

CITY OF TUCUMCARI
CITY COMMISSION MEETING MINUTES
July 28, 2011

The Tucumcari City Commission met in a regular meeting on Thursday, July 28, 2011, at 6:00 p.m. in the City Commission Chambers. Members present constituting a quorum were; Antonio Apodaca, Amiel Curnutt, Robert Lumpkin, Jimmy Sandoval, and Jim Witcher.

City staff members present were Bobbye Rose, City Manager; Christine Dougherty, City Clerk/Purchasing Agent; Dennis Dysart, Finance Director; Clara Rey, Human Resources Director; Doug Powers, Community Development Director, Jason Braziel, Chief of Police; and Charlie Sandoval, Water Superintendent.

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

Public Hearing

Mayor Witcher opened the Public Hearing regarding the 2011-2012 Budget for the City of Tucumcari. He called on Ms. Rose to report on the budget. Ms. Rose stated that she would like to describe the significant changes to the budget since the Interim Budget was approved. First, the workman's compensation insurance premium was negotiated by staff and was lower than budgeted resulting in a \$74,000 savings. Those funds were added back to the Janitor position, travel, education, per diem, and supply line items. Those line items were restored to the levels they were at in the previous year. Ms. Rose said \$15,000 was added to capital outlay at the Cemetery for automation of the sprinklers and \$15,000 capital outlay for the heating and cooling system at the Library. Ms. Rose added that the workman's compensation line item has never reflected actual expenditures in each department and this budget reflects actuals for each department. Ms. Rose also said that the Water, Waste Water and Laboratory departments have been separated so that income and expenditures in each department can be shown more specifically.

Ms. Rose stated that the City takes care of approximately 5300 citizens, which is an 8.5% drop since the 2000 census. Ms. Rose said the proposed budget for the 2011-2012 fiscal year is \$20,299,442. Ms. Rose stated that the budget has been reviewed considerably and costs have been reduced while still trying to provide adequate services. Ms. Rose said the budget has been crafted to try to provide for a more robust future while improving the appearance of the City. Debt policies need to be developed with a maximum debt level established. A pay as you go reserve needs to be established as well. Ms. Rose said in order to provide balance, the City needs to be proactive not reactive, and that's the way the city has been for quite some time. Ms. Rose stated that the economic vitality of Tucumcari drives the ability to generate adequate financial resources to meet operating and debt service needs. Ms. Rose said that the City must show strength in good times to assure we can maintain through bad times.

Ms. Rose said the City does not have enough money to be all to all. The City must determine what essential services are and what level of service we can afford. Ms. Rose added that we cannot place the entire burden on the citizens and employees without making some tough decisions on cuts.

Ms. Rose explained that the total revenues for all departments in the previous fiscal year were \$19,728,675. This is down from last years revenues of \$22,500,000 partially due to grant funding. User fees are about 20% of the revenues. Part of the revenue loss is in ambulance fees. Ms. Rose reported property taxes are \$316,781 in revenues and there is \$33,000 in delinquent property taxes for a total property tax of \$350,416.

Ms. Rose reported that if approved, this budget contains about \$20,899,442 in expenditures which is down around \$2 million from last year. In operating expenses, salaries and benefits are 21.7% of the budget which amounts to \$5,407,607. This is an increase over last year in salaries and benefits of \$549,766; but insurance increased \$145,000 and the City budget now includes the Housing Authority which has annual expenses of \$287,911. Overall, Ms. Rose said this shows significant cuts in the budget.

Ms. Rose explained that in the past, the City paid 95% of the health insurance premium for employees. With this budget year, employees making under \$35,000 a year now pay 90% of their health insurance premium and 100% of the vision, dental and life insurance premiums if they choose those coverage options. Employees making \$35,000 or more per year are now required to pay 80% of their health premium and 100% of the premium for other coverage options they choose.

Ms. Rose explained that the budget is separated into numerous funds. She then gave the total budget for each department and how much of that budget is subsidized by the general fund.

Ms. Rose said that utility rates are going to increase in order to fund reserves. Ms. Rose stated that repairs and replacement of infrastructure have to be funded from reserves that the City currently does not have. Ms. Rose explained that the Rural Community Assistance Corporation conducted a rate study for the City at no charge which resulted in the recommendation of rate increases which have been discussed at several work sessions. The City has virtually no reserves except for those mandated by lenders.

Ms. Rose added that the Senior Citizen and Housing programs are completely grant funded.

Mr. Witcher asked if there were any others wishing to speak. He explained that it is required that we have a public hearing on our budget. Mr. Witcher stated that the budget is a public document and anyone can request to inspect the budget.

Consideration of Changes or Deletions to the Agenda

Mr. Witcher suggested that Item B under Old Business be moved to follow Items from Citizens. He speculated that most of those in the audience were here for that item and suggested it should be addressed earlier in the evening.

Ms. Sue Dowell asked if it was the item, Petition to Cease Property Acquisition that was going to be moved. Mr. Witcher responded in the positive. Ms. Dowell stated that she liked the use of the word, cease in this case and asked that the Commissioners use caution when wording their motion regarding this issue. She explained that the citizen group that signed the petition is asking for the City to cease the property acquisition.

Commissioner Lumpkin made a motion to approve the agenda as amended with item B under Old Business being heard immediately after Items from Citizens. Commissioner Curnutt seconded the motion. Roll Call:

Apodaca	Lumpkin	Sandoval	Curnutt	Witcher
Yes	Yes	Yes	Yes	Yes

Items from Commissioners

Mayor Witcher stated that Former Mayor, Mary Mayfield was in the audience and he was happy to see her in attendance. Mayor Witcher added that he considers Ms. Mayfield to be his Mayor.

Commissioner Lumpkin stated that he attended the recent Cemetery Advisory Board meeting and that plans are still being discussed regarding automation of the sprinkler system at the cemetery. Mr. Lumpkin speculated that automation would most likely save money over time. He added that the Superintendent in the department is utilizing staff from other departments as needed. Mr. Lumpkin explained that options for trees as a windbreak are being investigated and the existing trees will be inspected for disease. Mr. Lumpkin explained that annexation of the cemetery into the city limits has also been discussed by the Advisory Board. He stated that poles will be installed to protect the walkway in the Garden of Prayer. Mr. Lumpkin also added that the Ladies VFW Auxiliary will be doing a project at the cemetery to honor Veterans. Mr. Lumpkin stated that concerns are being answered and that it is very difficult to have a green lawn in this climate. Mr. Lumpkin also reminded everyone of the 41st Annual Rattler Reunion will be held August 4-6 at the Convention Center. Mr. Lumpkin said it's the best reunion in the state.

Mayor Pro Tem Apodaca had no comments.

Commissioner Sandoval had no comments.

Commissioner Curnutt stated that he appreciates all those in attendance for coming to the meeting and encouraged everyone to attend Rattler Reunion.

Mayor Witcher stated that citizens are always welcome at the meetings to give their input. He added that regarding the Cemetery, he has been asked to look into providing plots for cremains.

Approval of Minutes

A motion was made by Mayor Pro Tem Apodaca to approve the minutes of the July 14, 2011 Commission meeting and the motion was seconded by Commissioner Lumpkin.
Roll Call:

Lumpkin	Sandoval	Curnutt	Witcher	Apodaca
Yes	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:

Sandoval	Curnutt	Witcher	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

Items from Citizens

Ms. Sue Dowell approached the podium to address the Commission. Ms. Dowell reminded the Commission that she was at the last meeting expressing citizen concerns regarding the possible purchase of the Wells Fargo building for City and County offices and she went over several things. She explained that she made a grammatical error in her petition. She said that she and the others that are concerned are trying to base their comments on fact not rumor and they stand behind what they say. Ms. Dowell said that her group is not trying to choose sides and fight; they are working to resolve the issue. Ms. Dowell said that many citizens she has spoken to have questions and concerns but are not willing to come to the Commission to have them addressed. Ms. Dowell encouraged the Commission to go out and talk to the citizens to get a clear picture of what is going on in the community and to hear citizen concerns. Ms. Dowell asked that the questions be thought about. She said some questions she has heard are:

- Will the roads be fixed?
- Have uniforms been eliminated for city staff?
- Will buying the building bring jobs?
- Can another business buy the building and hire people?
- Is the City going to fix other buildings in town?
- Is Wells Fargo bank closing?
- If the ambulance service is privatized, will they serve those without insurance?

Can the City move the ambulance service to the BOC building?
Will the broken picture on the headstone at the Cemetery be fixed?
Does the City have \$1 million to spend?
Will the lights be fixed on Route 66?
With whom did the idea to purchase the building originate?
Who will take ownership of this idea?
Did this have to be the year to increase taxes?
Does any elected official stand to gain financially?
Do the Commissioners know they were elected to help not rule?

Ms. Dowell went on to say that the City Manager's job description should state that they are required to go out and talk to the citizens. Ms. Dowell stated that fancy offices are not needed to make citizens feel valued and listened to. Ms. Dowell stated that the petition now has 1122 signatures on it and she encouraged the Commission to vote to cease the purchase of the building. Ms. Dowell concluded by asking if the citizens were significant yet.

Ms. Rose stated that she has reviewed the petition format and she agrees that the public does not want to proceed with acquiring fancier government facilities. She explained that was not the intent of the letter signed by the City and the County. Ms. Rose said that the County has stated they will either have to invest dollars in their existing building or look for additional space. She said that state statute requires that the County must put any purchase of property to vote by the citizens. Ms. Rose added that the City has laid off employees, cut benefits and asked employees to do more with less. She added that the City has done its due diligence in collection of all monies that are owed to the Municipality. She has also ensured that all citizens are being charged the same and being asked to abide by the same rules. Ms. Rose said that the City has conducted numerous investigations to determine what essential and non-essential services are and what level of service to provide for the citizens.

Ms. Rose said that through fact finding, the City has found numerous ways to save citizens money. Ms. Rose stated her recommendation is to proceed with the investigation of this possible purchase. She added that after all the facts are available, a public meeting can be held. She explained that no action can be taken without a vote at the County level and the issue can be placed on the City ballot for consideration in March if the purchase even turns out to be a viable option.

Ms. Rose went on to say that she believes the problem is not with the building but with trust for the government. She stated that she certainly can understand that mistrust. However, Ms. Rose said that the citizens must be listened to and all the facts must be gathered. Ms. Rose assured that she as City Manager will never make a recommendation to the Commission to support any measure that says we will not provide all the information possible in order to make an informed.

Ms. Rose concluded by telling Ms. Dowell she appreciates all the work she has done and that she hopes this will be a civil disagreement. Ms. Rose said her intent is to find out all the information she can about the building.

Mr. Nick LeCompt approached the podium and introduced himself as a county land owner and city business owner. He asked what the staff and Commission wants to learn about the building. He also asked what the goal is in this endeavor. Ms. Rose stated that the goal is to combine four City offices with the County if it appears that this merger would be less expensive to the tax payers in the long run. Ms. Rose said she would like to learn what condition the air conditioning and roof are in on the building. She explained that the building may very well be a money pit, but she wants to gather facts about it in order to make a decision. Ms. Rose said that the City does not have the money to spend on the building, and the issue has to be voted on, but she does not want to stop investigating the options.

Mr. LeCompt stated that he guessed the building costs \$10,000 a month to cool. Ms. Rose stated that she would like to know the monthly utility costs as well as the cost to replace the roof and the heating and cooling units. Mr. LeCompt said he would like to see a vote one-by-one of the Commissioners to see what they have to say. Mr. LeCompt stated that this will be a drag on the taxpayers even if the building were donated. Mr. LeCompt stated that he hears the City and County are getting along well at this time but speculated that eventually leadership and commissioners will change and conflicts will arise. Ms. Rose suggested that a list of all the pros and cons of the building needs to be developed. Mr. LeCompt asked that there be a vote. Ms. Rose said that she too would like to see a vote and be given direction on how to progress with the issue.

Mayor Witcher asked if any other citizens would like to address the Commission. Mr. Alvin Cothorn approached the podium and stated he would like to know if anything has been done to attract doctors to Trigg Hospital. He stated that the hospital is just a relay station and that citizens have to go to the ER to be seen by a doctor.

Mr. Richard Talley approached the podium and stated that he signed the building petition and clarified that the intent of the petition is to tell the Commission not to even explore the idea of purchasing the building. He said the citizens are not in any way interested in the project.

Mayor Pro Tem Apodaca said that he has been called many names in his life and even more names through this issue. Mr. Apodaca then made a motion to cease participation in the property acquisition of the Wells Fargo Building and Commissioner Lumpkin seconded the motion. Roll Call:

Curnutt	Witcher	Apodaca	Lumpkin	Sandoval
Yes	Yes	Yes	Yes	Yes

Mr. Lumpkin said that it goes against his grain to say no to this measure. He feels as though all the questions are not yet answered. However, Mr. Lumpkin added that the citizens are getting what they asked for from the Commission.

Mr. Curnutt stated that he has spoken with many in his district and only one was in favor of looking at the building. Mr. Curnutt added that he feels the City should look at the building but he also wishes to honor the citizens in his district.

Mr. Sandoval said that he agrees with Mr. Lumpkin.

Mr. Witcher said that the numbers on the petition equate to one fifth or one quarter of the population, not all the citizens, meaning that not all the citizens have spoken. Mr. Witcher explained that he has never been in favor of this purchase but all the letter was intended to do was allow the option to be explored. Mr. Witcher said that he was personally offended by the innuendo that kickbacks might be a part of this venture. Mr. Witcher added that he too had concerns regarding mixing the City and County offices.

Mr. Richard Talley approached the podium and said thank you to the Commission; adding that it is not a personal issue. He said that it does not matter when it's what the people want.

Ms. Dowell approached the podium and also thanked the Commission. She added that the citizens have questions they want answered and she encouraged the officials to get out and talk to the people. Ms. Dowell apologized if she offended anyone. Ms. Dowell stated that she has lived in Tucumcari for over 50 years and has been recently called insignificant and referred to as a moron that runs around collecting signatures. Ms. Dowell turned to the audience and asked if anyone there would consider her a person that lies or spreads rumors. Audience members responded in the negative. Ms. Dowell stated that she has been impressed with how she has been treated by the City and complimented the demeanor of the City Clerk.

Mr. Lumpkin stated that if the ambulance service is privatized, he is certain that people in need of the service will not be turned away. Mr. Witcher added that he believes that is the law.

Ordinances and Resolutions

Mr. Dysart then presented Resolution 2011-44, a Budget Amendment Request for the DFA. Mr. Dysart explained that this is the final resolution regarding the 2010-2011 budget. Mr. Dysart said that the first page summarizes the changes and shows a \$1,200,000 deficit that he reported that to be 99% grant activity. Mr. Dysart asked for approval.

Commissioner Curnutt made a motion to approve Resolution 2011-44, a Budget Amendment Request for the DFA and Commissioner Lumpkin seconded the motion.
Roll Call:

Curnutt	Witcher	Apodaca	Lumpkin	Sandoval
Yes	Yes	Yes	Yes	Yes

Mr. Witcher asked for a time to reschedule the monthly Finance Meeting when Mr. Dysart will have everything done. It was decided to hold the meeting Friday, August 5 at 10 am.

Mr. Dysart then presented Resolution 2011-45, approving Modifications to the Fixed Assets Inventory. He explained that deletions to the inventory have not been done in a long time. Mr. Dysart stated that many of the items on the inventory list have been eliminated some time ago. Mr. Dysart said that some of the items have some value while others are items at the Waste Water Treatment Plant and have been plowed over in the construction of the new plant.

Commissioner Lumpkin made a motion to approve Resolution 2011-45 Approving Modifications to the Fixed Assets Inventory and Commissioner Curnutt seconded the motion. Roll Call:

Witcher	Apodaca	Lumpkin	Sandoval	Curnutt
Yes	Yes	Yes	Yes	Yes

Mr. Dysart then presented Resolution 2011-46, approving the final Budget for the 2011-2012 Fiscal Year. Ms. Rose stated that the Commission has gone over the budget several times and numerous work sessions have been held. She recommended approval of the resolution.

Mr. Apodaca stated that on July 14, 2011 the Commission voted on the first readings of Ordinances 1092, 1093, and 1094 increasing rates for water, sewer, and sanitation. Mr. Apodaca said that two readings are required to pass ordinances and the second reading has not yet occurred for these rate increases. Mr. Apodaca asked if the increased revenues from these proposed rate increases are included in the budget. Mr. Dysart responded in the positive. Mr. Apodaca stated that he felt the Commission would be putting the cart before the horse if they approved the budget which includes revenues from rate increases that have not yet been passed. Mr. Witcher stated that if the rate increase ordinances do not pass, then the budget can be amended and a new one submitted to the state. Mr. Witcher added that a balanced budget has to be submitted to the state by the deadline and this is the last opportunity to approve the budget before the deadline. Mr. Apodaca stated that he commended the effort to make each department self-supporting but he feels the rate increases are too much.

Ms. Rose detailed the history of the rate increases. Water rates for residential customers living inside the city went from \$11.60 in 2000 to \$12.60 in 2004, to \$12.60 in 2008, to \$13.61 in 2009 and are proposed to increase to \$14.11 with Ordinance 1092. Ms. Rose stated that base sewer rates for residential customers went from \$5.64 in 2004, to \$12.60 in 2006, to \$13.61 in 2010 and are proposed to increase to \$20 with Ordinance 1093. Ms.

Rose stated that garbage collection rates for residential customers went from \$11.53 in 2004, to \$12.53 in 2006, and are proposed to increase to \$16.53 with Ordinance 1094.

Commissioner Curnutt made a motion to approve Resolution 2011-46, approving the final Budget for the 2011-2012 Fiscal Year and Commissioner Lumpkin seconded the motion. Roll Call:

Apodaca	Lumpkin	Sandoval	Curnutt	Witcher
No	Yes	No	Yes	Yes

Mayor Pro Tem Apodaca stated that all Commissioners are required to sign the resolution approving the budget. He asked that each Commissioners vote be recorded on the resolution so that a true reflection of what happened would be reflected on the resolution. Ms. Rose stated that could be done.

City Manager's Report

Ms. Rose called on Mr. Charlie Sandoval to give a report on the recent happenings in the Water Department. Mr. Sandoval explained that some of the City wells have gone down because they have been running too hard and they have to be fixed. He stated that there are storage tanks that are in need of repair. Mr. Sandoval also explained that there have been problems with the some of the pump stations that have large motors and those motors have to be aligned. Mr. Sandoval stated that all these things need to be repaired and funds are needed in order to make the repairs. He suggested however, that the rate increases be given to the high end water users and not to families.

Mr. Witcher stated that he has received several calls from concerned citizens regarding their water being cloudy. He went on to say that this is only due to recent work on the water system which has resulted in air in the lines. Mr. Witcher stated that if people are concerned about the air in their water, they need simply to let the water sit for a while and the air will dissipate and the water will become clear again.

Ms. Rose then called on Chief of Police, Jason Braziel. Mr. Braziel explained that Ms. Rose asked him to investigate open containers and alcoholic beverage consumption at the Ball Park and the Golf Course. Mr. Braziel stated that City Code 9.04.040 prohibits drinking in public and disallows alcohol anywhere except places with liquor licenses. Mr. Braziel explained that the Golf Course used to have a liquor license but no longer has one due to the expense associated with the license. Mr. Braziel explained that there has never been a liquor license at the Ball Park. Mr. Braziel said that the only way to change this is to change the ordinance or to apply for liquor licenses at these locations and pay for the license.

Ms. Rose then reported that at the new landfill the construction and debris pit has now been surveyed. There is still room at the old landfill but it must be filled with only C&D since we made the move. The engineer stated it was in our best interest to prolong the closure of the old landfill as long as possible.

Regarding the Waste Water Re-Use project Ms. Rose reported that the Contract with NMSU is complete and the Feed Lot Contract is on the agenda tonight. Staff is working with the landowners for easements and we hope to have this for your approval at the next meeting.

Ms. Rose explained that she placed an email from Bill Fulgineti of the NM Municipal League in the Commissioners boxes concerning regional trainings on the Governmental Conduct Act. The scope of the act was expanded in 2011 legislative session applies to local government elected and appointed officials and employees. The trainings are free and the first one is scheduled for Tuesday, August 16th in Santa Fe. Mr. Fulgineti marked this as a high priority item. Please let me know if you would like to attend.

Ms. Rose then went over calendar items of importance to include the following:

- July 15, 2011 – Meeting with Carma Group- they are concerned about their intake structure and the easement encroachment permit not yet approved by ISC.
- July 19, 2011 – Construction Meeting at Wastewater Plant
- July 20, 2011 – Meeting with ISC in Alb.
- July 21, 2011 – Landfill Inspection – Mike Crepeau- Conference Call with English Byrd regarding Recycling and Sanitation Rates and projects
- July 22, 2011 - Cemetery Board Meeting
- July 25, 2011 – Meeting with Kirk Barnett regarding promulgation study –for electronic water meters
- July 26²⁰¹¹ - ENMRWA meeting in Clovis
Main Street Planning meeting
- July 29, 2011 - Ribbon Cutting Ceremony at Circa Espresso Bar – 1620 E. Rt. 66 Blvd.
- Aug. 3, 2011 - Heidi Henderson 1:30 – Will be bringing management as well as technical staff to the August 3 meeting. We hope to talk about the details of your public comment letter, our proposal, as well as the PER.

After we developed the Ruidoso TMDLs, our staff gave a presentation to the Lincoln County Commission to explain the TMDL, NPDES permit process, etc and we would be willing to give a similar presentation to your Commission on 8/11 if you would like.

- Aug. 4, 2011 10:00 ENRWA – Melrose
3:00 – 5:30 – Meeting with Hospital regarding EMS
- Aug 8, 2011 Main Street Meeting – Noon / EDC @ 5:00
- Aug 9, 2011 ISC – Albuquerque
- Aug. 11, 2011 Meeting with American Water
1:30 ENMRWA Groundbreaking @ Ute Lake
5:00 City Work Session
6:00 City Commission Meeting, Presentation by Heidi Henderson

Bids and Contracts

Ms. Rose presented the Tucumcari Feed Lot Reuse Water Agreement. Ms. Rose stated that the agreement has been reviewed and a few changes are recommended. On page one in the paragraph regarding volume and payments, the word each was added regarding the rate increasing each year. On page two in the paragraph about the term, it was added that the contract will begin after delivery of the treated effluent begins. Also on page two, in paragraph number four, the language was cleaned up to make it clear that there will be only one meter installed by the City. On page three, the word priority was added making it clear that the Feed Yard has no priority for water over any other customer. On page four, in paragraph nine, the word his was changed to its. Ms. Rose stated that she recommends approval of this contract.

Mr. Sandoval asked how long the term of the contract will be. Ms. Rose stated that it is a ten year contract. Mr. Apodaca asked if the Feed Yard was given a break on water rates previously. Ms. Rose responded in the positive. Mr. Apodaca stated that execution of this contract will decrease water revenues and wondered who will pay the difference. Mr. Apodaca stated that he supported the Feed Lot project and thinks Mr. Gable is a good man. However, Mr. Apodaca stated that the City donated land to the EDC who then donated it to Mr. Gable for his feed lot and the EDC paid for an environmental study and fencing for the project. Mr. Apodaca stated he feels it is time for the feed lot to go out on its own as the City has done enough for them. Mr. Apodaca expressed concern that the easements with the property owners whose land will have to be crossed in order to construct the line delivering the treated effluent to the feed lot are not even signed yet. Mr. Apodaca felt the easements should be completed first. Mr. Apodaca went on to say that he has no problem with delivery of the treated effluent to NMSU for its future and the research they will conduct. Mr. Apodaca explained that the main industry in this area is agriculture and the research done by NMSU will benefit Quay County and the State of New Mexico.

Mr. Apodaca made a motion not to support the contract to sell treated effluent to the Tucumcari Feed Yard. The motion died for lack of a second.

Ms. Rose explained that the Feed Yard contract is for 62 acre feet of treated effluent at a cost of \$72.58 per acre foot plus \$15 per acre foot for operations and maintenance. The total annual contract will be for \$5430 per year. The Feed Lot currently has a contract for \$8416 per year which equates to \$2.19 per 1000 gallons of water which is \$701 per acre foot. Ms. Rose went on to say that the contract that was signed with NMSU is for \$30 per acre foot with \$15 per acre foot for operations and maintenance. Ms. Rose stated that Mr. Apodaca is correct that there will be a revenue loss with the approval of this contract.

Ms. Rose also stated that she asked at an EDC meeting what the Feed Lot standing was with their contract with the EDC. The EDC board made a motion stating that the standing of the feed lot was good. Mr. Apodaca said that the EDC needs to understand that they work for the City.

Mr. Lumpkin made a motion to support the agreement as corrected for sale of treated effluent to the Tucumcari Feed Yard. Mr. Lumpkin explained that the gray water goes down the pipe and is not used or sold at this time. He added that it will be a good thing to be able to sell the gray water for \$87 an acre foot that we were getting nothing for in the past. Mr. Lumpkin added that the Water Department Superintendent just reported concern about the amount of potable water available and that we may be selling it to high end users for too little. The contract will free up water for other industry and economic development and Mr. Lumpkin stated that is a good thing. Commissioner Curnutt seconded the motion. Roll Call:

Lumpkin	Sandoval	Curnutt	Witcher	Apodaca
Yes	Yes	Yes	Yes	No

Ms. Rose then presented the CDM task order. CDM has a contract with the City for a total of \$168,813 to analyze the City reservation for 6,000 acre foot of Ute Lake Water. Currently they have approximately \$30,000 left in this contract. They are proposing to spend \$15,000 to determine the cost for Tucumcari to use the ENM intake structure.

Currently, the City has an agreement with Carma for 500 acre foot per year. The Ute Water Commission and ISC approved an intake structure at Twelve Shores. The City has worked with Carma to provide additional capacity for the City to get another 500 acre foot from this intake and to expand when necessary to pull 3,250 acre foot per year. This still will leave 2,750 acre foot per year that Tucumcari will need to investigate how to get out of the lake or determine if we are going to leave the water in the lake.

A meeting was held with Interstate Streams Commission last week and the only issue left unresolved is the need to go out for bids for the Carma intake structure for an encroachment permit. ISC must get authority from the NM Board of Finance to enter into an agreement that is longer than 5 years. We asked ISC to place this item on the NM Board of Finance meeting agenda for September to get this encroachment approved. We were told that they only want one intake structure.

When the Carma intake was approved, the City and County stated we would use the Carma intake structure until it was feasible for us to consider the ENM intake. We advised that the City of Tucumcari has been asking for information on the cost to use the ENM intake for over a year and we have not received any information. We can not make a commitment until we know the facts.

At this meeting Mr. Verhines had a rough draft of the costs and stated he would give this to us on that date but he did not. He stated he needed to discuss this with the ENM board and would do that at a special meeting on the 26th. I attended that meeting and it was not discussed and I was told they had a regular meeting on the 4th and the information would be given to us then. We have another meeting with ISC on the 9th to discuss the costs.

Since clear directions have not been given on this matter, I felt it essential for a vote of this Commission on the expenditure of this \$15,000. I recommend that it be approved so we can have costs prepared on behalf of the City to determine our alternatives.

Carma is getting very discouraged as they have invested a lot of money in Quay County and run into road blocks at the state level at every turn. My opinion is that ISC is holding our water hostage and if only one intake is approved, we may have no means to draw our water from the lake.

Jim Lafferty has been very involved in this process for years and certainly has a better understanding of the history. Mayor Witcher asked Mr. Lafferty to attend the ISC meeting on his behalf. I would like to turn this over to Mr. Lafferty for additional information.

Mr. Lafferty then reported that engineers and lawyers have been paid in relation to the Carma intake structure and it appeared that everyone was on board with the project. Then, Mr. Lafferty said there was a mix up with Logan regarding the direction of the pipeline. The ISC has expressed concern that all the parties are not getting along and whether two structures will be enough. Mr. Lafferty reported that the ISC will not approve anything until all the parties are getting along. Mr. Lafferty stated that the City failed to give clear cut direction on the intention for the Ute water. Mr. Lafferty recommended allowing CDM to study the costs and uses for the Carma Intake Structure. He suggested that the City allow CDM to move forward with specific instructions.

Mayor Pro Tem Apodaca stated that the options need to be kept open, we need to be good neighbors, and the City should be supportive of the other project. Mr. Apodaca then made a motion to approve the CDM task order. Ms. Rose stated that clear direction is needed and she would like that direction to be included in the motion. Mr. Apodaca clarified his motion by saying that CDM should provide information on the two options that were narrowed down from the original list of options.

Mr. Lumpkin stated that this could be viewed as non-cooperation with the Clovis/Portales project. Mr. Lumpkin said he thinks the Clovis group wants a pipeline and by law they have 16,000 acre foot allocation from the lake. Mr. Lumpkin said they also have some grant money for the construction of the intake structure. Mr. Lumpkin said the first step is to get the water to the Clovis/Portales area. Mr. Lumpkin speculated that in order to obtain more grant funds, the group said that Tucumcari and Quay County will want the water. Mr. Lumpkin said we were used as a sales point and that we will want to use their intake structure. Mr. Lumpkin explained that Carma's intake structure has four pipes each with a 750 acre foot pumping capacity that the City can use for no charge. Mr. Lumpkin stated that the ISC agrees that the other intake structure has more political power. Mr. Lumpkin also said that Estevan at the ISC has changed his mind saying the City cannot use the Carma structure without an easement. Mr. Lumpkin said the City is trying not to make the ISC angry, but at the same time work with everyone. Mr. Lumpkin said we are also trying not to impact our main industry; tourism. Mr. Lumpkin would like the Clovis/Portales group to start on their project at the Clovis end and the

City will have to take a hard stance in order to make this happen. Mr. Lumpkin asked if the City Commission ever agreed to use the structure.

Mr. Lafferty said he did not remember. However, he said the original intent was for there to be only one intake structure. With the development on the other side of the lake, Mr. Lafferty stated a second structure was planned. Mr. Lafferty stated that Carma agreed to pump 500 acre foot of water at no cost for the City and the rest of the expenses would be the City's burden. Mr. Lafferty cautioned that the City's 6000 acre foot allocation is not protected.

Mr. Lumpkin said he does not want the structure and he does not agree with the City and County being used as a sales point. Mr. Lafferty cautioned that Ms. Rose needs very clear direction from the Commission.

After some discussion regarding the exact wording of the motion, Mr. Apodaca amended his motion to be; Approve CDM task order to study the cost to construct, extract, maintain and operate both the ENM and the Carma intake structures in the amount of \$15,000 and to provide a comparative study to the City Commission. Commissioner Curnutt seconded the motion. Roll Call:

Sandoval	Curnutt	Witcher	Apodaca	Lumpkin
No	Yes	Yes	Yes	Yes

Ms. Rose then requested approval of the recommended bid for RFP 2011-002 for Emergency Ambulance Service. Ms. Rose explained that approval of the bid only authorizes the City to negotiate with the winning bidder and any contracts will have to come before the Commission for approval before being executed.

Commissioner Curnutt made a motion to approve the Superior Ambulance Bid on RFP 2011-002 for Emergency Ambulance Service and Commissioner Lumpkin seconded the motion. Roll Call:

Curnutt	Witcher	Apodaca	Lumpkin	Sandoval
Yes	Yes	No	Yes	No

Ms. Clara Rey then presented the three Capital Outlay Agreements with the New Mexico Aging and Long Term Services Agency. Ms. Rey explained that the first agreement is number 2012-1178 and is for equipment. The agreement is for \$7500 for capital outlay funds with no match. Ms. Rey stated that the funds will be used for equipment for the Tucumcari Senior Center.

Mayor Pro Tem Apodaca made a motion to approve the Capital Outlay Agreement 2012-1178 with New Mexico Aging and Long Term Services and Commissioner Lumpkin seconded the motion. Roll Call:

Witcher	Apodaca	Lumpkin	Sandoval	Curnutt
Yes	Yes	Yes	Yes	Yes

Ms. Rey then presented the Capital Outlay Grant Agreement number 2012-1179 with the New Mexico Aging and Long Term Services Agency. Ms. Rey explained that this grant is for \$22,500 with no matching funds that will be used to plan, design, renovate and equip the Tukumcari and House Senior Centers. The funds will be used to make the hood vents code compliant.

Mayor Pro Tem Apodaca made a motion to approve the Capital Outlay Agreement 2012-1179 with New Mexico Aging and Long Term Services and Commissioner Curnutt seconded the motion. Roll Call:

Apodaca	Lumpkin	Sandoval	Curnutt	Witcher
Yes	Yes	Yes	Yes	Yes

Ms. Rey then presented the Capital Outlay Grant Agreement number 2012-1180 with the New Mexico Aging and Long Term Services Agency. Ms. Rey explained that this is a grant for \$5300 with no match that will be used to purchase meals equipment at the Tukumcari and House Senior Centers.

Commissioner Lumpkin made a motion to approve the Capital Outlay Agreement 2012-1180 with New Mexico Aging and Long Term Services and Commissioner Curnutt seconded the motion. Roll Call:

Lumpkin	Sandoval	Curnutt	Witcher	Apodaca
Yes	Yes	Yes	Yes	Yes

Old Business

Mr. Dysart stated that the official Audit Report was provided to the Commissioners. Ms. Rose stated it is a good audit with few findings.

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

Sandoval	Curnutt	Witcher	Apodaca	Lumpkin
Yes	Yes	Yes	Yes	Yes

Mayor Witcher explained that a mistake was made at the last meeting with appointments to the Museum Advisory Board, however it has been resolved. The Mayor stated that one too many appointments were made to the Board, but one member has chosen to resign making the number of members appropriate.

Items from Commissioners

Commissioner Sandoval had no comments.

Commissioner Curnutt had no comments.

Mayor Pro Tem Apodaca had no comments.

Commissioner Lumpkin thanked those in attendance for coming to the meeting and encouraged the audience members to come to all the Commission meetings.

Mayor Witcher thanked those in attendance for coming to the meeting. He also thanked Former Mayor, Mary Mayfield for her attendance.

Adjournment

There being no further business, a motion to adjourn was made by Commissioner Lumpkin and seconded by Commissioner Curnutt. Time noted 8:00 p.m. Roll Call:

Witcher	Apodaca	Lumpkin	Sandoval	Curnutt
Yes	Yes	Yes	Yes	Yes

James L. Witcher, Sr., Mayor

ATTEST:

Christine Dougherty, City Clerk