ULR) for \$5,625.00 which was for the \$1.50 per acre foot for their allocation of 3750 acre feet. The contract stated that if ULR did not put the water to beneficial use by June 2010, they would lose 500 acre feet. The City's attorney has reached a preliminary conclusion that the ULR contract is no longer in effect due to failure to provide notice of renewal in 2010. Accordingly, the City cannot accept the check provided for 2010 payment under that contract.

A situation occurred last night at the Waste Water Treatment Plant where the existing primary clarifiers overflowed and the waste water ran into the excavated holes for splitter box number two and filled the electrician's trenches on the north side of the clarifiers.

Mr. Ramirez and his crew are trying to pump the sewage out now. Contractors have sent over our pot hole machine and labor to suck out the standing water in the splitter box number two excavation to try and save the compaction. This will set back the construction time.

Ms. Rose went on to report that existing manhole number one on Route 66 Boulevard is crumbling apart and in dire need of replacement. The City has asked the construction crew to replace this manhole on an emergency basis. This will take over time hours, additional traffic control and asphalt patching among other things. We hope to have this completed by Tuesday and have not yet received the price quote. It must be done.

The city owns the building at 1424 South Sixth Street that has been used for Alcoholics Anonymous Meetings. The group renting the building can no longer afford this building and will be vacating this week.

Ms. Rose reported calendar events to include:

- 2/15/2011 Quay Days in Santa Fe – Commissioner Curnutt and Ms. Rose attended
- 2/17/2011 Commission had a work session
- 2/17/2011 Christine met with D.A.'s office to discuss collections of past due Lodgers Tax
- 2/19/2011 Appreciation dinner at the Knights of Columbus – Commissioner Sandoval, Mayor Witcher, Chief Braziel and several of his officers attended
- 2/21/2011 Spoke with Chris Muirhead and Paul Cassidy about refinancing of our loans. I asked their opinions about the Ute Lake Tax and the remaining 1/4 % tax increase and they both felt we should proceed with those options.
- 2/21/2011 Spoke to a class at Mesalands concerning city issues
- 2/22/2011 Contractor 101 Class City/Small Business Development Sponsored Commissioner Sandoval attended along with staff
- 2/ 23/2011 Annual Municipal Day – Ms. Rose attended
Major issue is the Hold Harmless which will cost the city \$316,508 if rescinded. They are talking about a 10 year phase of this and so year one would be \$31,651 with the entire yearly loss in ten years and annually thereafter
- 2/25/2011 Department Head Safety Training will be held
- 2/28/2011 A Staff meeting will be held to dispel gossip and inform employees of what is going on with the budget
- 3/5/2011 A meeting will be held between the EMS representatives, the County and the Hospital
- 3/3/2011 A work session will be held with Bob Hockaday concerning the solar project at the Waste Water Treatment Plant
- 3/19/2011 Legislative Session Ends

Mayor Pro Tem Apodaca asked what the legislative opinion seems to be regarding the hold harmless issue. Ms. Rose stated that Mr. Roch is against punishing cities by

removing the hold harmless clause. She has not spoken to Mr. Harden regarding the issue. Ms. Rose added that both Mr. Cassidy and Mr. Muirhead suggested that the City should work to implement the ¼% GRT tax and to re-allocate the Ute Lake Tax.

Mr. Witcher said that he spoke to Mr. Harden and no senator wants to take away the hold harmless clause but that legislators are faced with tough decisions.

Mr. Apodaca stated that in an effort to save City funds, he did not travel to the legislature this year and therefore did not have a feeling on where legislators stood on the issues this session.

Ms. Rose stated that she heard the Governor speak and she is against any new taxes.

Bids and Contracts

Ms. Rose stated that Mr. Vanderpool will speak regarding the Xcel Energy Rewards program at the Waste Water Treatment Plant.

Mr. Vanderpool began by offering his best wishes to Commissioner Lumpkin. Regarding Mr. Sandoval's comments on businesses closing, Mr. Vanderpool stated no one is more concerned about that than he is. Mr. Vanderpool stated that he will work with Ms. Rose and the Commission to update them on the Economic Development progress. Mr. Witcher said he would welcome that report at the next work session. Mr. Vanderpool stated that his son is graduating on that date but he would be happy to give the report another time.

Mr. Vanderpool went on to say that Public Regulations Commissioner Lyons, Representative Roch and Senator Harden have all commented on the challenges or rural economic development but Mr. Vanderpool feels Tucumcari is on the right track by pursuing alternative energy and the race track and casino. Mr. Vanderpool feels the Ute Lake Ranch project will also have a significant impact on the community.

Mr. Vanderpool also complemented Vicky Watson and her staff on the PTAP training for local vendors. He stated that the training provided good information and resources.

Mr. Vanderpool stated that the idea for the solar project at the Waste Water Plant originated with Commissioner Lumpkin as he has been working with Bob Hockaday for two years. Mr. Vanderpool stated that Mr. Hockaday is very excited about the project. Mr. Vanderpool thanked Ms. Rose for keeping him in the loop on this project.

Ms. Rose stated that she spoke to Mr. Lumpkin today and he felt it would be wise to table this issue until after the Commission meets with Mr. Hockaday.

Mayor Pro Tem Apodaca made a motion to table the issue of Participation in the Xcel Energy Rewards Program for a Solar Project at the Waste Water Treatment Plant and Commissioner Curnutt seconded the motion. Roll Call:

Curnutt	Witcher	Apodaca	Sandoval
Yes	Yes	Yes	Yes

Ms. Fazekas then presented the contract for the re-roof project at the Rail Road Depot. Ms. Fazekas explained that this is a standard contract between the City of Tucumcari and Nambe Construction. She directed the Commission to page four where they will find the base bid price with gross receipts tax included. Mayor Pro Tem Apodaca asked Ms. Rose if she recommends approval of this contract. Ms. Rose responded in the positive.

Mayor Pro Tem Apodaca made a motion to approve the contract for Re-Roof at the Rail Road Depot with Nambe Construction and Commissioner Curnutt seconded the motion. Roll Call:

Witcher	Apodaca	Sandoval	Curnutt
Yes	Yes	No	Yes

Mayor Witcher brought the Development Agreement with Coronado Partners back to the table. Mr. Witcher stated that this agreement has been on the agenda three times but has yet to be heard and has been approved by the City Attorney. Mr. Witcher stated that he feels the City is ready to move forward with this agreement. Ms. Rose stated that she recommends approval of this agreement.

Mayor Pro Tem Apodaca made a motion to approve the Race Track Development Agreement between the City and Coronado Partners, LLC. Mr. Apodaca dropped his motion.

Commissioner Curnutt made a motion to table the Race Track Development Agreement and Mayor Pro Tem Apodaca seconded the motion. Roll Call:

Sandoval	Curnutt	Witcher	Apodaca
Yes	Yes	No	Yes

Items from Commissioners

Mr. Witcher asked for Commission Comments.

Mr. Sandoval stated that he is often asked why he votes no on contracts. He explained that if he does not see local contractors listed in the contract, he votes no.

At this point in the meeting, Mr. Frost arrived at the Commission Chamber. Mr. Witcher asked Mr. Frost to present the Race Track agreement.

Mr. Frost began by stating that he had just arrived back in Tucumcari from a Racing Commission meeting where Mr. Moldenhauer's racing license has been officially revoked. Mr. Frost said that Raton will have no track. The Racing Commission will devise a plan in the next 45 days on how to receive applications for the sixth and final

racing license in the state. Mr. Frost stated that Mr. Moldenhauer threatened to appeal the decision but he feels that will not affect the Racing Commissions efforts.

Mr. Frost explained that the development agreement between the City and Coronado Partners is similar to the one signed by the City in 2008. Mr. Frost explained that the agreement states the City will do all in its power to assist Coronado Partners in their application process. The agreement commits the City to nothing financially, according to Mr. Frost. The agreement does exclude the City from supporting any other applicant. Alternately, the agreement locks Mr. Chalmers, the financial backer, to Tukumcari.

Mr. Frost stated that next week he will go Quay County and ask for their support. Mr. Frost also reported obtaining new options on the property where the proposed track will be constructed. Mr. Frost will work to update the financial statements and analysis for the new application. Mr. Frost also stated that the same expert advisors and partners are committed to the project that were committed before.

Commissioner Curnutt stated that he finds where the agreement shows the City of Tukumcari has a 1½% ownership in the venture and asked if this figure was negotiable. Mr. Frost stated that he tried to negotiate a larger ownership for the City but the financial situation is difficult. Mayor Witcher said that the City can only own 4.99% or less. Mr. Frost went on to say that the Racing Commission does not mind a community getting the benefits of a project but, that they frown on government ownership.

Mayor Pro Tem Apodaca made a motion to un-table the Race Track Development Agreement and Commissioner Curnutt seconded the motion. Roll Call:

Sandoval	Curnutt	Witcher	Apodaca
Yes	Yes	Yes	Yes

Mayor Pro Tem Apodaca then made a motion to approve the Development Agreement between the City of Tukumcari and Coronado Partners, LLC for a Race Track and Commissioner Curnutt seconded the motion. Roll Call:

Sandoval	Curnutt	Witcher	Apodaca
Yes	Yes	Yes	Yes

Mr. Frost added that at the next Commission meeting, appointees to the Quay County Gaming Authority need to be made.

Mayor Witcher then asked for the remainder of the Commissioners comments.

Commissioner Curnutt thanked all those in attendance for coming to the meeting. Mr. Curnutt also thanked Mr. Frost for his work and presentation.

Mayor Witcher informed those in attendance that the Alcoholics Anonymous meetings will now be held at the First Christian Church.

Mr. Witcher also reminded everyone that there will be a work session next Thursday at 10 a.m.

Adjournment

There being no further business, a motion to adjourn was made by Mayor Pro Tem Apodaca and seconded by Commissioner Curnutt. Time noted 6:50 p.m. Roll Call:

Apodaca	Sandoval	Curnutt	Witcher
Yes	Yes	Yes	Yes

James L. Witcher, Sr., Mayor

ATTEST:

Christine Dougherty, City Clerk