

CITY OF TUCUMCARI
CITY COMMISSION SPECIAL MEETING MINUTES
March 14, 2012

The Tucumcari City Commission met in a special meeting on Wednesday, March 14, 2012, at 12:00 p.m. in the City Commission Chambers. Members present constituting a quorum were; Amiel Curnutt, Daniel Lopez, Robert Lumpkin, and Dora Salinas-McTigue.

City staff members present were Doug Powers, Interim City Manager; Christine Dougherty, City Clerk/Purchasing Agent; Dennis Dysart, Finance Manager; Vicki Strand, Human Resources Director; and Charlie Sandoval, Water Superintendent.

Mr. Curnutt led the group in the Pledge of Allegiance.

Ordinances and Resolutions

Mr. Powers thanked everyone for taking some of their time today to attend the special meeting. He introduced Resolution 2012-11, Authorizing and Approving the Submission of a Completed Application for Financial Assistance and Project Approval to the New Mexico Finance Authority. Mr. Powers explained that this resolution must be included with the proposal which has a deadline and due to travel plans of Commissioners, a special meeting was called to get this done in time.

Mr. Powers said that this is a drinking water application to the NMFA and Mr. Sandoval has been in discussions and found that 75% of the funds are available in the form of a forgivable loan, meaning it does not have to be paid back. The City qualifies for this due to 61% of our population in the low to moderate income range. The State has labeled Tucumcari a distressed community.

The project, according to Mr. Powers is ranked number one in the state. The 25% of the project that the City is responsible for will be in the form of a zero percent loan to be paid back over 20 years. The payment will be between \$18,000 and \$19,000 per year. Mr. Powers explained that this will address the need to replace the water storage tank at Five Mile Park and provide funding to replace old water meters with new radio read meters.

Mr. Charlie Sandoval explained that the system is a fixed base system that is very nice enabling meters to be read from City Hall. Mr. Sandoval also said that the water cooperatives can invest in repeaters and they too could be read from City Hall. Mr. Sandoval went on to say that the system will alert if there is a leak within four hours and the property owner can be contacted right away. Mr. Sandoval said this will help the City collect money owed and will be good public relations with the citizens as it currently takes a month to detect a leak.

Mr. Sandoval went on to say that the new tank will help with the blending of water from different wells. The new tank will be a 400,000 gallon tank and currently when the power goes

out, the west end of town has to rely on the storage in a 200,000 gallon tank and can run out of water quickly. Mr. Sandoval said this is a project he has been looking to get completed for five years.

Commissioner Lumpkin stated that he is 100% for this project; however this type of technology requires fewer people and he would like to see the City absorb the people that will not be required with the new system. Mr. Lumpkin said he does not want to see anyone lose their job.

Mayor Curnutt asked if data exists on the life of the radio read meters. Mr. Sandoval said he has not seen that data but explained that the new meters are magnetic and have no moving parts and are guaranteed to be 98% accurate for 20 years. Mr. Sandoval stated that the meters currently used by the City are guaranteed to be 90% accurate for 10 years. Mr. Sandoval said that the City needs to recuperate the funds spent on water production.

Commissioner Lopez asked if the meters are read via satellite, radio or a hard line. Mr. Sandoval responded that there is a radio on the meters and a fixed base at City Hall. Mr. Sandoval also said there will be a satellite on the water tank on Eleventh Street. Mr. Dysart explained that the system will transmit data to a server in Denver and then goes online.

Commissioner Lopez asked if staff will be required to interpret the data and if so, will they be trained. Mr. Dysart responded in the positive. Mr. Sandoval responded that the training is included in the cost of the meters. Commissioner Lopez asked about maintenance costs and repairs. Mr. Sandoval said that the meters are guaranteed for 20 years and the radio is guaranteed for 10 years. Commissioner Lopez said he is all for the project he just wanted to check as upgrades usually equate to more costs. Mr. Sandoval agreed stating that the billing software used by the City costs about \$10,000 every ten years to upgrade but added that the Sensus metering system is a very pro-active system.

Commissioner Salinas-McTigue asked if training will be included in the price of the meters. Mr. Sandoval responded in the positive. Mr. Dysart added that Sensus has already tested our database for compatibility. Ms. Salinas-McTigue asked if training will be provided for staff. Mr. Sandoval responded in the positive saying that the company is very user friendly and provides good training. Ms. Salinas-McTigue asked if Mr. Sandoval thought the company will be around in 20 years when the warranty expires. Mr. Sandoval responded in the positive explaining that the company used to be Rockwell and is the oldest and most dependable company.

Mr. Dysart added that crew and office staff will still be required for new customers and shut off of service but he looks to future radio controlled ability to turn on and off the service.

Commissioner Lopez asked if staff recommends this system. Mr. Sandoval and Mr. Dysart both responded in the positive. Mr. Powers stated that the tank that will be replaced is 73 years old. Mr. Powers asked Mr. Dysart what he anticipated the annual savings to be from the new system and tank. Mr. Dysart responded that he anticipated an annual savings of \$30,000 for the meter reader position and the travel back and forth to properties. Mr. Dysart went on to say that two major problems exist; we are unable to audit the water loss and the existing meters are between

15 and 35% inaccurate. Mr. Dysart speculated that revenues will increase between 12 and 15% which is around \$175,000.

Commissioner Lumpkin stated that when his meter was replaced with a new one his bill increased as it was more accurate. Mr. Sandoval concurred explaining that the old mechanical meters get sand in them and they slow down but this will not happen with the magnetic meters.

Mr. Sandoval also explained that large meters like those used at motels are difficult to install but should be easier with the new meters. This will be advantageous as many of the motels have meters that are 20 years old. Mr. Powers stated that the RAD Water Cooperative meter was replaced a few years ago and it was found to be losing 30%.

Commissioner Lopez stated it would be foolish not to proceed and stated he has confidence in Mr. Sandoval's expertise. He asked Mr. Sandoval if he has any concerns. Mr. Sandoval responded in the negative saying this is going to be a plus for us.

Commissioner Salinas-McTigue stated that the Commission does not want to hear that this was a mistake or that there is a problem. Mr. Sandoval stated that he can't make any promises but with his years of experience he feels this is a good move.

Mr. Powers stated that this project is a total application of \$1,579,000 with an anticipated City match of 20% which is \$394,000. The loan payment will be \$18,750 per year.

Commissioner Lopez made a motion to approve Resolution 2012-11 Authorizing and Approving the Submission of a Completed Application for Financial Assistance and Project Approval to the New Mexico Finance Authority and Commissioner Salinas-McTigue seconded the motion. Roll Call:

Curnutt	Lopez	Lumpkin	Salinas-McTigue
Yes	Yes	Yes	Yes

Executive Session

Commissioner Lumpkin made a motion to convene in Executive Session to discuss matters as provided for under New Mexico Statutes 1978 Pertaining to Open Meetings Referencing Section 10-15-1 H(8) for the discussion of purchase, acquisition or disposal of real property or water rights by the public body and Commissioner Lopez seconded the motion. Roll Call:

Salinas-McTigue	Curnutt	Lopez	Lumpkin
Yes	Yes	Yes	Yes

Time noted 12:25 p.m.

Commissioner Lumpkin made a motion to reconvene after Executive Session where the only matters discussed were as provided for under New Mexico Statutes 1978 Pertaining to Open Meetings Referencing Section 10-15-1 H(8) for the discussion of purchase, acquisition or

disposal of real property or water rights by the public body and Commissioner Lopez seconded the motion. Roll Call:

Lumpkin	Salinas-McTigue	Curnutt	Lopez
Yes	Yes	Yes	Yes

Time noted was 1:20 p.m.

Adjournment

Commissioner Lumpkin made a motion to adjourn the meeting and Commissioner Lopez seconded the motion. Time noted: 1:21 p.m. Roll Call:

Lopez	Lumpkin	Salinas-McTigue	Curnutt
Yes	Yes	Yes	Yes

Amiel Curnutt, Mayor

ATTEST:

Christine Dougherty, City Clerk