

**CITY OF ALAMOGORDO, NEW MEXICO  
CITY COMMISSION SPECIAL MEETINGS (BUDGET HEARINGS)  
2:00 P.M. AT WILLIE ESTRADA MEMORIAL CIVIC CENTER, 800 E. FIRST ST.  
MINUTES FOR MAY 18, and 19, 2009**

**MAYOR STEVE BROCKETT  
MAYOR PRO-TEM CHRIS LUJAN  
COMMISSIONER RON GRIGGS  
COMMISSIONER ED COLE  
COMMISSIONER MARION LEDFORD**

**COMMISSIONER - VACANT  
COMMISSIONER JOE FERGUSON  
INTERIM CITY MANAGER MATT McNEILE  
FINANCE DIRECTOR LEEANN NICHOLS  
CITY CLERK RENEE CANTIN**

**MONDAY, MAY 18, 2009 - 2:00 P.M.**

Call Meeting to Order and Roll Call.

Meeting was called to order at 2:00 p.m.

Mayor Pro-tem Lujan, Commissioner Griggs, and Commissioner Ferguson were absent.

**1. BUDGET REVIEW**

- A. BUDGET ADOPTION PROCESS**
- B. BUDGET POLICY & PROCEDURES**
- C. OVERVIEW OF FY09 BUDGET**

LeeAnn Nichols, Finance Director introduced the Budget Committee which includes; Interim City Manager Matt McNeile, City Attorney Steve Thies, & Community Development Director Mark Threadgill. She notified the Commission that we hold this public hearing and adopt this budget during this session. The Preliminary is due on June 1<sup>st</sup>. The final needs to be turned in to the Department of Finance and Administration (DFA) by July 31<sup>st</sup>.

**Mayor Pro-tem Lujan joined the meeting at 2:03 p.m.**

We start by having departments do their budgets and present them to the Budget Committee. She gave an overview of 09 budget numbers. In a comparison from the beginning of last year, we will start this year with \$10 million less.

**Commissioner Ferguson joined the meeting at 2:09 p.m.**

The grants show an increase of \$12.6 million. The \$18,261 represents 2008. September 1, 2008 was when we started collecting the 2009 Gross Receipts Tax. In FY 09 we projected \$19,006,258 in FY 2010 \$19,260,849. In bonds we issued over \$24 million in debt.

Expenditures by category. The budget committee went through and re-projected positions for salaries and benefits. Eliminated 8 positions, froze 14 positions, and other things like reducing hours.

Commissioner Cole asked about the stimulus money. Mr. Threadgill replied that we will be bringing that to the Commission not at the next meeting but the meeting following that.

Mrs. Nichols continued the revenues vs. the expenditures.

Commissioner Ledford asked a question regarding the Gross Receipts Tax. Is this true on \$35,000 you're expected to be below the projected adjusted budget? Mrs. Nichols said yes sir. Commissioner Ledford asked if this was going to be discussed. LeeAnn Nichols, Finance Director will prepare a handout for the explanation. **Handout #1 June estimated Gross Receipts Tax.**

Commissioner Ledford asked if you could think in terms of historical. My concern is we may have to have another re-projected budget for the first quarter. Mrs. Nichols said it's hard to think historically because of the economic downturn.

Mayor Brockett asked what the options are? Has the DFA ever been asked about the 1/12<sup>th</sup> reserve. Mrs. Nichols responded that she would contact the DFA to ask.

Commissioner Ledford had some questions on the insurance projections. Mrs. Nichols the health insurance was budgeted for an 8 percent increase. Commissioner Ledford said that would help us here with the shortfall.

Naomi Munoz HR Generalist said it was \$27,000 citywide for insurance. That is not all general fund. Mr. McNeile said the worker's comp went up 2 percentage points. Personnel will report on that.

Commissioner Ledford referred to the budget book.

Mr. McNeile spoke about the safety training and reimbursement to the city. Commissioner Ledford referred to page 16 for salaries and benefits cuts. Is it true that all positions were due to freezing positions and salaries? Nobody took a pay cut, is that correct? Mrs. Nichols confirmed that was correct.

Mayor Pro-tem Lujan can they replace the frozen positions with the 1/12<sup>th</sup> reserve. Can we unfreeze the positions? Mrs. Nichols said they are frozen therefore they're authorized but not funded. Mayor Pro-tem Lujan asked what about the positions that are coming but not frozen. Mrs. Nichols turned it over to the city manager. Mr. McNeile said Mayor Pro-tem Lujan you are correct some positions were eliminated.

Mrs. Nichols said we've already cut everything we could cut in order to balance the budget.

Mayor Brockett asked to go back to page 16, the administrative charges. He asked for an update first thing when we get started tomorrow.

Commissioner Cole says he thinks there's another problem right now and we may touch on some of these changes through the rest of the budget.

**2. PERSONNEL SERVICE LEVELS – Larry Weatherwax, HR Generalist**

- A. Personnel Changes
- B. Benefit Changes
- C. Union Negotiated Changes
- D. Classification Schedules
- E. Other changes

Mr. McNeile said he can answer questions as well as Larry Weatherwax, HR Generalist and Naomi Munoz, HR Generalist. The good news from the Self Insurer's Fund was no increase and the experience modifier was good this year.

Commissioner Ledford asked to return to the overview that Mrs. Nichols gave us and how he approaches this. Mrs. Nichols does have a report that gives the significant changes.

Commissioner Cole feels we need to give Ms. Nichols time to get the answers to the details. Right now I'm afraid we're all getting a bit excited negatively.

Mayor Brockett asked if anybody had questions about the personnel service levels.

Commissioner Cole had a question about page 16 on the contract services at Bonito Lake. Mrs. Nichols asked that they pass those questions to her and she would get the answers for later.

Mr. McNeile asked if he needed general information on what the general contract services was for.

Commissioner Cole replied no I didn't. I wanted to go down to the Lincoln SWDA and get an explanation. Mrs. Nichols replied that is the Gross Receipts Tax that all of Lincoln County and Otero County have paid back on a bond, we close our books on that as of June 30, 2009. In FY 2010 I have to pay them back the \$91,000 so we're closing the Gross Receipts Tax because the bond is maturing.

Commissioner Cole wanted to go back to contract services and bonito lake and ask about the changes. He wonders about the different changes. The fourth of July special events, we're short on funds are we going to spend that when we're short on money.

Mayor Brockett asked if Mrs. Nichols can possibly address these questions and bring back this afternoon or possibly tomorrow morning.

Mrs. Nichols asked for clarification, she can have the information ready if we want to take a break so she can prepare it.

**Recessed at 3:18 p.m. and reconvened at 3:32 p.m.**

**Handout #2.** Mrs. Nichols referred to the last report by the pink page where all of the other services are detailed. The contract services list will be provided tomorrow. Commissioner Ledford compared this report as a total with the last page. Mrs. Nichols explained that other services that is explained in the back of the book. In the front on the overview, I took them and moved them, that is why the number doesn't match. On page 16 under contract services and why it has a difference of \$1,255,631, I can get that to you tomorrow.

**3. FUND/DEPARTMENT REVIEWS:**

A. GENERAL FUND OVERVIEW – REVENUES & EXPENSES (pages 20-24) – Page 19 is the recap of the general fund. Page 20 is the summary of the general fund. The bottom line is on page 24. Commissioner Cole asked about page 20 under fines and if it includes Municipal Court. Mrs. Nichols said it's detailed on page 23. Commissioner Cole asked her to define by items what our miscellaneous revenues on page 23. Mrs. Nichols said miscellaneous collections and refunds that we receive from an overpayment that we might have made. They are going to be different each year. Sale of scrap is for auctions or the sale of miscellaneous scrap. Municipal Court operations are accounted for in Fund 27. Mrs. Nichols went on to explain the other fees on page 23.

Commissioner Ledford asked about the franchise fees because there's been quite a bit of a drop. Court fines are down the first time in four years. Mrs. Nichols said the court will be here tomorrow. Commissioner Ledford was just curious.

Mayor Brockett said he caught on to the satellite fees. Mr. Thies said it's likely if the city would implement those type of fees we would get a letter from the FCC stating we do not have that authority. Mayor Brockett will give them a call.

**B. LEGISLATIVE (F11-1101)**

Renee Cantin, City Clerk mentioned to the Commission that we have included in the budget cuts to discontinue the membership dues for the SNMEDD. Mayor Brockett said he has heard communication from the city staff that this would not be a good idea. Mr. McNeile explained some of the reasons that they are beneficial to the city with lobbying to the state.

Mayor Brockett said the other concern was reducing OCEDC by \$2300 to a total of \$27,700. He asked for Commissioner Ledford's opinion. Mrs. Nichols detailed what OCEDC receives from the city. Commissioner Ledford feels the expenses aren't met because of the revenues. I don't believe in 10 or 15% cut across the board. I don't favor cutting economic development when they bring a lot of business to the community. Mayor Brockett said it's less than a 10% cut. The Council of Governments is the only friend we have up their representing us, and I question the wisdom of cutting this organization. Commissioner Ledford said we do have the executive director up there fighting for us. Mike Espiritu does do a lot for economic development.

Commissioner Ledford said our budget's pretty small and I guess everybody's cut a lot, but economic development is important. Can we revisit this? Mrs. Nichols suggested that we can slate this to add it back into the final budget that goes in on July 28<sup>th</sup>. Right now they are estimated and I would like to slate it for the final round.

Commissioner Cole asked for a detail on all of the dues paid to the Municipal League.

**C. ADMINISTRATION**

1. City Manager – Mayor Brockett addressed the Town Hall meetings. Many of the Town Hall meetings have minimal people but the topics will run out. He asked for the cost of opening up the Civic Center. They are poorly attended. Mr. McNeile said there is a fair amount of staff time to put one together. When we upgrade the city web page, it gives good information. Mayor Brockett feels we should have fewer town hall meetings with the subjects of interest. He feels they can be addressed on the website or city profile. Those are good things to do, but the communication need to be fewer and more substance to look at the small nickel and dime expenses.

Commissioner Ledford said one of the biggest complaints he receives from the citizens is communication. They approved to do it monthly and it's a great feeling to hear that we do get the information out there. But in the last several years we have increased the communication and reduced the complaints. If we want to cut back to quarterly town hall meetings with two items per meeting, I have no problem with that. Mayor Brockett said it came about with the Cedar project and we've also put out the Annual report. Commissioner Cole mentioned when the newsletter comes out there are answers to some of the questions. He feels the Town Hall meeting is good to address the problems. It gives you something to fall back on when you do hold them. Commissioner Cole asked about the cost of doing a color newsletter and maybe moving it to quarterly.

2. Legal – Commissioner Cole asked for a figure of what we pay in legal costs throughout the community. Mr. Thies said excluding his salary it would be \$75,000-\$100,000. Mayor Brockett said that the position of the Assistant City Attorney may need to be addressed. Mr. Thies said possibly after the downturn of the economy. Commissioner Ledford said why would we eliminate the Assistant City Attorney and have to bring it back. Mr. Thies

even if I was to convince you that there was a need for the position, you could not find the money.

3. Operations Analyst – Mr. Threadgill stated that the position is frozen.
4. City Clerk – Budget highlights were discussed.
5. Non Departmental – No questions.
6. Personnel & Safety – Commissioner Cole asked Mr. McNeile to define his administrative assistant for Personnel & Safety. Mr. McNeile replied it was the person up front that answered phones. Commissioner Cole had no other questions.

**D. FINANCE -**

1. Finance & Accounting
2. Accounts Receivable
3. Purchasing & Central Receiving - Mayor Brockett made a comment on the less than a one percent error and asked how much that was. Mrs. Nichols responded. He feels that is very impressive.
4. MIS
5. Insurance – page 82 – Commissioner Cole asked who is responsible for this department. Mrs. Nichols is the Director and Teresa Palkki is the administrator overseeing this.

Mayor Brockett asked what the plan is for continuing the budget meetings. Mrs. Nichols responded that the comments received were to roll through it and be done by Wednesday.

**5. FUND/DEPARTMENT REVIEWS**

Mayor Brockett asked about an issue in a nearby village who called our department to assist. Director Trujillo gave a brief update that our department assisted because they are short staffed.

**A. Public Safety**

1. Bench Warrants
2. Code Enforcement – Commissioner Ledford asked for clarification on the positions. Director Trujillo said we had two code enforcement officers resign this year. Director Trujillo directed their attention to page 52 under the work product regarding the code violations addressed. He also announced another change the Commission needs to be aware of. The personnel were moved from Fire Station No. 7 to Fire Station No. 1. Our goal is to try to reduce the cost we are paying at Fire Station No. 7.
3. Animal Control – Commissioner Cole thanked Director Trujillo for the major reduction of phone calls and emails to him for what has been done with animal control. Director Trujillo thanked him and will pass on the comments to the troops.
4. DPS – Dispatch Services – Director Trujillo reported one position was frozen.
5. DPS – Public Safety – Mayor Brockett mentioned the performance measures are very impressive. Director Trujillo responded that officers were assigned to specific streets where accidents had been occurring. Mayor Brockett was talking about the crime rate. Director Trujillo has done four presentations on crime and property crime in the city. He said the burglary rate is still increasing, there has been a significant increase in reporting rapes. From last year we had three homicides in our community. This year we haven't had any. Mayor Brockett recalled last year during budget you were concerned about domestic and the rates have come down.
6. DPS – Fire – Director Trujillo said we froze one Fire Equipment Officer position and the Fire Operations Manager. The ISO rating was discussed.

7. Alamogordo Public Schools Program – We have had eight bomb threats and we've had five arrests. Director Trujillo reported on the forum that had about 75-78 people who attended. We have been successful on the arrests, and there was a call to do more to the juveniles. Mayor Brockett asked if Take Back the Night has been a success. Director Trujillo confirmed it has been a success. The Gus Macker event was discussed. There were around 230 teams. With two arrests and minor injuries. Director Trujillo reported we may be prohibiting dogs at future events.
8. D.A.R.E. – Program for the fifth graders operated on donations from the community. Commissioner Cole asked if the program was successful. Director Trujillo said it does not stop drugs but it affects a great number of kids. Commissioner Cole asked if it should be in one of the primary grades or are they too young. Director Trujillo doesn't feel that the fifth graders use to be considered too young and that is not the case anymore.
9. Police Contingency -
10. State Fire Protection – Director Trujillo announced this is the money received from the state and is determined by the fire equipment we have in our community.
11. Law Enforcement Grants – state grant for the number of police officers we have and for the size of our community. Commissioner Ledford was asking about the traffic trailer. Director Trujillo mentioned they are trying to attack problem areas that are suggested. It slows traffic down and they use it to address complaints.
12. Traffic Safety

**Recessed at 5:01 p.m. and reconvened at 5:10 p.m. Mayor Pro-tem Lujan left the meeting.**

**B. Community Services**

1. Lodger's Tax – City share/Civic Center
2. Community Services – this page is the overview of the community services. Commissioner Cole asked what the plans are for completing Foothills Park. Mr. McNeile said it should be finished this summer. The installation of new benches and signs were also discussed. Commissioner Cole suggested that Matt include advertising in the profile to make the city look good.
3. Cemetery -
4. Leisure Services – Tennis courts are almost done with the design. Mr. McNeile announced we will be tearing up the old courts and new courts should be in after that. Commissioner Cole asked if this was expressed to Mr. Genta. Mr. Threadgill has spoke to Mr. Genta.
5. Parks – Mayor Brockett asked if the public realizes there is 300 acres of Parks in Alamogordo.
6. Alameda Zoo – the eagle exhibit is done and they are starting on the walk through aviary. They are hoping to get the male river otter to replace the one who died.
7. Library - Mr. McNeile reported on the library. They are closing on Sunday's to save money. They will ask the legislative session for money.
8. Keep Alamogordo Beautiful/Clean Up Fees -
9. Alamo Senior Center – the Senior Center runs on federal and state grants. It was hard to cut from this budget. There was discussion regarding the attendance at the Senior Center. They are going to try to encourage more events at the Senior Center to provide something different for smaller crowds and marketing. Mayor Brockett said we might have a place to make some

real tough decisions in significant cuts and decisions. The cost of meals was discussed. Commissioner Cole asked if they can't charge at least the meal cost for the suggested donation.

10. Senior Center Gift Fund – Commissioner Ledford noted that all donations are down for a lot of funds.
11. Retired Senior Volunteer Program (RSVP) – Mayor Brockett asked what the County's contribution. Mr. McNeile said they contribute to the transportation and the meals on wheels program. Mayor Brockett mentioned this has been a tough year and realistically next year will be a little bit better.
12. Fleet Maintenance – Mayor Brockett asked Matt what the plan for the future as far as addressing the replacement of vehicles. Are they looking at the low mileage vehicles to replace. Mr. McNeile said it depends on what department it is. Some of the general fund departments had to give up the capital equipment replacement. Mayor Brockett asked what the plan is for the \$147,000. Mr. Threadgill discussed the electric vehicles and they are not appropriate for all departments, but they are for meter readers. It's a nice start to get the community interested in the electric vehicles. But not a specific plan.

**Joe Ferguson left the meeting at 5:40 p.m.**

**C. Community Development**

1. Building Codes – the building official is no longer employed. The state is solely doing inspections. Page 161 is not going to exist in the final budget. The one remaining employee is the permit technician who coordinates with the state and planning & zoning and other departments. Lora Nelson, Senior Inspector handles inspections where the city is involved with construction inspections. She continues to handle the property maintenance code. We were the first city they had totally taken over.
2. Planning – the budget includes the applicant for variances for zoning changes will pay all fees including advertisements. Commissioner Cole asked for the job description of Edward. Dean Hunt is the Engineer, and Edward Balderrama and Nancy Beshaler are the project managers. They are working on the zoning re-write. Commissioner Cole asked if anyone on the staff attends the Home Builders luncheon. Mr. Threadgill has been invited to a few and attended but haven't heard anything for several months.
3. GIS/Land management – Commissioner Ledford had a question on the zoning maps. Mr. Threadgill said GIS will never stop growing it has different layers that can do so much more with the water lines, sewer lines, as-built layers, and others.
4. Property Acquisition – The capital outlay portion will be rolled over and was projected for flood control and the reverse osmosis water system.
5. Community Development – Engineering – Mr. Threadgill said Dean Hunt, City Engineer will have his 30 years in October 2010 and will be retiring so there is an additional \$5,000 for recruiting to start in the FY 2011 budget to learn from the current City Engineer. Mr. Threadgill said as they work on projects they charge time worked back to the project costs. They are getting closer with the fees but they are balancing how to charge back for the fees. Commissioner Ledford wants to make sure we are not revolving so we are not sitting around and doing nothing.

**Recessed at 5:55 p.m., and will reconvened at Tuesday, May 19, 2009 at 2:00 p.m..**

**TUESDAY, MAY 19, 2009 - 2:00 P.M.**

Meeting reconvened at 2:00 p.m.  
Mayor Pro-tem Lujan was absent.

**4. OUTSIDE AGENCIES**

- A. Municipal Court – Rhonda Baldonado
  - 1. Municipal Court Operations
  - 2. Court Automation – We have applied for this money and have been approved. That is the substantial increase.
  
- B. Zia Therapy – Joe Hardin & Sharon Gilsdorf said there is no change in the request for this year. She thanked the city for our support. Commissioner Ledford asked where they are on the stimulus money for the benches. Joe Hardin gave an update. Commissioner Ledford asked if they have picked all of the sites. Mr. Hardin said they have not. Mayor Brockett thanked them for coming.
  
- C. Promotions Board – Jan Wafful and Bob Flotte. Mayor Brockett asked if there is anything in the works. Ms. Wafful said there are a couple of things in the works that she can't talk much about yet. There were only about three in the state and we were the second highest award. Mayor Brockett asked if the promotion board is involved in the 4<sup>th</sup> of July event. Ms. Wafful said they were involved. There are two events for this holiday, one being the bike rally. Mr. Bob Flotte announced the first six months of the budget year we had an increase of 15% and that is because of the allocation of money to advertising. We think we need to invest those funds for the events that will give the opportunity to promote Alamogordo. Mr. Flotte commended the excellent job that Jan Wafful does for the city, county, and state.
  
- D. OCEDC & Chamber of Commerce – Mike Espiritu
  - 1. Chamber of Commerce Contract – Visitor Center of Operations
  - 2. Chamber of Commerce Contract – Promotions Mayor Brockett asked about the big wooden sign. Mr. Espiritu said the sign by Alameda Park that is extremely outdated and weathered. We've got a couple of proposals already. We would like to put the service clubs on one side and the other clubs on another side. He agreed it needs to be updated.
  - 3. Otero Count Economic Development Council – It's paid on the contract on the legislative budget and on page 222. That amount does not exceed \$50,000, it's 10% of the Gross Receipts Tax. Mayor Brockett is in agreement with Commissioner Ledford to keep the full \$30,000 for OCEDC under the legislative budget on page 27.
  - 4. Economic Development Gross Receipts Tax - Mr. Espiritu said they haven't discussed a tax through the County, but although they receive a paycheck from the county, they spend their money in the city. They discussed the possibilities of other Gross Receipts Tax. Mr. Espiritu said what I do with the company first is complete the application, then I request all of the financial information, background information, and other documents. The OCEDC will take the recommendation to the board for approval. Commissioner Ledford had some comments on the Gross Receipts Tax and the different benefits it may have if we go to the county for an election. Commissioner Ledford thinks the 1/8<sup>th</sup> of one percent was good to run it. Mr. Thies said that it does not specify that the user has to be within the city limits. It's also possible if you

might find someone to go inside the city limits someone might challenge it. Commissioner Ledford said this is not about inside the city limits people live outside the limits for whatever reason, but then they support economic development to come into the city.

Commissioner Griggs commented on other communities charging an economic development tax. Mr. Espiritu said Cloudcroft has supported it and also Tularosa. Commissioner Griggs said you cannot turn away that tax. Mayor Brockett said number one you have to address the issue with business going into the county, second, I believe we should have a full time OCEDC Director that is not wearing two hats, and third you're running with some pretty heavy companies up north and you need to address this issue of retail because it's something they need to consider. Mr. Espiritu said they will advocate on those programs that help bring things that are beneficial at the state level so they don't lose them. Commissioner Griggs said one of the things that would help us as a community is we need more full liquor licenses.

**Recessed at 3:36 p.m. and reconvened at 3:52 p.m.**

**Mayor Pro-tem Lujan joined the meeting at 3:52 p.m.**

- E. Desert Lakes Golf Course – Grant Dalpes & Ron Borunda – Mayor Brockett continues to hear nothing but good about the course and the condition of the course. Commissioner Ledford asked about the capital improvement and whether that's for the irrigation. Mr. Borunda said it may be for the capital purchases. Mrs. Nichols said it represents one green mower, one fairway mower and one purifier, this is on M-13 under Miscellaneous. Commissioner Griggs said the golf course in the last twenty years and the last five years has improved dramatically because there are many people throughout the state that admire our facility. If we don't have the finest municipal facility in the state, I don't know who does. It's right at the top if it's not the top. On behalf of the golfing community and on behalf of the community, I'm hoping the community can become aware of this. Mayor Brockett asked if there is an organization that we could work on recognition with. Mr. Dalpes said we have been recognized on our programs and the number of programs and the depth of our programs, leagues, and tournaments. He praised Ron Borunda who is a great asset and his resources have been incredible. He mentioned we do need to look down the road to dredge the lakes and other improvements. He said the fees are cheap but we don't want to out charge our customers because New Mexico is a poor state. Mayor Brockett asked Mr. McNeile to look at the bunker remodels and some of the other stuff. In regards to promotions, Mr. Dalpes said the most economical way for us to advertise is in the city. They are working on a statewide promotion of Golf in the State of New Mexico. Commissioner Cole asked for clarification on the remodel of the bunkers. Mr. Dalpes explained how it could be done within house, but you're going to have to do that within house for about \$100,000 by employing about 8 -10 people to do the work and just pay labor. Mayor Pro-tem Lujan asked how much more self sufficient the golf course is now from when he took it over. Mr. Dalpes said it's a lot more self sufficient. He explained some of the fees that would need to be raised to be self sufficient. We have some room to raise them, and will if we have to. Mr. Dalpes said the restaurant is doing ok, and is run by Doug. Mayor Brockett asked if they have thought about a promotion with bud girls. Mr. Dalpes said he has been very careful with his liquor license and very careful not to do anything to be cited for violations. He explained the history of the Governmental Liquor License at the Golf Course. Mayor Brockett offered to give him the contact information of the Regulation and Licensing Superintendent Kelly O'Donnell. Commissioner Ledford asked for more information on the remodeling the bunkers and what the plan is for

them. Mayor Pro-tem Lujan asked if there were anything Grant was looking at in the future. Mr. Dalpes said there are two different things, the Tiger's Girls went to state and the boys did pretty good. That was a good program when I had more time to spend with them. The team needs a golf coach that can help start up a JV Varsity team. The other one is based on the new contract and the land to build a pitching putt golf course. The timeframe would be three to five years and has to be started by 2012. Mayor Brockett commended and thanked Ron Borunda for turning things around. He also said we owe Grant Dalpes a debt of gratitude for the job he's done.

The following were brought back at different times during the meeting.

## **5. FUND/DEPARTMENT REVIEWS**

### **D. Public Works – Brian Cesar, Public Works Director**

#### **1. Facility Maintenance**

#### **2. Transportation Fund**

##### **i. Public Works Admin**

- ##### **ii. Street Maintenance –** Mayor Brockett asked when Hamilton Rd. will be started. Mr. Cesar announced that bids will be opened next Thursday. Mayor Brockett asked if the roads were set in a specific order. Mr. Cesar said Hamilton is separate from the first 12. Commissioner Cole asked if the schedule has changed from the last time it was approved. Mr. Cesar said it is the same but the time will be about six months longer. Commissioner Ledford asked about page 225 and the Gross Receipts Tax. Mrs. Nichols explained the 2004 street maintenance program has been moved to Fund 44. The 2008 Gross Receipts Tax is in Fund 109. Commissioner Ledford asked about a transfer of \$650,000 and where it was coming from. Mrs. Nichols said that represents the subsidy for the streets operations. That's the number they needed to balance the FY2010 budget. Last year it was a lot more. Part of what you see in FY2009 is from a lot of different street projects (on page 154). Commissioner Griggs said one thing for a recommendation to staff is when you have a major change to use the narrative to provide a better explanation.

- ##### **iii. Weeds & Drainage –** Mayor Brockett asked how the transition went since Virginia left as dispatch.

Mr. Cesar said Kim Hughes had an opportunity to work with her for quite awhile. Commissioner Ledford asked what percentage of this budget is already planned for maintenance? Mr. Cesar said we tried to take out the work they performed behind the Facility building and they pay them for the work done there. Mayor Brockett asked about the mosquito problem. Mr. Cesar said you want to catch them while they're larvae and not let them grow. Most communities that have the fogging program are doing away with it.

- #### **3. Water & Sewer Fund – Armando Ortega & Katie Josselyn** There is a substantial increase on page 232 in the sewer charges. Mr. Ortega explained the increase and the water meter replacement. Commissioner Cole asked about the replacement of water cans if the new meter is put in. Mr. Ortega is working with Community Development so we can work in the same area. More than half of the time we are putting a new meter in.

- ##### **i. Finance – Utility Billing –** Commissioner Griggs asked if they see the comment on the health insurance increasing 8% on page 239. I would

suggest you pull that out and catch these things and combine them with the narrative.

- ii. Public Works – Non Department – Administration – Commissioner Cole said going back to what Commissioner Griggs was mentioning was if it's going along with the budget. Mrs. Nichols said if she takes the sentence out it's in there. Mrs. Nichols said it will all be taken out for the final.
- iii. Utility Maintenance
- iv. Water Filter Plant – Mayor Brockett asked what the issue was with the electric service at the plant. Mr. McNeile said everything was fine at both the WWTP & Water Filter Plant.
- v. Public Works Inspectors – Mr. Threadgill said this is part of what we spoke about yesterday for what use to be building codes. That is why the two pages are in the budget book.
- vi. Water & Sewer Capital –Russell Stihl takes care of the day to day operations.

4. Solid Waste Collection System – Mayor Brockett said on the percent of complaints vs. customer service on page 250. Mr. McNeile said this had to do with the convenience center. Mayor Brockett asked if this is state mandated. Discussion was held.

5. Bonito Lake – Mr. Cesar said the fish were stocked twice this year. Commissioner Cole asked about the Park Ranger #1. Mr. Cesar said the position is seasonal.

6. Airport – Mayor Brockett asked about Parker Bradley with his meeting with the Federal people and the state. Mr. Cesar said he has been meeting with the state on the solar grid and we should know something within the next two or three months. Funding is a whole different thing. The work he's been doing with the Forestry Service to make Alamogordo the hub for these aircrafts. We would have to extend the runway and resurface the existing runway. Commissioner Ledford asked about the decrease in miscellaneous revenue. Mrs. Nichols said it looks like it was a one time special event that took place this year.

## **6. TRUST & AGENCY FUNDS**

A. Trust & Agency Funds – Mrs. Nichols gave an overview of each fund.

1. Police Court Bonds
2. Designated Gift Fund
3. Cemetery Perpetual
4. State Judicial
5. HA Low Rent Housing Program
6. Utility Deposits
7. Otero/Lincoln County Joint Landfill – Commissioner Cole asked where the maintenance comes from the landfill. Mrs. Nichols replied from their rates, they are very self sufficient.
- 7a. ESGRT Income Fund – Bond

## **7. DEBT SERVICE FUNDS**

B. Debt Service Funds – LeeAnn Nichols – This is all of the obligations that the city has. These are explained on pages 184-207.

1. General Obligation – Property Tax – 1996 Sanitary Sewer Bond. It also covers the general obligation for fire protection.
2. 1993 JPA ESGRT P & I – Matures June 2009
3. Revenue Bond P & I – Includes the flood control issue, 2004 Gross Receipts Tax revenue bond and the 2008 flood control.
4. 98 Jt. Water/Sewer Bond P & I
5. Flood Control Project Reserve

**Recessed at 4:49 p.m. and reconvened at 4:58 p.m.**

**C. SPECIAL REVENUE FUNDS:**

1. Corrections – Jail – Mayor Brockett asked if we are using Dickens Jail. Director Trujillo said we have a contract with them but they are full. Mayor Brockett asked how the contract is with the Otero County Detention Center. Director Trujillo said we are using the Prison because the fees are cheaper. We transport using the court bailiff right now.
2. ESGRT –
3. Fleet Collision – Anytime there is an accident it's paid for out of this fund. Mayor Brockett said at the bottom of page 182 can you explain that. Mrs. Nichols said that is a deal we have already done so the budget highlights were not updated.
4. Liabilities/Deductible –

**8. CAPITAL**

**A. CAPITAL OUTLAY SUMMARY REPORT** – Starting at page M-8. Discussion was held regarding the flat roof at City Hall. They have been doing some spot repairs. Mayor Pro-tem Lujan asked them to stay on top of it. Commissioner Ledford asked for a number of clarifications and Mr. Cesar responded.

**B. CAPITAL FUNDING RESOURCES**

1. 1984 Gross Receipts Tax (Street, Drainage, & Flood Control)
2. 1996 Gross Receipts Tax (2002 & 2004 bond acquisition)
3. Environmental Service Gross Receipts Tax (ESGRT)
4. Infrastructure Gross Receipts Tax – for the pro bono cases that engineering handles. Mr. Threadgill gave an explanation and how they plan to handle them.

**C. CAPITAL PROJECTS**

1. Grant Capital Projects – Mayor Brockett asked about the TBHS who requested to be on the agenda in June.
2. Airport Improvements
3. Bonito Pipeline Replacement Closing fund
4. Community Development Block Grant
5. 1986 Gross Receipts Tax (Outside City Limit Water Improvements) – the majority are the well improvements that we talked about awhile ago. Mr. Thies said any legal fees associated with the Snake tank will come out of this fund.
6. Snake Tank/RO Project –
7. Flood Control Corp Project - Senator Bingaman agreed to work on funding for this project. Commissioner Cole asked what the next leg of the project is. Mr. Threadgill said we just finished phase four and working on phase five. He gave a description of where the project is expected to go. Mr. Thies said they can have representatives from the Corps of Engineer present this at a meeting

8. 2002 Gross Receipts Tax Refunding Bond Projects
9. 2004 Water & Sewer Revenue Bond/Emergency Sewer
10. 2004 Gross Receipts Tax Refunding Bond Projects
11. 2009 Sewer Plant Project – Mrs. Nichols shows nothing in 2010. She can zero it out. It was budgeted in 2008 & 2009.
12. Street Capital Projects – Aside from Street maintenance program there is the New Gross Receipts Tax Capital for Streets.

**D. STREET CAPITAL MAINTENANCE & CAPITAL IMPROVEMENTS**

Mayor Brockett thanked the staff and budget committee for all of the work on this.

Mrs. Nichols said she called the DFA and they said we can use the 1/12<sup>th</sup> reserve but it has to be replenished and in place by the end of the year. Some entities are asking what happens if they don't pay it back. Mayor Pro-tem Lujan thanked LeeAnn for checking into that. Commissioner Ledford wants to be careful about using that because the more you use that, it will make the budget worse. He cautioned against using reserves for operating expenses.

**9. COMMISSION ACTIONS TO TAKE:**

- A. Approve Budget Resolution No. 2009-20, adopting the FY 2009-2010 Preliminary Budget. [Roll call vote required]

**Commissioner Ferguson moved to approve Resolution No. 2009-20. Mayor Pro-tem Lujan seconded the motion. Roll call vote was taken. Motion carried by a vote of 6-0-0.**

**The meeting was adjourned at 5:48 p.m.**

*/s/Steve Brockett*

(SEAL)

\_\_\_\_\_  
Mayor Steve Brockett

ATTEST:

*/s/Reneé L. Cantin*

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City Clerk Reneé L. Cantin

*(Prepared by Reneé L. Cantin, City Clerk)  
Approved at the Regular meeting held on June 9, 2009.*