

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

The Tucumcari City Commission met in a regular meeting on Thursday, March 24, 2011, at 6:00 p.m. in the City Commission Chambers. Members present constituting a quorum were; Amiel Curnutt, Robert Lumpkin, 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; Dennis Dysart, Finance Director; and Doug Powers, Planning and Development Director.

Mr. Jim Witcher of the First Christian Church gave the invocation and Ms. Norma Jean Crellin led the group in the Pledge of Allegiance.

Public Hearing

Mr. Witcher opened the public hearing regarding the liquor license location transfer request number 453. The request is to move the liquor license from the Circle K store that closed at First Street and Tucumcari Boulevard to the Circle K location at the McStop on South First Street.

Mr. Witcher asked for any one who wished to speak to stand and be sworn in. Ms. Dougherty swore in the speakers.

Mr. Walt McMinimy of the Circle K Corporation said he requested the Commission approve the location transfer for this package license.

Being no others wishing to speak, Mr. Witcher closed the public hearing.

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 Commissioner Lumpkin seconded the motion. Roll Call:

Witcher	Lumpkin	Sandoval	Curnutt
Yes	Yes	Yes	Yes

Items from Commissioners

Commissioner Lumpkin thanked everyone for their attendance and stated that the Commission appreciates input.

Commissioner Sandoval thanked those in attendance for coming to the meeting. And asked what is going to happen to Five Mile Park.

Commissioner Curnutt stated that it is good to see everyone at the meeting.

Mayor Witcher echoed Commissioner Curnutt's remarks.

Approval of Minutes

A motion was made by Commissioner Lumpkin to approve the minutes of the March 10, 2011 Commission meeting and was seconded by Commissioner Curnutt. Roll Call:

Lumpkin	Sandoval	Curnutt	Witcher
Yes	Yes	Yes	Yes

Approval of Vouchers

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

Lumpkin	Sandoval	Curnutt	Witcher
Yes	Yes	Yes	Yes

Items from Citizens

Mayor Witcher asked if there were any citizens wishing to address the Commission.

Mr. Don Schutte approached the podium and stated that the burned Sands Dorsey building is still standing. Mr. Schutte also thanked Commissioner Sandoval for coming to the downtown businesses and keeping them informed. Mr. Schutte expressed his desire to bring business to the local community and wondered why so many out of town contractors were in the community. Mr. Schutte stated that local business people might not see an announcement in the newspaper for requests for proposal. Mr. Schutte said he would appreciate trying to encourage locals to do more business with the City.

Proclamations, Memorials, or Petitions

Mayor Witcher then read a proclamation for the Golden Apple Foundation, proclaiming April 1, 2011 as Tribute to Teacher Excellence Day in the City.

Ordinances and Resolutions

Ms. Rose then presented Resolution 2011-14, Establishing a Water Conservation Fee. Ms. Rose explained that the state requires the City to pay three cents per 1000 gallons of water produced in the form of a water conservation fee. Ms. Rose said the City currently sets aside \$11,175 annually to pay this fee to the state. The resolution passes this fee on

to the customers. Ms. Rose stated that she recommends passing this fee on to City water customers.

Commissioner Lumpkin made a motion to approve Resolution 2011-14, Authorizing a Water Conservation Fee Assessment for Water Customers. The motion died for lack of a second.

Ms. Rose then presented Resolution 2011-15, Authorizing Application for the Department of Transportation Hardship Grant. Ms. Rose explained that this grant is for \$25,000 and can be used to purchase surplus equipment from the DOT. Ms. Rose stated that most of the equipment available is not in very good shape, but our maintenance department has found the equipment useful in the past for parts to repair other equipment.

Commissioner Lumpkin made a motion to approve Resolution 2011-15, Authorizing Application for the Department of Transportation Hardship Grant and Commissioner Curnutt seconded the motion. Roll Call:

Curnutt	Witcher	Lumpkin	Sandoval
Yes	Yes	Yes	Yes

Mr. Dennis Dysart then presented Resolution 2011-16, a Budget Amendment Request. Mr. Dysart explained that this amendment to the budget takes care of four items. The \$1,750,000 bond funds that were received in 2008 and incorrectly recorded as revenue has been sitting in the cash line item, \$45,000 gross receipts tax used for payment on a \$500,000 loan, funds used for emergency repairs in January associated with the freezing weather at the Hoover Well Field were moved within the budget accordingly.

Commissioner Curnutt made a motion to approve Resolution 2011-16, a Budget Amendment Request and Commissioner Lumpkin seconded the motion. Roll Call:

Witcher	Lumpkin	Sandoval	Curnutt
Yes	Yes	Yes	Yes

Mr. Dysart then presented Resolution 2011-17, a Budget Amendment Request. Mr. Dysart explained that this resolution moves funds within departments and are simply bookkeeping issues.

Commissioner Lumpkin made a motion to approve Resolution 2011-17, a Budget Amendment Request and Commissioner Curnutt seconded the motion. Roll Call:

Lumpkin	Sandoval	Curnutt	Witcher
Yes	Yes	Yes	Yes

City Manager's Report

Ms. Rose began by reminding the Commission of a work session to be held at the Convention Center on March 29 at 9 a.m. Ms. Rose also thanked the Commissioners for their attendance today at the budget session conducted by the DFA.

Ms. Rose then brought everyone up to date on the Sands Dorsey remediation project. Ms. Rose is working on the process to obtain Brownsfield funds to remediate the building. The Environment Department requires a Phase I environmental study on the building as the first step in the process. The cost is between \$7000 and \$8000 and the Environment Department is paying for this expense. The \$80,000 the City has already spent towards the project will be utilized during Phase II of the project. The third phase of the project, if approved will provide funds to remediate the building.

The Environmental Department additionally suggests that a Phase I environmental study be conducted on any building, particularly a gas station, that the City wishes to tear down. The cost for each building will be between \$5000 and \$7000. Ms. Rose talked to Mr. Jim McElroy, certified appraiser who confirmed this requirement and cost.

Ms. Rose then reported on the sewer line collapse that resulted in an emergency purchase that was discussed at the last meeting. The sewer line collapsed between Fifth and Sixth streets from Chenault to Charles. Samcon, a company currently pipe bursting sewer lines in town, provided an initial quote for \$153,085. Samcon then came back with a new proposal of \$79,898. Versatile Construction was also available and provided a quote of \$40,387.50 plus \$30.00 a square yard to remove and replace the asphalt. Mr. Charlie Sandoval recommended going with the low quote from Versatile and Ms. Rose approved the purchase. These funds will be taken from the Emergency Line Item in the General Fund.

Another emergency purchase to replace a valve occurred on Third Street from Charles to Washington. Customers may experience pressure down to twenty four pounds in that area.

Ms. Rose then reported that the NMSU Agricultural Science Center is very excited about using the reuse water for studies on crops. The University had considered closing the Tucumcari Center but has chosen to keep it open because of the partnership with the City. Mr. Kirksey is working with the University to negotiate the purchase of 300 acre feet per year as opposed to the 150 acre feet initially discussed.

Ms. Rose reported that Mr. Powers attended an Americans with Disabilities Act meeting and asked him to report. Mr. Powers stated that the ADA meeting held today detailed how meeting ADA requirements fits into the City Risk Management Plan. Mr. Powers said his department keeps a record of every intersection in town and inventories the handicapped accessibility at each intersection. Additionally, entry ways to public buildings will have to be ADA compliant. Mr. Powers described how his assessment management database will track compliance.

Regarding procurement procedures and local contractors, Ms. Rose asked Mr. Powers what else beyond calling contractors when an RFP is issued and holding the training on how to respond to bids he recommended doing to get local businesses to respond. Mr. Powers stated that he and his staff try to get local businesses involved with City projects. He added that bids are being sought next week for the interior work at the Rail Depot and lots of contractors are needed. Ms. Rose stated that using local contractors is a plus for the City as the Gross Receipts Tax stays in the City, but she insists that the procurement code be followed. Ms. Rose stated that staff has been and will continue to make every effort to work with and train local contractors. Mr. Powers encouraged bidders to ask questions of the engineers or architects when responding to City RFP's. Mr. Lumpkin added that no contracts have been approved by the Commission without asking if locals were contacted for their responses. Mr. Lumpkin also added that local vendors can supply other items like office supplies.

Ms. Rose reported a mandatory Safety Meeting with the Department Heads last week. Mr. Rushing with our insurance carrier went over our loss runs with supervisors. We have not received good news regarding our workers compensation insurance. We might be assigned to a risk pool which means our rates could increase by 50%.

Our insurance bill from 2007 – 2008 hit a high of \$231,097 with a loss ratio of 33.1%. So far this year we have had 13 claims with our premium being \$191,301 but we have a 103.5% loss ratio. Our experience modifier at this point is 1.39% which is extremely high and we are facing a 10% surcharge and possibly being placed in the workers compensation pool.

Ms. Rose stated she is very upset at this figure as safety is her number one goal for the City. If our experience modifier was one, our rates would be 100% of the rate, if we were at .92 we would only be paying 92 cents for every dollar of premium as we would be considered a low risk. However, with our modifier being 1.39 % we are paying \$1.39 for every \$1.00 premium. If our bill was \$200,000 at a one modifier we would pay \$200,000, at .92 we would pay \$198,160 for a savings of \$1,840, and at 1.39 we will pay an additional \$2,780 for a total premium of \$202,780.

This is not acceptable and we will be making some significant changes. Job descriptions must be clear and we must go over this with our employees so they understand the physical portions of the job. We could require a medical questionnaire before the job was offered and make employees and supervisors more responsible. We will be doing an assessment to see if the accidents were avoidable or not and if our safety policy was followed. We also do not have to pay for vacation or sick leave for the first seven days following an accident but this would be extreme in my mind. We will be meeting with all employees to explain that when money goes out in insurance, we have none or less for raises and benefits.

Many of the claims were slip, trip and falls, injury to the back, shoulder, hand, arm and knee. The insurance company not only pays the medical bills but they hold money in

reserves for several years in case the employee is re-injured or files a new claim for the same injury.

We will be paying more for our insurance for the next six years. If the City holds claims stable in years three and four, the last one will drop off and the new year is added. We must do a better job.

Ms. Rose reported a new board is now in place for the Racing Commission. Mr. Frost is attending this board meeting today so we hope to have more information soon and how we can proceed with the race track application for Tucumcari.

Ms. Rose reported the City is continuing discussions with the hospital and county to see if we can find ways to provide better service to the community while also being more efficient. We have all been assigned tasks and we plan to meet again in the next four to six weeks. Ms. Rose commended the hospital and county for their cooperation in this joint effort.

Ms. Rose informed the Commission that two portable air conditioning/heating units have been ordered for the library at a cost of \$878. The Library is experiencing overheating in the room where computer servers are stored and in some offices.

Ms. Rose explained that Sanitation staff is digging on the Construction and Debris cell at the new landfill. We will continue to use the old landfill until it is full. We have ordered the septic tank for the new landfill, will be using some of the rail spur project funds which have been approved for the landfill for the electrical and will be bidding out for scales soon. We will still need to come up with funds for a scale house and equipment.

Mr. Madrid and his staff did an inventory of our existing dumpsters. There are 652 one and a half yard dumpsters and 169 three yard dumpsters. Ms. Rose believes we would need a three yard dumpster for every 4 customers in order to go to a once per week residential dumping cycle which could save significant dollars. Ms. Rose also feels that the cart system would be a great cost savings system and would promote recycling.

Ms. Rose reported that regarding the federal budget Jeff Bingaman said, "the question is no longer whether we have to make cuts and raise revenues to balance the budget but rather what we cut and where we draw additional revenue to put the budget back into balance." He stated it is important to chart a long term plan, rather than make massive cuts that will hamper economic recovery.

Dates of importance Ms. Rose detailed are as follows:

On March 18 a meeting with Western Industrial was held on Electronic Read Meters

Also on March 18th a meeting with Wendall Bostick of the Cheese Factory occurred

March 18th Ms. Rose attended the Mesalands Shrimp Boil Fundraiser

March 21st, Ms Rose attended the Main Street meeting

March 22nd, Ms. Rose attended a meeting with Agricultural Science Center Staff

Also March 22nd, Mr. Joe Ramirez and Ms. Rose attended training on NETDMR – electronic reporting for wastewater

March 23rd, Ms. Rose attended the Wednesday morning working group

March 24th Meeting with DFA

March 25th will be the Finance meeting at 10:00

March 29th will be the Work Session all day

Commissioner Sandoval stated that he hopes for new equipment.

Commissioner Lumpkin stated that he attended the DFA budget meeting today and it is clear the City has budget needs. Mr. Lumpkin said there are over 80 dangerous buildings in Tucumcari and the town's lack of curb appeal has been cited. Mr. Lumpkin stated that the options for dealing with these needs are to ask the voters to reallocate the Ute Lake Water Tax or to approve a one quarter of one percent tax increase. Mr. Lumpkin added that taxes in the City are among the highest in the state, explaining that there are 23 municipalities with taxes equal to or greater than Tucumcari. Mr. Lumpkin also reminded everyone that the voters approved half cent tax for the hospital when most communities have none, an eighth or quarter cent tax for hospitals. Mr. Lumpkin cautioned that when comparing tax rates, one must be sure they are comparing apples to apples.

Mr. Lumpkin also explained that privatization of the landfill or shipping refuse elsewhere is being studied. Mr. Lumpkin said that it is difficult when being frugal to have self-sustaining departments. Mr. Lumpkin stated that the cost to ship refuse elsewhere is around \$50 per cubic yard.

Mr. Lumpkin stated that he wants to make it very clear that he is only one Commissioner and is speaking only for himself. He asked that the community get involved and help in these decision making processes. Mr. Lumpkin said the City has to raise revenues, cut services, or both. Mr. Lumpkin said these are difficult decisions because everyone likes our services.

Commissioner Sandoval stated that at the Library in December of 2010 he had Ms. Vick attend the Advisory Board Meeting to discuss looking for grant funds and she was taken away from the Board. Mr. Sandoval said he does not know what to do, the ladies on the Advisory Board are smart and he wants to know what is going to happen to the roof. Mr. Sandoval also wondered why the old air conditioner is still on the roof.

Mayor Witcher reminded the Commissioners that this is the City Manager's report and not time for Items From Commissioners.

Ms. Rose stated that nothing has been taken away from the Library. She explained that the chain of command must be followed when a department needs assistance from the grant writers. She stated that a Commissioner should direct his requests to the City Manager and she will delegate as she sees appropriate. Ms. Rose went on to say that the old air conditioning unit remains on the roof at the Library until the roof issues are

handled. Building maintenance staff feels removal of the old unit could make the leak issues worse. Ms. Rose reminded the Commission that not all planning goes through the City Commission.

Bids and Contracts

Mr. Cherry approached the podium stating that Chief Braziel was busy with an investigation and he would present the Law Enforcement Protection Grant for him. Mr. Cherry stated that Mr. Braziel seeks approval for his department’s participation in this annual grant which is based on population. Mr. Cherry explained that the base grant amount is \$20,000 and then with 16 officers, the total grant amount will increase to \$29,000. The funds will be used for training and equipment.

Commissioner Lumpkin made a motion to approve the participation in the Law Enforcement Protection Fund Grant and Commissioner Curnutt seconded the motion. Roll Call:

Lumpkin	Sandoval	Curnutt	Witcher
Yes	Yes	Yes	Yes

Mr. Cherry then presented the Joint Powers Agreement for Central Dispatch. Mr. Cherry explained that this agreement has been updated and allows for funding from the other government entities that are serviced by the department. Mr. Cherry stated that the department serves all of Quay and Harding Counties as well as part of San Miguel County.

Commissioner Lumpkin made a motion to approve the Joint Powers Agreement for Central Dispatch and Commissioner Curnutt seconded the motion. Roll Call:

Sandoval	Curnutt	Witcher	Lumpkin
Yes	Yes	Yes	Yes

Ms. Rose then presented the Task Order from CDM for the remainder of the Ute Lake Water Use Study. Ms. Rose explained that this is the continuation of the study for uses for the water. She added that \$80,000 has already been expended for this study. This phase will narrow the potential uses to two and provide more in depth information and a preliminary engineering report on each use. Ms. Rose reminded the Commission that they narrowed the options to development around Logan and transporting water to Tukumcari Lake for storage. Ms. Rose said the cost associated with the task order is \$207,000 and will be paid from the accumulated Ute Lake Water gross receipts tax.

Mr. Lumpkin stated that this is the same tax that has been discussed for reallocation adding that the cost to move water from Logan to Tukumcari will be very expensive. Mr. Lumpkin said that \$1.2 million has accumulated in this fund and it cannot be used for anything else. The preliminary report contained ten good uses for Ute Lake water.

Mr. Lumpkin then made a motion not to move forward with the study and not to approve the Task Order from CDM. Commissioner Curnutt seconded the motion. Roll Call:

Curnutt	Witcher	Lumpkin	Sandoval
Yes	Yes	Yes	Yes

Ms. Rose then presented the Landfill Monitoring and Reporting contract for the old landfill from Gordon Environmental. Ms. Rose explained that the cost of the monitoring is \$23,000 per year with \$1800 in GRT, making the monthly cost about \$2000. Ms. Rose explained that the services are required and she recommends approval.

Commissioner Lumpkin made a motion to approve the contract for Monitoring and Reporting Services at the Old Landfill from Gordon Environmental and Commissioner Curnutt seconded the motion. Roll Call:

Witcher	Lumpkin	Sandoval	Curnutt
Yes	Yes	Yes	Yes

Ms. Rose then presented the Airport Terminal Renovations project. She explained that she recommends increasing the total project to \$450,000. Ms. Rose stated that the matching funds can come from either the emergency fund or lodgers tax.

Commissioner Lumpkin made a motion to approve the capital projects plan for the Airport and Commissioner Curnutt seconded the motion. Roll Call:

Lumpkin	Sandoval	Curnutt	Witcher
Yes	Yes	Yes	Yes

Old Business

Mayor Witcher acknowledged reading the minutes of the Library Advisory Board for November 19, 2010 and December 17, 2010.

Mayor Witcher acknowledged reading the minutes of the Museum Advisory Board for March 1, 2011.

Ms. Rose then discussed the Airport Terminal Renovations. She said this is a plan for capital projects at the Airport for the next five years. The projects total \$8 million with \$266,000 local matching funds. Ms. Rose asked the Commission to keep this in mind for the budget process, but said no action is required at this time.

New Business

Mayor Witcher then appointed Ms. Cynthia Acker and Ms. Marion Payton to the Cemetery Advisory Board.

Items from Commissioners

Mr. Witcher asked for Commission Comments.

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

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

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

Mayor Witcher said he thanked those in attendance for coming and invited them to attend Commission work sessions.

Executive Session

Commissioner Lumpkin made a motion to convene in executive session to discuss matters as provided for under New Mexico Statutes pertaining to Open Meetings referencing section 10-15-1 H (2) 1978, related to personnel matters; specifically the City Manager’s Employment Contract. Commissioner Curnutt seconded the motion. Roll Call:

Curnutt	Witcher	Lumpkin	Sandoval
Yes	Yes	Yes	Yes

Time noted was 7:02 p.m.

AT 7:20 p.m. Commissioner Lumpkin made a motion to reconvene in regular session after an executive session to discuss matters as provided for under New Mexico Statutes pertaining to Open Meetings referencing section 10-15-1 H (2) 1978, related to personnel matters; specifically the City Manager’s Employment Contract. Commissioner Curnutt seconded the motion. Roll Call:

Witcher	Lumpkin	Sandoval	Curnutt
Yes	Yes	Yes	Yes

Commissioner Curnutt then made a motion to renew the Employment Contract of City Manager, Bobbye Rose. Commissioner Lumpkin seconded the motion. Roll Call:

Lumpkin	Sandoval	Curnutt	Witcher
Yes	No	Yes	Yes

Adjournment

There being no further business, a motion to adjourn was made by Commissioner Lumpkin and seconded by Commissioner Curnutt. Time noted 7:22 p.m. Roll Call:

Lumpkin
Yes

Sandoval
Yes

Curnutt
Yes

Witcher
Yes

James L. Witcher, Sr., Mayor

ATTEST:

Christine Dougherty, City Clerk