

**CITY COMMISSION**  
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO  
Friday, June 21, 2013

SPECIAL MEETING

**Action 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 Special Session in full conformity with the law and ordinances of said Commission in the Commission Chambers of said City, on Friday, June 21, 2013 at 4:00 P.M.

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

Mayor Mulcahy stated before we begin there was a citizen complaint about the notice on this, and I believe that citizens complaint has been withdrawn, so is there anyone here that is concerned about due notice on this meeting.

Seeing none let's begin and have a meeting.

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

Hon. John Mulcahy, Mayor  
Hon. Sandra Whitehead, Mayor Pro-tem  
Hon. Steve Green, Commissioner  
Hon. Mike Kertesz, Commissioner

Absent was:

Hon. Jeff Richter, Commissioner

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 Mulcahy called for the Pledge of Allegiance.

**NEW BUSINESS: DISCUSSION/ACTION – AWARDING OF CONTRACT FOR ENGINEERING SERVICES; REGARDING THE WASTE WATER TREATMENT PLANT:**

City Manager Fuentes stated what I'd like to do is start this discussion, and I will have a brief overview of our funding efforts that I'd like to share with the Commission. And stated this is one of the application's that we have submitted, and it's the second one in regards to this project, and I want to give everybody a sense of what staff is doing, and what we're trying to accomplish in regards to this project.

And indicated Bill will share with everyone a timeline on this particular project in regards to the Waste Water Treatment Plant that leads into the contract.

City Manager Fuentes stated what he wanted to share with the Commissioners, and this is an estimated \$9 million dollar project, and we're trying to reach out to as many funding agencies as we can. And stated we already applied for the NMFA Colonias Program which the grant applications were submitted in March, and the awards were in June, and as I reported to the Commission it was unfortunate but we did not receive any funding. And that was a grant application so we're gonna go after the USDA Grant funds which is the reason we are here today, and their applications are due in early July...so we want to submit all the required documents, and we're not sure when the award is going to be.

He stated there is two other funding agencies that are out there; the NM Environment Department Clean Water State Revolving loan program...but again that is a loan program, and there is also the NM Finance Authority Public/Private Revolving loan program...again another loan program, and we have the NM Legislators State Appropriation Funds, and stated that won't be available if we get any until January of 2014.

City Manager Fuentes stated this project because of the size of it...\$9 million dollars we don't expect one funding agency to completely fund the full amount so it's going to require going after different applications from different agencies to try and pull as much money as we can to do this project...so the financing alone is going to take a year to a year and a half to get it accomplished. And referred to the power point to share some of the projects that were funded by the NMFA Colonias Grant Program, and we submitted an application for \$8 million dollars, and the largest award was in the neighborhood of \$1.5 million dollars, and indicated a lot of these communities are Colonias that fall with-in that 150 mile radius. He stated it is not un-common that 8 entities were seeking large amounts of money that are gonna have to pull from different sources, and this is what we're trying to accomplish here, and that this is a long-term project.

Mr. Bill Sletton, Community Development Director came before the Commission, and indicated we started last year with the PER for the Waste Water Treatment Plant Improvements, and referred to a document that was presented in a draft form late last year, and then the final form in January. And in January Mr. Dave Laughlin made a presentation on the PER before the Commission, and also in January on the 22<sup>nd</sup> before the PUAB we held a formal hearing that is required by USDA as part of this application. And that part of our submission is we have to supply them with the notice, sign-in sheet, and with the verbatim minutes, and all of that is ready to go. In April we received the environmental assessment in its final form, and on May 17<sup>th</sup> everything was falling in to place for us to advertise the RFP for the engineering services, and indicated that RFP went out May 17<sup>th</sup>, and the proposals were opened June 18<sup>th</sup>...so here we are today to accept the proposal and the contract, and stated one of the reasons why this is getting very compressed is we're required to submit approved minutes, and we want to have that accomplished by the time we submit...by July 3<sup>rd</sup> is our date that we're gonna try to get our application in to USDA.

Manager Fuentes stated since we are required to submit the approved minutes as well...I believe they are on the draft agenda, and Mary will go back and when she types them will e-mail them, and provide them as soon as she can so they can be included on the agenda for Tuesday's meeting. And the bulk of the contract before you is a standard form contract that is required by USDA, and that the project itself we cannot move forward until we have secured the funding.

Mr. Laughlin came before the Commission, and explained in the PER we presented a section that discussed how the plant would be potentially constructed

in phases if necessary, and then I elaborated on that after the PER for the NMFA Colonias Program on what the cost for each of those phases would likely be, and as Juan indicated we'll know with-in the next 2-3 months whether or not we have to move to a phased approach based on the feed-back we get from USDA because USDA is going to be the primary funding mechanism for this project, and USDA is one of the only agencies that for a lack of better term continues to have funds available for all communities, and so they are going to be the primary funding mechanism so depending on what feed-back we get from them based on our application that will send us down one of two paths...either (A) hopefully we're gonna be able to construct the entire project, or we have to go in the phased approach, and if we have to go in the phased approach the cost that I gave Juan... phase 1 will probably cost between 4 and 4 ½ million, and the problem with the phased approach is that then with-in 5-10 years you'll have to do phase 2, and phase 2 will cost another 3 ½ million dollars, and so this whole funding process has to be done again.

City Attorney Rubin stated there is one additional provision that we wish to insert, but the rest of the contract I felt was fairly drawn up, and something to our advantage to pursue.

Commissioner Kertesz – On page 1 – Professional Services 2<sup>nd</sup> paragraph... Engineer shall provide Engineering Services to facilitate design and construction of wastewater treatment plant (WWTP) improvements, and after the word improvements I would like to insert **as represented in the preliminary engineering report of September 20<sup>th</sup>, 2012**...which is the one that Mr. Sletton referred to. The project will increase the capacity of Truth or Consequences WWTP etc.

City Attorney Rubin – I recommend we approve that language.

Commissioner Kertesz – This ties the PER to the contract.

City Attorney Rubin – And we spoke with Dave, and you told us earlier from your stand point that was acceptable...Yes.

“Commissioner Kertesz moved that we accept this Professional Services Contract with the amendment as previously described...2<sup>nd</sup> paragraph on the first page of the Professional Services...Engineer shall provide Engineering Services to facilitate design and construction of wastewater treatment plant (WWTP) improvements, **as represented in the preliminary engineering report dated September 20<sup>th</sup>, 2012**. The project will increase the capacity of Truth or Consequences (WWTP) from its existing 1.06 MGD average flow to a new average daily flow of 1.3 MGD...that incorporates the changes.”

Seconded by Commissioner Green.  
Motion carried unanimously.

Ms. Pat Wood Procurement Officer came before the Commission, and stated this needs to be part of the minutes the RFP number was 13-14-6103-0513-599 Wastewater Engineering Services, and stated they opened on June 18<sup>th</sup>, and only received one, and that the committee made a recommendation to award the contract.

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

APPROVAL: PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2013 on motion duly made by Commissioner \_\_\_\_\_,

seconded by Commissioner \_\_\_\_\_, and carried.

\_\_\_\_\_  
JOHN A. MULCAHY, MAYOR

ATTEST:

\_\_\_\_\_  
MARY PENNER,  
CITY CLERK