

CITY COMMISSION
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
Tuesday, February 28, 2012

REGULAR MEETING

Minutes

TIME & PLACE: The Mayor and the City Commission of the City of Truth or Consequences in the County of Sierra and State of New Mexico met in Regular Session in full conformity with the law and ordinances of said Commission in the Commission Chambers of said City, on Tuesday, February 28, 2012 at 6:00 P.M.

PRESIDING OFFICER: The meeting was called to order by Mayor Pro-tem Renfro who presided and Mary B. Penner, City Clerk acted as Secretary of the meeting.

ATTENDANCE: Upon calling the roll the following Commissioners were reported present:

Hon. Evelyn Renfro, Mayor Pro-tem
Hon. Steve Green, Commissioner
Hon. Freddie Torres, Commissioner

Absent was:

Hon. Lori Montgomery, Mayor

Also present:

Juan Fuentes, City Manager
Jay Rubin, City Attorney
Mary B. Penner, City Clerk

QUORUM: There being a quorum present the Commission proceeded with the business at hand.

CEREMONY: Mayor Pro-tem Renfro called for fifteen seconds of Silent Meditation.

Mayor Pro-tem Renfro called for the Pledge of Allegiance with Commissioner Green leading the Pledge of Allegiance.

APPROVAL OF AGENDA: Mayor Pro-tem Renfro called for approval of the Agenda.

“Commissioner Green stated he moves for removal of H-3 from the agenda.”

Seconded by Commissioner Torres.
Motion carried unanimously.

RESPONSE TO PUBLIC COMMENT:

None.

COMMENTS Mr. Daryl Conley Representative for the T or C Moose Lodge came

FROM THE
PUBLIC:

before the Commission with comments.

Mr. Steve Barszcz came before the Commission with comments, and provided information for the record.

Ms. Sophia Peron came before the Commission with comments.

Priscilla Mullins T or C Police Chief and Officer George Lee School Resource Officer came before the Commission with comments.

Mr. Audon Trujillo came before the Commission with comments.

Mr. Ron Fenn came before the Commission with comments, and provided information for the record.

CONSENT
CALENDAR:

Mayor Pro-tem Renfro stated they have one item under the Consent Calendar – City Commission Minutes – Regular – 2/14/2012.

“Commissioner Green moved approval of the Consent Calendar as presented.”

Seconded by Commissioner Torres.
Motion carried unanimously.

DRAFT
MINUTES:

Mayor Pro-tem Renfro stated the following are draft minutes from various boards provided to the Commission for their information, and are non-action items.

BOARD &
COMMITTEE
REPORTS:

None.

PUBLIC
HEARINGS:

None.

OTHER
BUSINESS:

Consider/Approval – Review/Acceptance of the FY2011 – Audit Report –

City Manager Fuentes stated we have a representative from the Accounting & Consulting Group that will give an overview of the Audit for the FY-2011.

Mr. Ray Roberts with the Accounting & Consulting Group came before the Commission, and stated they have 7 offices throughout the State. He indicated this is our first year back, and stated they did the T or C audit several years ago, and that they have been treated very good, very professionally by all the staff, and Juan and his team was very helpful to us and cooperated and was transparent in everything he did with us.

And just highlights of the financial statements, and indicated you can call me if you have questions later on any of the report, and some good information in the first part where it’s called the government wide...it will give you some ideas about all your revenue and expenses by category, and in the notes to the financial statements that will give you a detailed about who owes you money...where all your money is and also who you owe money...

all your leases, and stated you made a great progress in that area. Current Assets and that's items that will turn our cash or will turn into cash within a years-time...it's an accounting term...Current Assets and its 8.6 million dollars. Current Liabilities are items that you're spend cash on within a year and that's 1.7 million dollars so that spreads very well, and stated you have done a great job with your budget...watching your money because you don't know what the financial resources are from the State and the County anymore but you have to watch your money because the revenue you had this year went down from the year before and it continues to go down, and the money is tight, and so you're doing the prudent thing by watching your money and not spending as much now when it is so unknown what's going on...and should be congratulated on that.

He stated the budget area which you guys manage the day to day operations from...no findings related to the budget...you guys manage that real well and had no problems in that area, and stated it is a pleasure to be here and do part of an audit like this.

Mr. Roberts stated the main thing our purpose in life is as auditors...is 115 pages, and really we only have responsibility for 6 pages of this report, and those are the reports or opinions that we give. And stated the first one is on the financial statements themselves, and that means you had an unqualified opinion...that means you're following all the rules...that's the highest rating that you can get...the next thing is as it relates to internal controls...now internal controls are all the checks and balances that entities have...approval processes and dual signatures...that type of stuff...we don't give an opinion on that, but we look at it enough to do our regular audit, and if we find anything we'll tell you about that, and stated those findings are reported in the back of the report, and were discussed in detail at the exit conference with the staff, and the commission. And stated the last part is...this year you had a single audit which you spent more than a half of a million dollars of Federal Funds...I think it was five hundred and eighty million dollars specifically, and the majority of that was on highway funds, and se we had to look at that highway project in great detail to make sure that you followed all the Federal Rules...in that case we give an opinion that you were in compliance with all the Federal Rules. And stated the way I look at it you did 3 for 3...you're reports were great, and that it was a pleasure working here, and I will entertain any questions you might have.

Commissioner Torres stated it is nice to hear something nice.

Commissioner Green – Question to Mr. Roberts...how long is municipality required to keep records of a financial nature such as this. Is there a rule...and the reason I'm asking is because you have generously, and I'm referring to...on page 7...The firm will make available to the finance director designee when convenient copies of the firm audit work papers upon completion of the audit, and the firm will also allow the City to have access to all the City's financial data files contained in the firms computer software, so it seems like you've taken everything and condensed it on one disk, and from a storage stand point...it's much easier to deal with that than reams of paper, and it's something we can access if we have to go three years from now go back to this budget year.

Mr. Roberts – You're talking about our records and our work

papers...we have that and we'll keep that for 7 years, and then that is destroyed after 7 years, and stated and we do not in any way shape or form have every document that the City has...we have a lot of the documents and a lot of key documents, and copies of certain agreements, certain large checks, and invoices, but we don't have every...anywhere close to every document that the City has, but we know where all the numbers came from for the numbers that are in this report for the next 7 years.

Commissioner Green – So if the manager wanted to we could take advantage of your generous offer and get a copy of what you do have.

Mr. Roberts – You bet...not a problem at all.

“Commissioner Green moved acceptance of the 2011 Audit Report.”

Seconded by Commissioner Torres.
Motion carried unanimously.

Consider/Approval – Awarding of Annual Financial Audit Services Contract for FY ending 2012 –

City Manager Fuentes stated last year when the City issued a request for proposal it was a multi-year RFP for auditing services, and indicated the City did approve and awarded Accounting & Consulting Group the multi-year contract. He stated the Office of the State Auditor does require the municipalities to annually review and accept and award the following fiscal year and audit services contract.

He stated in your packet you have some of the information that Commissioner Green referred to that was used for last year's recommendation, and indicated this will be the second year of a three year award, and the cost for the FY 2012 audit is about \$48,450 excluding GRT, and stated it is staff's recommendation to award the FY end 12 annual financial services audit to Accounting & Consulting Group.

“Commissioner Green moved the awarding of the annual financial audit service contract for FY ending 2012 to the A& C Group.”

Seconded by Commissioner Torres.
Motion carried unanimously.

Consider/Approval – Amended JPA – SCRDA -

City Manager Fuentes stated Barbara from SCRDA as well as Captain Morgan from the Police Department who will be addressing this item.

Ms. Barb Schalkofski with SCRDA came before the Commission and stated before you is the JPA that actually begin in 1996, and basically they have an amendment, and stated that the Village of Williamsburg requested that we take off the \$1,000 of in-kind services and put in back toward the SCRDA budget, but they requested that the JPA be changed for that as well as...there was one section in there that DFA requested that we specifically put the language in that Sierra County is the fiscal agent. And indicated as

far as the City of T or C nothing has changed in it, but requesting the City's signature and forward to DFA.

“Commissioner Green moved for approval of the amended JPA between the City of Truth or Consequences and SCRDA.”

Seconded by Commissioner Torres.
Motion carried unanimously.

Consider/Approval – Recommendation of Award – Old Armory Electrical Upgrade Project –

City Manager Fuentes stated that the City was awarded a grant back in 2009 from the State of NM Children Youth and Families Department to renovate the old Armory which is currently housing the Domestic Abuse Program.

He stated the grant was partially used for some small improvements in the facility such as carpeting, painting, heating and cooling units, and indicated there was a remaining balance of approximately \$26,000, and one of the projects that was recommended for this grant was to upgrade the electrical system, and stated they issued a task order to WHPacific to finalize the contract documents and bid documents for the electrical upgrade project.

City Manager Fuentes stated on last week...February 21st the City opened the bids for this project, and indicated the lowest bidder was Ace Electrical, and that the base bid was \$16,473.29 plus GRT which totals to about \$17,770.56, and stated that is within our existing grant balance which will cover, and staff is recommending that the award for the old Armory electrical project be awarded to Ace Electrical.

Mayor Pro-tem Renfro thanked City Manager Fuentes for having the letter of recommendation from WHPacific attached, and that she appreciates that.

“Commissioner Torres moved to award the bid to Ace Electrical for the electrical upgrade project for the old Armory for the total amount of \$17,770.56.”

Seconded by Commissioner Green.

Commissioner Green asked when does this money have to be expended by.

City Manager Fuentes stated the money has to be expended by June 30th of this year.

Commissioner Green stated we will be left with a balance of about \$8,300, and asked do we have some legitimate project that we can use up this money by the end of June so we don't have to send it back.

City Manager Fuentes stated I will be meeting with staff to see

what else we can do to the building so we do not have to lose that money...so our goal is to use all the funding.

Motion carried unanimously.

Consider/Approval – Recommendation of Award – Water Storage Tank Rehabilitation Project –

City Manager Fuentes stated this is the water rehabilitation project for the two storage tanks funded through the Water Trust Board, and stated on February 21st the city opened the bids for this project, and that the lowest bid was from Luckinbill Enterprise LLC, and that WHPacific is recommending awarding the bid to the company, and stated the base bid is \$781,815, and that there is an additive bid to this project, and stated that is for the piping modifications since we are not rehabilitating the tank at Tank Hill, and that the additive bid is \$93,921 with GRT for total cost of the project \$944,700, and stated the available funding as you are aware is approximately \$1,500,000 of which of that is \$226,000 is engineering, and that it still leaves us around \$480,000 that could be used for contingency as we move forward with the first two tanks for the rehabilitation project, and stated the remaining balance of this grant project will be used for the Cook Street Booster Station project.

He stated included in your packet you have the recommendation letter from WHPacific, and indicated he received a message from Tom Knowlton from WHPacific...and stated this project has to be reviewed and approved by the NM Environment Department, and as of today they are still reviewing the documentations. And stated Mr. Knowlton did recommend that if the Commission approve it that it be a conditional approval based upon the final review and acceptance by the NM Environment Department, and once that is approved then the contracting documents will be finalized.

“Commissioner Green moved approval of the bid award of the Water Storage Tank Rehabilitation Project to Luckinbill Enterprise LLC.”

Seconded by Commissioner Torres.

Commissioner Green stated in the bid...I understand the start date is contingent upon the approval, but was there any idea of how long this will take and any projected completion date.

City Manager Fuentes stated I’m not sure if in the letter it includes a time frame for completing this project but I will look into that and get back to you.

Commissioner Green stated there is going to be some metal replaced, and since we have ways to recycle metal and sell it... there talking about some of the things...the paint chipping that they will be responsible for hauling away, but I would like to see all the metal that they are replacing given back to the City...we can sell it, and make a couple of bucks on it...why should they have that opportunity when we can have it.

He stated on the NMFA PPRF Loan of \$155,000...how long is that loan for, and the City funds of \$155,000 has that been money that we’ve already set aside...or is that going to be put in next years...

where is that \$155 coming from.

City Manager Fuentes stated the City's match to the 155 in the current fiscal year budget included \$115,000, and that we already started spending some of that money with the engineers with the design and the contracting documents, and the \$155,000 from NMFA from the loan...and remember it is not only an interest loan, and I believe it was a 30-year loan so that will be if we don't spend all of it this fiscal year the balance will be carried over into the new fiscal year. And stated we will be starting the budget process for the next fiscal year within the next month, and staff will be given the documents to prepare that so by April if the Commission has a work session to review it we will have some balances of those grants that will be carried over into the new fiscal year.

Motion carried unanimously.

None.

OLD BUSINESS:

CITY MANAGER – No Report.

REPORTS –

CITY ATTORNEY – No Report.

COMMISSIONERS –

Commissioner Green stated he would like to remind the public that our recycling yard is now open 24/7, and take your recyclables South of town and drop them off in the appropriate bins.

And asked the City Manager if you might find some time to maybe come up with some bullet points on some of the major issues that the new commission will be addressing right from the get go with back-up information so that everyone can do their homework and hit the ground running, and thinks the newly elected officials would appreciate that.

Commissioner Green stated it seems that when I made the motion when we were talking about...two weeks ago about the Airport property and the shortening of the runway it seems that there has been a misunderstanding of what we did vote on...**there is no done deal...there is no slam dunk...there is no 3 point conversion...the game is just beginning...it is not over with.** And stated all we voted for was to start a process, and I think that's where a lot of the people...I'm getting calls on think that we have shortened the runway already and have signed a lease...**nothing has happened...** we have agreed to move forward, and I really want that point to be understood, and it's kinda like the dominos...at the end of the dominos...the last domino is the FAA...**if they don't approve what we are attempting to do...if we can work it out...and a lot of steps between here and there...it's not gonna happen,** and stated the ultimate decision is with the FAA...that we're dealing with the City, Planning & Zoning, FAA, Airport Advisory Board, WHPacific Engineering Consultants, land appraisal...I want the citizens to know that this Commission and the new commission is going to do everything in its power to protect this City and these

citizens...we are not giving the farm away, however I think everyone wants to have development that is appropriate...that is real, and generate some jobs and some GRT, and I just wanted to, and if my motion was a little convoluted I do apologize...but my phone has not stopped ringing because of the misunderstanding that it was quote **“a done deal”...nothing could be farther from the truth.**

Commissioner Torres – No Report.

Mayor Pro-tem Renfro stated this will be my last meeting that I will be attending, and I would like to thank the citizens of Truth or Consequences for having given me the opportunity to serve them. And I think I probably or we as the Commissioners made a lot of the people happy...there are some that have been un-happy, but we can't always please everybody, and opinions vary so...I want to thank the city employees...some of them are very close and dear to my heart...I want to thank the City Clerk, and thank Mr. Fuentes, our City Attorney, and thank our commissioners, and I want to wish Mr. Green and Mr. Torres the very best in the future, and for the new ones that are elected, and hoping that you get elected, and for the others that get elected I wish them the very best and hope they have a successful term.

Commissioner Torres stated he enjoyed working with Evelyn.

City Attorney Rubin stated he would also like to comment, and he thinks you've done a really good job in running the meetings these last few months...good job.

EXECUTIVE
SESSION:

“Commissioner Green moved that the meeting be closed for Executive Session pertaining to A. Pending or Threatened Litigation 10-15-1H(7) – Toomey vs. City of T or C.”

Seconded by Commissioner Torres.

Commissioner Renfro responded Aye to a Roll Call Vote
Commissioner Green responded Aye to a Roll Call Vote
Commissioner Torres responded Aye to a Roll Call Vote

Motion carried unanimously.

OPEN MEETING:

“Mayor Pro-tem Renfro stated that the Commission was now in Open Session.”

CERTIFICATION
:

“Commissioner Green certified that only matters pertaining to A. Pending or threatened Litigation 10-15-1H(7)” was discussed in Executive Session, discussion followed and no vote was taken.”

Seconded by commissioner Torres.

Motion carried unanimously.

“Commissioner Green moved to authorize City Attorney Rubin enter into a mediation discussion with Deborah Toomey as per Judge Sanchez recommendation.”

Seconded by Commissioner Torres.

Motion carried unanimously.

ADJOURNMENT: There being no further business to come before the Commission the meeting was adjourned.

APPROVAL: PASSED AND APPROVED this _____ day of _____, 2012 on motion duly made by Commissioner _____, seconded by Commissioner, and carried.

EVELYN B. RENFRO
MAYOR PRO-TEM

ATTEST:

MARY PENNER
CITY CLERK