

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION SPECIAL MEETINGS (BUDGET HEARINGS)
2:00 P.M. AT FIRE STATION NO. 5, 1492 SO. FLORIDA AVENUE
MINUTES FOR MAY 14, 15, 16, and 17 2007**

**MAYOR DON CARROLL
MAYOR PRO-TEM RON GRIGGS
COMMISSIONER INEZ MONCADA
COMMISSIONER ED COLE
COMMISSIONER MARION LEDFORD**

**COMMISSIONER CHRIS LUJAN
COMMISSIONER STEVE BROCKETT
CITY MANAGER PAT McCOURT
LEEANN NICHOLS FINANCE DIRECTOR
CITY CLERK RENEE CANTIN**

MONDAY, MAY 14, 2007 - 2:00 P.M.

Call Meeting to Order and Roll Call.

Meeting was called to order at 2:04
Commissioner Moncada was absent.
Commissioner Moncada joined the meeting at 2:10 p.m.

ITEM #1: Approval of an agreement with Mesa Verde Enterprises, Inc. for re-construction and stabilization of Abbott ditch and Alley.
Recommendation: Approve the agreement.

Mr. McCourt announced that we have all of the numbers in and everything is complete. Mark Threadgill, Operations Analyst announced that all issues have been resolved and the copy that is in your packet is the final contract. Mr. Threadgill notified the commission of the sixty day timeline.

Commissioner Cole moved to approve the agreement with Mesa Verde Enterprises, Inc. Commissioner Brockett seconded the motion. Motion carried by a vote of 7-0-0.

OVERVIEW OF FY07 BUDGET:

**Overall Funds
 Current Year Projections
 Restricted Funds
 Unrestricted Funds
 Major Fund Highlights**

Ms. Nichols reviewed the agenda. The preliminary budget is due June 1st. Final is due to the Department of Finance & Administration by July 30th. Ms. Nichols gave an overview of the budget, along with the projections for the next fiscal year.

Recessed at 3:20 p.m. Reconvened at 3:30 p.m.

Mr. McCourt clarified the overstated Gross Receipts Tax (GRT) revenues for FY06. We have over projected a 5% increase for FY 07. Ms. Nichols will do a GRT spreadsheet with the differences.

PERSONNEL SERVICE LEVELS – Betsy Keller, Personnel & Safety Manager

Personnel Changes
Benefit Changes
Union Negotiated Changes
Classification Schedules

Ms. Keller announced that she handed out the pages with the staffing levels for all departments that include the staffing level changes. Ms. Keller reviewed the narrative that begins on page P-1 of the budget.

The actual employee increase request is for 6 additional people and a 7.29 FTE increase in positions over last year. We went from 443 positions to 449.

Discussion was held regarding merit raises and the 5% merit increase that is included in the budget.

Municipal Courts requests were discussed. Ms. Keller mentioned that they would get the regular COLA and they are asking for \$1.00/hour raise and other performance increases. Ms. Keller said they are not included in our classification, they are operating independently. Mayor Carroll is not sure about giving the COLA, the merit, and another dollar an hour. We need to remember this is a recurring cost.

The Commission recessed at 5:14 p.m. and will reconvene on Tuesday, May 15, 2007 at 2:00 p.m.

TUESDAY, MAY 15, 2007 - 2:00 P.M.

Meeting reconvened at 2:05 p.m.
Commissioner Chris Lujan was absent.

OUTSIDE AGENCIES/CONTRACTS:

- **Municipal Court 2:00**
- **Zia Therapy 2:30**
- **Promotions Board 3:00**
- **OCEDC & Chamber 3:30**
- **Golf Course 4:00**
- **Other?**

Municipal Court – Judge Steve Lee and Rhonda Baldonado. Page 44-47

Judge Lee mentioned the first thing he would like to do is remove his request for the \$1.00/hour increase. They are satisfied with the standard COLA and merit increase. It appears they may get an additional \$20,000 for Court Automation. \$32,000 is currently budgeted, but they are expecting additional funds.

Discussion was held about the docket cases increasing.
Mayor Carroll thanked them and the staff.

Zia Therapy – Joe Hardin, Director, Sharon Gilsdorf CFO, Becky Lane, Marketing and Development Director. Page 138

Mayor Carroll mentioned that the projected budget was \$69,450 which is a \$2,000 increase or 3%. They're requesting the \$72,000 to run at full capacity. Right now they have a 2 hour gap. They are running at 9 hours and would like to run 10 hours per day. Annual ridership is 36,433 just in the City. The total cost per hour is \$27.41 to run. Operating cost is \$18.92. Ms. Gilsdorf thanked the Commission for the match they provide she detailed how this worked.

Mayor Carroll announced that they are requesting \$72,000. \$69,450 is in the budget right now. Mr. McCourt mentioned that he can certainly see the need for the increase

The recommendation by Mayor Carroll to give an increase was only agreed to by Commissioner Brockett. Mayor Carroll asked if there was any other interest on the part of the Commissioners. Mayor Pro-tem Griggs said he would like to wait until our final numbers are in and look at it in July. Commissioner Cole agreed to wait until July.

Mayor Carroll said there will be \$69,450 in the preliminary budget and they will revisit the request for \$72,000 in July.

They extended their appreciation to the city. The Mayor also extended the City's appreciation to Zia Therapy.

SPECIAL FUND REVIEWS

Debt Service – page 215. Ms. Nichols notified the Commissioners that they need to start looking in 2008 for a new bond issue in 2009. Mayor Carroll notified Commissioners that this would have to go to the voters. The Environmental GRT will mature in June of 2009 and will no longer have to be dedicated for that purpose.

The bonds were discussed. Mayor Carroll recommended that in 2009 we should refund the bond for infrastructure whether its streets or sewer plant or whatever, and at some point in time the library needs to be brought back as a stand alone issue to raise people's taxes. Commissioner Cole supports this very strongly and Commissioner Ledford agreed that this was a good idea. Mr. McCourt said that these are some of the discussions that we will have on the ICIP.

Mayor Pro-tem Griggs asked if the EGRT is 1/16th. Mr. McCourt said it's about \$300,000 annually (\$3 million for 10 years) and that is limited to what the funds can be used for.

Ms. Nichols reviewed page 218 which are the outstanding loans with the NMFA. The first two will be paid out of water/sewer fund and the third will be for the Fire Station. Page 219 has the summary for the debt service.

Trust & Agency – page 237. Ms. Nichols reviewed the Trusts and Agencies, for example the Alamo Senior Center, Cemetery, and Public Housing Authority. Funds 94, 96, 104, and 139 were reviewed.

Promotions Board – Bob Flotte and Jan Wafful. Page 126, fund 16.

Mr. Flotte announced how they try to work diligently in promoting Alamogordo. The promotion budget is projected at \$241,000. Ms. Wafful announced we're at 13% in Lodger's tax even with the flood. Their projected revenue is \$156,000. Mayor Carroll asked if they're hoping to use some of the money to apply for matching grants. Mr. Flotte said they're also working with other communities like Carlsbad to get better advertising.

Mayor Carroll suggested that they put in their support to the Air & Space Show in October there will be at least 100,000 people. It's promoting the space port and the Air Force. Mr. Flotte asked if there was any figure that you have in mind. Mayor Carroll suggested about \$5,000, it needs to work in your other commitments and other goals. Ms. Wafful has the contact information of the Captain from Holloman that will have more information on this event. Ms. Wafful also mentioned there are funds allocated for advertising and others that can be used for that.

Mayor Carroll thanked them for the work that they do on the board.

Recessed at 3:06 p.m. Reconvened at 3:18 p.m.

Otero County Economic Development Council (OCEDC) & Alamogordo Chamber of Commerce - Ed Carr Executive Director and Glenn Woolsey is Co-owner and co-founder of PreCheck. Page 25 & 212.

Mr. Woolsey gave a small presentation about how PreCheck came to Alamogordo. He thanked everyone in this room who worked hard to get PreCheck here. He hopes that the Commission sees the vision of Economic Development and the need for it in Alamogordo.

Mayor Carroll thanked Mr. Woolsey.

Mr. Carr, Executive Director presented the following to the Commission:
OCEDC goals and objectives for 2007-2008

- Pursue a buyer for Sunbaked Biscuits, Inc. (SBI)
- Pursue expansions of 1-800flowers.com
- Participate in a state led, regional recruitment effort for Future Combat Systems contractors
- Continue effort to establish a comprehensive advanced technical training and business center in Alamogordo
- Continue to promote the film industry in Alamogordo
- Continue to pursue companies that are interested in testing at the National Research Center for the Desalination of Brackish Groundwater
- Continue to respond to Prospective Recruitment Opportunities from the State of New Mexico and local leads
- Continue to provide information to local businesses who are interested in state and local incentives.

Mayor Carroll notified the Commission there are currently two funding items in our budget. Mr. McCourt referred them to Fund 11 where \$30,000 is funded for Economic Development. The other is in the Economic Development fund for \$50,000. There are also some contract services where they provide services at \$65,000.

Sunbaked Biscuits, Inc. was discussed. Mr. Carr announced they will be forming an ad-hoc committee which will be an attorney, CPA, and bankers to participate in a pure review of the financials. He assured the Commission that they can and will do more to make sure that this doesn't happen again.

Mayor Carroll has requested in the past that the city have a permanent seat on the OCEDC board. Mr. Carr added that Mr. McCourt has sat on that board as an Ex-Oficio Member with no vote.

Mayor Pro-tem Griggs extended his appreciation to OCEDC and the Chamber and what they have done. Mr. Carr introduced Heather Congdon as the new OCEDC Administrative Assistant.

Desert Lakes Golf Course – Matt McNeile, Grant Dalpes and Ron Borunda (Superintendent) – Pages 129 & 130

Mr. McCourt notified the Commission of the Golf Course being one of our enterprise funds. We contract with a private entity to take care of the Pro Shop and run the facilities within the Club House. The City provides city employees for ground maintenance. Mr. McNeile is the Director, Mr. Dalpes is the private contractor and Mr. Borunda is the city employee. \$171,661 currently goes into the golf course fund each year. Mr. Dalpes' agreement goes to December of 2008.

The new Club House is now open and available. Mr. Dalpes notified them the Grand Opening will probably be around July 4th. Commissioner Brockett has had several comments praising Mr. Borunda constantly.

Mayor Carroll thanked them for doing a great job.

Recessed at 4:15 p.m. Reconvened at 4:25 p.m.

Mr. McCourt would like to discuss a permanent seat on the OCEDC Board. I was proposing that as long as we're a big supporter, we should have a seat on the board. Mayor Carroll strongly recommended that he feels that this is something they need to do, but at this point they have not.

Mr. McCourt proposed reviewing the operational tomorrow, Thursday would be capital, and Friday would be to make changes and adopt the preliminary budget.

There were some conflicts with meeting on Friday. Mayor Carroll said to plan on being here late on Thursday until we are finished.

Mr. McCourt said the last thing for today would be a power point presentation about DPS.

Public Safety

Mr. Trujillo gave a presentation for Public Safety. Right now he really needs 23 Officers, but he's asking for 2 officers during this budget. That is just to maintain the level of service that we provide to the community not to raise the level. He explained how the Officer's are scheduled to show the need for more officers.

The Commission recessed at 5:14 p.m. and will reconvene on Wednesday, May 16, 2007 at 2:00 p.m.

WEDNESDAY – MAY 16, 2007 - 2:00 P.M.

Mayor Pro-tem Griggs reconvened the meeting at 2:01 p.m.
Mayor Carroll jointed the meeting at 2:05 p.m.

Employee statistics and Gross Receipts documents were passed out and reviewed with the Commissioners.

Mr. McCourt said he sat down and looked at our projections for building permits, etc. This is general fund money. It appears we'll be about \$100,000 off of our projections. The good news is that Ms. Nichols and the Director's will assure you that we will make it balance for the upcoming year. We will be using our reserves. But we will make the necessary cuts to make it balance.

DEPARTMENT REVIEWS

Legislative - page 24. Commission would like an orientation session set up for new elected officials. Mayor Carroll announced that the League is already set up, but it's not geared to the City. Mr. McCourt suggested to set it up according to the new elected officials schedules. They suggested tours to some of the facilities should be included. City Clerk Renee Cantin offered to set this up after the regular election.

Administration

City Manager's Office – Page 28. No personnel changes. Commissioner Ledford asked for a schedule of the Town Hall meetings. Mr. McCourt notified him that we slowed down on them because of the budget season. We will be having them again soon. We are open for suggestions as to what needs to be presented. Commissioner Brockett suggested repeats on some issues like the Reverse Osmosis and Transportation. Mayor Pro-tem Griggs suggested to project out a few months in advance maybe on the new website. Commissioner Lujan suggested using different locations for the Town Hall meetings.

Legal – page 30. We are recommending two positions for legal. An Assistant City Attorney, and an Administrative Assistant. Mr. McCourt mentioned the volume of work has increased and it's hard to serve the public in a timely manner. Commissioner Ledford had concerns about the difficulty in deleting a position. He asked if there was any cost savings. Mr. Brogan said he's simply not able to keep up. E-mails are printed out and sometimes cannot be viewed for at least a week. Commissioner Ledford said so the answer to my questions is no, are we doing stuff to help the outside Attorney's? Mr. Brogan said there are some items that could be handled in-house. Commissioner Brockett has enough faith in Mr. Brogan to say that if they do need to outsource he would support that. Mr. Brogan feels it's a bad idea to outsource internal transactional material, it would be difficult. Mayor Pro-tem Griggs remembered when we had a City Attorney and an Assistant City Attorney, it seems it's catching up with us and we do not want to do that. Mr. Brogan said the workload has increased five fold since he started to work with the city. Mr. McCourt agreed with this.

Mr. Brogan's other concern is his Legal Assistant who is highly overworked. Mr. McCourt mentioned we will in the future consistently outsource all of the issues that we can, and this is how we would try to keep it from happening again. Commissioner Ledford feels if we need three attorneys for our city, in the future, we would have to go back and see why we get sued so much. Commissioner Moncada feels that if we don't hire another one now, then next year we might need three or four to fix the problem. Mayor Carroll said it sounds like everyone is in favor of the positions.

Operations Analyst – page 33. There are no new position requests. Discussion was held regarding the goals and objectives for this position. Mr. McCourt announced that he has also helped with the flood damage projects and the Forest Division Project.

City Clerk – page 36. There is a request for one administrative position to assist with the City Clerk's office to include land management, business registrations, election assistance, and receptionist duties for the City Clerk and City Manager's offices. Mayor Carroll asked where we are going to put these people. Mr. McCourt mentioned that we're looking at converting a conference room and moving MIS to the Civic Center. Discussion was held regarding the business registrations and why it cannot be held in another department. Ms. Nichols announced that this request isn't just for the business registrations; it's for the Finance Department because of the workload. Mayor Pro-tem Griggs said this is one of the issues that is going to come up, when we see the need for new people, we're going to see the need to look for new solutions. For example: outsourcing payroll or some things in finance. We cannot continue to add and add to the city. Ms. Nichols let the Commission know that when we had a vacancy in the payroll we did exactly that, we got quotes on how to contract out the payroll. Mr. McCourt mentioned that we have looked at that in the respite care program, and we cut it. Commissioner Lujan suggested getting Director's together to review the needs in each department. Mr. McCourt notified him that the Directors' do get together and do exactly that before it is brought to the commission.

Recessed at 3:36 p.m. Reconvened at 3:49 p.m.

Non Departmental – page 39. This is in the General Fund. One item is the payment to the Airport Fund (\$55,000 per year), another is the ambulance service at \$275,000 per year, the website is \$25,000, maintenance covers electricity, gas, phone services, etc. Mayor Carroll would like to see the services separated out.

Personnel – page 40. They are asking for a new position that is half personnel and half finance in the payroll department. We no longer have a local insurance agent representative. Ms. Keller mentioned that this would be handling the administration of benefits, and complying with the new accounting methods for benefits, as well as back up in payroll process. Commissioner Lujan asked how the salaries are determined. Ms. Keller explained the new position process. Mayor Carroll doesn't feel that the experience modifier should be in the Goals and Objectives. He also suggested in the narrative to spell out the lack of a local agent and the use of the Self Insurers' Fund. Mr. McCourt asked for clarification on the performance measures section that talked about the number of employees terminated during introductory period, the current number is 12.5%, the projected is 11.5%. They suggested to make it the number of employees retained, instead.

Finance – page 48. Commissioner Ledford had a question on the investment pool under the goals and objectives. Mayor Carroll asked about the Lodger's tax audit.

Customer Service – page 52. Ms. Nichols introduced Katie Josselyn Utility Billing Supervisor, Armando Ortega Customer Service Manager, and Fabian who is a meter reader. Mr. Ortega gave an overview of the meter installation program. Mr. McCourt announced that this is part of our long term program. Mr. Ortega announced that with this system we save the customer time as well as avoiding them having to come to the City Commissioners with a problem. When there is a leak the new software will flag the account. He added that eventually when a meter needs to be replaced they are replaced with the new Firefly meters. Mayor Pro-tem Griggs would like a breakdown on the other services for the customer service account. Mr. Ortega stated that they are currently in the process of re-evaluating our leak abatement policy. Mayor Carroll asked for clarification on the Goals and Objectives. Mayor Carroll referred to page 56, the last budget highlight needs to be removed.

Purchasing – page 58. Mayor Pro-tem Griggs asked if steps have been taken to make sure the Checkpoint issue does not happen again. Mayor Carroll referred to page 59, and page 60 for inventory ratio by dollars in the performance measures. Ms. Nichols will make those corrections.

Insurance – page 61. This is not workers compensation and not DPS liability. The Commission would like a breakdown of the Commission Insurance. It was discussed in greater detail.

MIS – page 63. Mayor Carroll questioned the acceptance of payments online with the new website. The capital equipment line item was discussed. Discussion was held regarding the PC/Printer/Monitor replacement program. Mayor Carroll referred to a typographical error on page 66.

Public Safety – page 67. They gave an overview to the position changes for example, the Fire Inspector to the Code Enforcement Supervisor.

DPS Code Enforcement - Page 72. Budget highlights, a misspelling was asked to be corrected.

APS Resource program – page 75. They want to increase this program with an additional officer. This will not require an additional officer; we will use an existing officer to fill this position.

D.A.R.E. – page 77. Page 75 & 77 are duplicates. Ms. Nichols gave the new expenses amount as \$8,824. Revenues would be \$5,752. This fund is by donations. Tularosa Public Schools has provided a request to offer the program to their schools and they will pay for it. We're looking into it.

Law Enforcement Grant – page 79. Mayor Carroll referred to page 80, it needs to be revised. It represents the entire fund 36; it's the summary of all of the grants together.

Traffic Safety – page 82. We collect three dollars from every citation that is issued, it's paid to the state and reimbursed. We use this to cover expenses on the Mobile Data Terminals (MDT).

Recessed at 5:00 p.m. and reconvened at 5:12 p.m.

Fire – page 83. This year we reduced five positions and the Fire Inspector was moved to Code Enforcement. Commissioner Ledford asked for clarification on the statistics that he presented yesterday. He thinks this is great what we're doing. Director Trujillo feels that the way we are doing it, we're already ahead of other cities. In our system our Police Officer's serve as our Firefighters. We had to find a balance in our training for this. Right now we have 13 Firefighters and other communities our size have 70 but it's understood that we cannot fund this at this time. Our response time is fantastic. Mayor Carroll referred to page 84; the numbers need to agree with page 70.

State Fire - page 85. These are restrictive funds we receive from the state. These are the two loans that are paying for Fire Station No. 5 and for a new ladder truck.

Fire Protection – page 86. Some clarification was offered for some of the funds.

FEMA – page 87. This is phasing out. Mayor Carroll asked to put in an explanation if we are including it in the budget, and remove the goals and objectives.

Community Service – page 90. The divisions in this department are listed on the top left of page 90.

Leisure Services – page 91. The increase in salary and benefits is due to full staffing projections for seasonal workers.

Parks - Page 93. User fees were reviewed. The projected budget is zero because there is no way to project this number. On page 91 the user fees is for the park rental fees. Change this to land dedication fees.

Library – page 99. There is a \$51,729 error under supplies. The correct number is \$177,054.

Cemetery – page 103. You would think this would be an area we would never have customer complaints. We do have some for not taking care of the non perpetual care area. We did take care of the weeds so it looks a lot better. The fines line item is zero, it is not known what it was for. Ms. Nichols said it is a penalty for not paying closing costs.

Senior Center – page 107. Because of lack of federal and state funding we have a decrease in funding for this. Mr. McNeile clarified page 108. We are dropping the revenues because of the loss of funding. The transfers were discussed. The fees of the meals are also discussed. The

\$481,266 for the current year most likely will not happen and that would be reverted back to general fund. The transfer will more than likely be higher for the current year.

RSVP – page 113. Page 114 needs to be corrected.

Foster Grandparent Program – page 117. Need the blanks filled in.

Lodger's Tax – City Share Civic Center – page 120. The problem on this page is that the total revenues are less than the expenditures. In this case we cannot sustain this position. The miscellaneous revenues are credit card fees that are charges and are considered revenue. We looked at revenues today and they are up. We will exceed the revenues. Interest incomes we're projecting pretty high.

Keep Alamogordo Beautiful - page 122. This is primarily funded by grants. We do have a charge on our solid waste to be used for beautification. This one has a lot of summer volunteers, groups and organizations. He discussed watering one new park with potable water on Juniper. The new trees there need to be watered.

Fleet Management – page 132. Mr. McNeile introduced Pat White. He announced the positions that they have available. We are very happy that the department is running very well and very efficient. Mr. Cesar notified the Commission that the back up system generator to run the pumps is accessible and tested on a periodic basis.

Update was requested for the Tennis Courts. We are working on a land swap with the School system, it could be by the Senior Center or by the existing courts. The Community Services Advisory Board voted to recommend to the City Commission that the courts not be built at the existing site.

The Commission recessed at 6:07 p.m. and will reconvene on Thursday, May 17, 2007 at 2:00 p.m.

THURSDAY – MAY 17, 2007 - 2:00 P.M.

Meeting reconvened at 2:00 p.m.
All Commissioners were present.

DEPARTMENT REVIEWS

Community Development – page 166. They are asking for a FT Project Manager and PT Administrative Assistant. Mayor Carroll asked if the Project Manager will be an Engineer. Mr. Alterson stated that it will have some engineering background but will be the Project Manager. Commissioner Cole asked if these positions would be able to address the inspecting concerns. He was told that they would not. This would help with the engineering. This year we still have to hire a new City Planner and we have hired a new Planning and Zoning Coordinator. Mr. McCourt stated that those positions should help the situation.

Inspections were discussed in detail. The user fees have reached a point where they're supporting the building section of the city. Mayor Pro-tem Griggs feels that the process is the issue and the process justifies the cost. Mayor Carroll commented on the commercial review and how it's much more complicated than the residential. Mr. Alterson mentioned how our inspector's are doing about seven inspections per day. They are being pushed to the limit. The

review for the department showed they are doing very well, but they are understaffed. Mr. McCourt agreed and if we hired more people we could fix the problem, there's no question. Both options cost easily about \$60,000 a year. But we've already got the builder's paying too much. We could raise the fees again to provide these options. Mayor Carroll made some suggestions to approve the home plans to improve our efficiency. Between May 2006 - May 2007 we had 5,067 inspections. Lora Nelson, Building & Zoning Manager is the only cross trained inspector to inspect an entire house. With the people that she has on staff they each are certified in different areas of the inspections. She is sometimes, as the Manager, called out to do inspections. Time spent on commercial would free them up some but they would lose the revenue and they would feel it financially. Ms. Nelson is not sure that we can do that, once we say we will provide that service, the State agencies back out. Then we do everything except for projects federally funded. It is difficult to get State to come back in and provide that service. Grouping inspections were discussed. Ms. Nelson confirmed that this is already taking place. Training is another problem because to cross train the employees they have to be gone for a week and the other employees have to take over for this person. This makes an even larger back log.

Mr. McCourt stated that we are working on the ETZ jurisdiction. Ms. Nelson will be meeting with the contractor's in the near future. Reducing these inspections would be a huge reduction, if we brought it back into the city limits. Mayor Carroll understands that cross inspection will not be allowed in the future. Mayor Carroll feels we should come back to this as a separate item.

The additional staff requests were brought up again. Mr. McCourt strongly encouraged the Commission to allow us to have these positions. Mayor Carroll did not here any objections. There is a significant increase and Ms. Nichols thinks they are included in the budget.

Planning & Zoning – page 174. We have to hire a new City Planner and we have hired a new Planning and Zoning Coordinator. Mr. Alterson is working on redrafting the zoning ordinance.

GIS Land management – page 177. Mayor Carroll stated that this department will be assisted with the new position in the City Clerk's office.

Public Works – page 135. A new position for an Assistant Public Works Director has been submitted by the City Manager. He feels it's too much work for one person, since Mr. Miramontes has decided to retire. Commissioner Ledford feels that if you hire someone else, that's less money for projects. He hopes that we're able to find ways to make it more efficient and get the job done. With the new roads and new subdivisions going in, these work levels are increasing substantially. Commissioner Lujan doesn't feel we should hire two people to fill Mr. Miramontes' job. Mayor Carroll mentioned that it was requested before he decided to retire. Commissioner Moncada is supporting hiring another person for the position to allow his replacement to obtain the knowledge that Mr. Miramontes has. Mayor Carroll announced that the workload has been increasing over time, there was a step up that you will have to take to make sure the current workload is taken care of.

Commissioner Cole commented that he's having a hard time approving the increase in staff of six new positions for next budget year. Ms. Keller suggested that it was a little over 1% of our employees. She suggested saying that it was 6 out of 388. Ms. Keller announced that when the Director's got together we had 44 requests for new positions; we brought out our boxing gloves and fought for our positions. Commissioner Cole was concerned with relaying this to our citizens. Mayor Carroll reminded him that he's heard each individual case, and that's what you have to be comfortable with. By the time it gets to us it's gone through many reviews and the City Manager, it's obviously an impact on the budget, but we have to be comfortable with the recommendations that are made to us by the City. Commissioner Lujan would like to see next year's budget for new positions, and asked if we would be able to show citizens results and the

improvements that were made. Mr. Trujillo added that numerous times the extra person is to maintain the current level of service. Ms. Nichols mentioned to keep in mind that she's been here for nine years and there has never been a person added to the Public Works Dept.

Page 148: \$200,000 was added to the utility maintenance to assist the Streets Department with the water department.

Page 150: Electric has almost doubled. Mr. Miramontes notified them that the power for the treatment plant in the past we projected high in case of any problems and because it's hard to project. The money has been used for other things in the budget. Mr. Miramontes confirmed that they are preparing for a drought.

Commissioner Moncada thanked Mr. Miramontes for doing such a good job for the City. Mr. Miramontes thanked the Commission and Director's. Mayor Carroll thanked him for his dedication to the City.

Recessed at 3:53 p.m. and reconvened at 4:03 p.m.

Street Program – page 139. Mr. McCourt announced that the street maintenance is an ongoing process. This program incorporates the \$300,000 that will go into our GRIP 2 for the next couple of years. Mr. McCourt outlined the projects and which projects that the GRIP 2 money can be used for. We have to put in a minimum of 35% of each project. Brian Cesar, Acting Public Works Director explained what the initial \$300,000 was used for. He presented a timeline showing when the various phases of the projects are anticipated to be done. It seems to have been successful to preserve what we have. This is integrating the Street Maintenance Program that Mr. Threadgill introduced.

Capital Outlay Summary – Mr. McCourt referred to the memo that he passed out to the Commission. A correction was made on his page 5 under fund 69 – change first amount to \$1.13 million and the remainder amount to \$392,328. He did not discuss a G.O. bond in this memo. The bonds do require approval of the voters. We actually have one series that's maturing in August of 2009, we currently pay about \$640,000 a year. If we could pass this one there would be no increase in their property tax rate. The Series 2000 Bond matures in 2020, it's a 20 year bond. You can call and retire the bond early but when you do that typically you do it when the interest rates are lower. The Economic Development Tax if approved by the voters can continue. It can only be replaced with the same GRT for Economic Development. It cannot be used for something else.

Capital Projects within Proposed FY 2008 – page 179. This information is also included in Mr. McCourt's memo on page 8. Recommended existing projects are: Flood Control Project with the Army Corps of Engineers; West Side Water Improvements; First Street Improvements; Drainage on Dry Canyon; South Florida Improvements; Abbott Ditch Drainage; LaVelle Rd Improvements; Fairgrounds Rd. Improvements; and the ADA program.

Legislative/Congressional grants that need match monies are: TBHS; Library; Traffic Signal at Relief Route and Mesa Verde Rd.; the looping of the Reclaimed Water System; Advanced Business Center; First St.; Desert Lakes Rd.; and, Airport Signage, ARFF, parking apron expansion, and runway extension. He's also requesting \$400,000 to specifically address flooding on Mimosa and South Florida. The drainage is a problem in this area.

GRIP II Project / Resolution #2007-24 – This has been approved by the State Legislature. The project submitted by the City was actually two separate projects/phases; North Scenic from where the existing four lane ends by the NMSU-A, (completing the development of Scenic from White Sands Blvd. to Ocotillo). In fund 61, Mr. McCourt submitted some local shares that need

to be dedicated. We need to pursue our agreement with the developers in the area for the matching share with the Gerald Champion Regional Medical Center (GCRMC). On page 10 are the well replacement and spillway repairs at Bonito Lake from Fund 49.

Recessed at 5:23 p.m. and reconvened at 5:44 p.m.

Mayor Carroll thanked the Finance Dept. staff for the snacks. It was very thoughtful.

Mr. McCourt referred to the ICIP with the agenda report and the resolution.

Changes to the ICIP pages:

Page 4 – 2nd line delete the first column.

Page 5 – 3rd item down Digital imaging system for RSVP – delete first column.

Page 7 – Griggs Field is out, Hoosier field is out, Drainage ditch at Gray Street..

Next page – Neighborhood revitalization, push that over. La Luz change first column to \$500,000 and \$400,000 next year. DPS Land acquisition move \$100,000 over.

Next page – the first number is \$1.6 million. Reclaimed water is \$370,000 move other numbers to the right.

2008-01 S. Florida Ave Extension Phase 3 – Do we anticipate spending 11.5 million dollars on that project? No we do not. Mayor Carroll announced that number should be changed and moved over. Put \$400,000 in this number in the first column. The other column numbers need to be revised.

Those are the projects we've discussed and are in the budget as presented.

1. POLICY DISCUSSION

Commission Actions to take:

2. Approve Resolution No. 2007-22 adopting an Infrastructure Capital Improvement Plan (ICIP) for FY2008-FY2012. [Roll Call Vote Required]

Commissioner Lujan left the meeting before this item.

**Mayor Pro-tem Griggs moved to approve Resolution No. 2007-22 ICIP
Commissioner Cole seconded the motion. Motion carried by a vote of 6-0-0.**

3. Approve Resolution No. 2007-24 for the Commitment of Funds for the GRIP 2 Project. [Roll Call Vote Required]

**Mayor Pro-tem Griggs moved to approve Resolution No. 2007-24 GRIP 2
Commissioner Brockett seconded the motion. Motion carried by a vote of 6-0-0.**

4. Approve Budget Resolution No. 2007-21 adopting the Fiscal Year 2007-2008 Preliminary Budget. [Roll Call Vote Required]

Commissioner Brockett mentioned OCEDC and having a Commissioner representing the city as a voting member on their board.

Commissioner Brockett moved to approve any funding to OCEDC is contingent upon having a Commissioner appointed as a voting member.

Commissioner Moncada seconded the motion. Discussion was held. An annual meeting is coming up. Mayor Carroll recommended that the City Manager be appointed. Without the position we would no longer fund the program.

Commissioner Brockett withdrew his motion. He would just like to have a City Representative on the board.

Commissioner Ledford announced that they are in the process of amending the by-laws and they can certainly present to include that.

Mayor Carroll said we just need to get the word to OCEDC that we want to do this.

**Commissioner Brockett moved to approve Resolution No. 2007-21 adopting the preliminary budget and classification and salary plan for FY 2007-2008.
Commissioner Moncada seconded the motion. Motion carried by a vote of 6-0-0.**

Mayor Carroll thanked Mr. McCourt and Ms. Nichols and all of the staff for helping with all of this process.

The meeting was adjourned at 6:16 p.m.

/s/Donald E. Carroll

Mayor Donald E. Carroll

(SEAL)

ATTEST:

/s/Reneé L. Cantin

City Clerk Reneé L. Cantin

(Prepared by Reneé L. Cantin, City Clerk)
Approved at the Regular meeting held on June 12, 2007.