

**CITY OF ALAMOGORDO, NEW MEXICO  
CITY COMMISSION REGULAR MEETING MINUTES  
7:00 P.M., COMMISSION CHAMBERS  
AUGUST 26, 2013**

**SUSIE GALEA, MAYOR  
JASON BALDWIN, COMMISSIONER  
NADIA SIKES, COMMISSIONER  
ROBERT RENTSCHLER, COMMISSIONER  
JOSH RARDIN, COMMISSIONER**

**AL HERNANDEZ, MAYOR PRO-TEM  
JIM TALBERT, COMMISSIONER  
JIM STAHLER, CITY MANAGER  
STEPHEN THIES, CITY ATTORNEY  
RENEE CANTIN, CITY CLERK**

**CALL TO ORDER, ROLL CALL, INVOCATION & PLEDGE OF ALLEGIANCE**

Mayor Galea called the meeting to order at 7:00 p.m. Roll Call was taken by the City Clerk. Commissioner Baldwin was absent. Clerk Cantin announced there was a quorum present. Invocation was given by Mayor Galea and the Pledge of Allegiance was led by Commissioner Rentschler.

**APPROVAL OF AGENDA**

**Mayor Pro-Tem Hernandez moved to approve adding the Addendum items to the agenda. Commissioner Talbert seconded the motion. Motion carried with a vote of 6-0-0.**

Item No. 11 was withdrawn by the requestor.

**Commissioner Rentschler moved to approve the agenda. Commissioner Sikes seconded the motion. Motion carried with a vote of 6-0-0.**

**PRESENTATIONS**

- 1. Presentation related to Economic Development and Aviation and Aerospace. (*Bill McMillan, President of New Mexico Aviation and Aerospace Association*)**

Mr. Bill McMillan, president of NMAAA, said he had been here on July 12<sup>th</sup> for a meeting about opportunities in Alamogordo and Otero County in regards to economic development. He felt there were opportunities here for aviation and aerospace. He noted he has worked with many entities and individuals throughout the state, and he thought aviation/aerospace was a unique opportunity the state could take advantage of since we have many natural resources that don't exist in other parts of the country. White Sands Missile Range and HAFB attract many companies for research and development both domestically and globally. Mr. McMillan worked with many countries during this past legislative session concerning the Space Port and other issues. He hoped he could work with Alamogordo to develop an economic development plan that would specifically serve aviation/aerospace. Presently, you are working on Essential Air Service (EAS) and he has had people ask if that is a good investment of our time and resources. Statistically, communities that have brought EAS in have been benefited economically. Alamogordo's location at the base of the Sacramento Mountains also helps tourism opportunities. Mr. McMillan has Albuquerque clients who have contracts here and have folks flying in who are both international and domestic. If they could fly into Alamogordo to reach White Sands Missile Range and HAFB, it would improve their travel and draw more people to Alamogordo.

Mr. McMillan said one thing discussed when he recently met with Col. Croft, state and civic leaders, NMSU-A representatives and Commissioner Rentschler was forming a strategic partnership with the City and his company for recruiting aviation/aerospace business. He didn't know what our business plan was at this time and what type of industries we were recruiting. Aerospace/aviation industries create career opportunities that begin at \$50,000-\$60,000 for basic floor positions. He could provide

the City with that data and decide how we could work together. He emphasized he is not here to replace any economic development folks or opportunities that you now have. He wants to create a strategic partnership and build a specific business and marketing plan for the City of Alamogordo to work with aviation/aerospace companies both domestically and abroad. He would work in conjunction with Mr. Espiritu to form a plan of recruitment. He first would need to analyze our labor pool and noted 500 people retire from HAFB every year that have certifications that would enable them to work on specific equipment. We would analyze the strengths and weaknesses and craft a plan for recruiting companies based on this labor pool, and we need to capitalize on this. We would look at how to build a plan and make it a team effort between civic leaders, business leaders, HAFB, White Sands Missile Range and your economic development folks in the city and county. There are many opportunities we offer such as our annual Career Fair which we could hold at HAFB next year. This year it will be held at Kirkland AFB. He remarked his organization is very focused on education and noted the country has gone from 1st to 37<sup>th</sup> internationally in 25 years. He reminded the Commission that youth are the future of our country and we must offer them good opportunities. Smaller communities have an edge over larger communities because many companies are looking at smaller communities with resources. Alamogordo has both White Sands Missile Range and HAFB and he gave some examples of how companies could contract with these two entities. You also have a lot of airspace where one can be at a practice area in a short period of time. The plan he would build would work in conjunction with the economic development entity already in existence and also with City Staff. It would be important to track the progress. Mr. McMillan noted Col. Croft was very interested in the science, technology, engineering and math program (STEM), and we talked with him about crafting this program into a vocational program in the school system. Manufacturing companies are looking at a career path as opposed to simply bringing in a job. Manufacturing in our country is what we need to look at and we need to build and recapture our manufacturing base. Most of the aviation/aerospace businesses, mainly the manufacturing/repair/overall (MRO) ones, are manufacturing based companies. You need to decide what your focus is. We can help you revise your business plan on an annual or bi-annual basis.

Commissioner Rentschler remarked that when they had met before, there were three avionic companies looking to come to New Mexico and he wondered if this was still the case. Mr. McMillan said it was and he worked with a lot of companies that are looking to come to New Mexico. There is a company that retrofits 757 fuel tanks and is a \$400 million/7 year contract. He didn't think our runway could accommodate this, but your airport could work for other companies. Many of the companies are from the southeastern part of our country and are looking for areas without the weather issues they currently deal with in which they have to shut down for extended periods of time. They are looking at your natural resources such as the air space and 335-340 flying days a year. They will not move their corporate headquarters but will look at New Mexico as a region for distribution. They will have assembly, shipping and warehousing, and will cluster 10-12 companies at a time to cost share the facilities. They typically like operating at or near airports designated as free-trade zones or foreign-trade zones since they are trading internationally. You can get a satellite designation at a cost of about \$10,000. He felt the State of New Mexico was poised to attract these types of companies.

Commissioner Rentschler said we are looking to expand our runway to 9,000' within the next year and noted EAS doesn't work here; we are into Regional Jet Service (RJS). When it comes to attracting the companies you are speaking of, he asked about the associated costs. He asked Mr. McMillan how he saw the plan developing. Mr. McMillan told him it would be based on the job description and what services we would want from them. He could provide a fee schedule contingent upon what type of fees and services the City would like them to provide. He said they have a long history of working with companies both internationally and domestically, and are currently bringing a German manufacturer over who is the leader in their segment of aircraft manufacturing worldwide. He thought it was important to state these companies are not start-up companies, but established companies. A gentleman in Chicago bought 75% interest in this company and is interested in moving the R&D segment to New Mexico because of the flight conditions needed for this research and development. He is looking at developing a new turbine aircraft. Commissioner Rentschler said the Germans fit with us quite well.

Mayor Galea said she would like to see an aerospace technology economic plan for the City. She would like to see what the consensus would be to go out for RFQ. It would be over and above what we currently have for economic development and a new line would need to be developed in the budget.

Commissioner Talbert asked if it could be an addendum of the current line item so there would be one focal point as opposed to two. Mayor Galea said it would be taking funding from one economic development fund and moving it to another. Commissioner Talbert said not necessarily. Mayor Galea then said if we did this in-house, the winning proposal for economic development for aerospace technology would be contracted to the City and work directly with the economic development firm.

Commissioner Rardin asked if she wanted to pay for this from the economic development tax money and she said this was not possible; it would come from the General Fund. Commissioner Rardin said we are maxed out on the GRT money and he would like to explore the Staff negotiating with Mr. McMillan instead of an RFQ. He asked Mr. McMillan how long it would take to develop a plan. Mr. McMillan said they typically look at a six month process. They collect data in the first 30 days and then build a plan on your strengths and weaknesses. Recruiting any industries is very competitive and we are competing against other cities and economic development teams. We typically work on a six month contract. If we are only building a specific business and marketing plan, that would take 90-120 days, although some companies work on an annual contract only. His interest for his company as well as for the NMAAA is to reduce the 30% unemployment rate for veterans. He has been working with the Secretary for Veteran Services, Tim Hale on this and is interested in capitalizing on those leaving military service and entering the work force. Their certifications and training are a natural fit for this city to consider. A company looking to relocate here would certainly consider these resources. His goal is to come in and teach how to catch a fish and then let us do the fishing.

Commissioner Rentschler wanted to see him meeting with Staff and see if this is an RFQ situation.

Mr. McMillan felt this could greatly impact Alamogordo and emphasized how industry is getting involved in the education component by contributing directly at the high school and middle school level. He said he is on the advisory board of a Charter School for Aviation/Aerospace and they are one of only five in the United States. We need to work with Superintendent Straface and NMSU-A.

Mayor Galea said we will have to utilize tax dollars for a service and felt we would have to have community buy-in. She asked him what we could do to generate this buy-in, and what would be the return on investment. Mr. McMillan gave the example of the City of Belen and recruiting a company that manufactured small, two-seat trainer aircraft. They were given the award but then the economy took a downward turn so they had to postpone coming in. Young couples making \$36,000-\$40,000 per year need some chance for advancement. These kinds of aviation/aerospace companies can do this by offering a starting salary of \$50,000 - \$60,000 and career opportunities, not just a job. The return on investment would be the ability to create those higher paying jobs and the mentorship programs for high schools; both financial and educational components. This impacts a community as a whole. If we held our Career Fair at HAFB next year you would see 3,000 students coming in over a two day period. Curriculum is being implemented directly into the high schools so a ninth grader can begin considering a career plan. The end result is a very good product.

Mayor Galea liked his thoughts on recruiting and maintaining our retiring Air Force personnel. She asked what his company's roll would be after the six month process. Mr. McMillan said it would depend on the service. He could continue in a consulting role in support of the City and Economic Development team. That team is the most effective return on your dollar investment, and would teach people in the city how to recruit a specific industry. If you target specific industries and build your marketing and business plan around that, you will be very effective. Take advantage of your natural resources, especially the workforce retiring from HAFB with various certifications that can take multiple hours and thousands of dollars to obtain. This is reducing industry training costs by 70-80% and would be very desirable to any company looking to relocate.

Mayor Galea thanked him and felt the consensus of the Commission was for City Staff to work with him and figure out how we can best work together.

**Mayor Pro-Tem Hernandez moved to approve adding public comment before the consent agenda. Commissioner Sikes seconded the motion. Motion carried by a vote of 6-0-0.**

## **PUBLIC COMMENT**

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### **A. Harv Hamilton commented on Juniper Drive and the speed of that street.**

Mr. Harv Hamilton read a statement prepared by his neighbor, Gloria, to the Commission. He read, 'Following the defunding of the Juniper Widening Project, the Mayor asked him how Juniper residents had reacted to it. Now that the dust has settled somewhat, I must say the school is still out on that question. There was a get-together last Saturday of some of those of us that you saw too much of during the past 6 months. It was billed as the time to celebrate the defunding, but turned into something else. In the days prior to the get together, one owner remarked, "We won the battle but not the war". Another said, "I'm waiting for the next shoe to drop". A third said, "We're right back where we started". (in December) Still another commented, "How will the money (set aside for the project) be used now?" The last comment I'll quote is, "The Commission 'kicked things down the road' on speeding". I'll add to that listing that you also 'kicked the can down the road' on the damage to our street that's been done by allowing it to become the defacto collector road that it already is. Getting back to Saturday's get together, what to do next dominated the discussion and speed was the first thing that came up. I was against the widening and my neighbor across the street, Harv Hamilton, was for it. Tonight most of the signs that once lined our street are now in our front yards. They all address speeding, safety and kids in some fashion or another. All of our complaints about speeding and driving too fast for conditions seems to have fallen on deaf ears so far. A mid-March traffic study indicates that the 85<sup>th</sup> percentile speed of vehicles passing through the Juniper and Aspen intersection was 35mph in both directions. Most responsible drivers slow down prior to negotiating the curve just to the south of that intersection. I wish one of the other traffic studies done in March, April and June was centered on the stretch from just south of Oak to just south of Pine. It's at those points when driver's stomp on their accelerators. I also wish that the trailer that displays the speeds of vehicles approaching it recorded the speeds of the vehicles during the 2 times it was parked along that straight away. But it certainly makes drivers more aware of how fast they are going and slows some of them down. Lastly, I wish the policemen that were parked at Oak and near 19<sup>th</sup> Street were parked there at different times. Their very presence slowed traffic down as did the 12 citations they wrote over 2 months. But when school is out, fewer drivers use 15<sup>th</sup> Street and our section of Juniper to avoid school traffic zones. Owners of homes about equidistant from each other along the straight away would welcome speed bumps in front of our houses. Harv and I are 2 of them. Alternatively, lowering the speed limit to 25 as Commissioner Rentschler said it probably should be would help. And stop signs and cross walks are addressed on one of the signs in my yard. If you still don't believe speeding is a problem you are welcome to bunk in with Harv and his wife to see for yourself; as long as it's one at a time. They would also be willing to stay in there other home a little more than usual if you'd prefer a group affair. In that case, you'll be required to cleanup after yourselves. Time won't allow for discussion in the depth we would like about the wear and tear the current level of traffic has caused to our street so we'll leave that for another day. Thanks again for this opportunity. We still want our neighborhood to be as it was originally. Now that widening is off the table we implore you to do something about the speeding. The 3 alternatives discussed during the 2<sup>nd</sup> Open House reinforced our belief that while we could not agree on how to make our street safer, you were always concerned about it.'

Mayor Galea had to interrupt because of time so the complete statement was not read. [A copy of the statement was given to us and was typed in it's entirety for these minutes. NJ] Mayor Galea told Mr. Hamilton she understood the concerns and asked if they would like an additional traffic study done on this street without any police vehicles present. She corrected his statement by saying only two citations had been written in two months. Mr. Hamilton said people were driving faster than the posted 35mph and one of the studies showed people going faster on the north side of the street. He

said anyone could bunk in with him to observe the speeding if they didn't believe him. Mayor Galea thanked him and said she was hearing from them that 35mph posted on that street was too fast. She stated speeds are set by traffic studies, but they could do another if he would like. He said the speeding was ridiculous and they want their residential street back.

Mayor Galea asked the City Manager to look into this. City Manager Stahle said he would although it would take more than a traffic study. He will work with the Police Department, do some educating and enforcing, and do what is necessary to get a grip on that problem.

**CONSENT AGENDA** (Roll Call Vote Required for Item No. 5)

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2. **Approve Minutes of the August 3, 2013 Special Meeting and August 13, 2013 Regular Meeting of the Alamogordo City Commission.** *(Renee Cantin, City Clerk)*
3. **Approve statement related to the Executive Session of August 13, 2013.** *(Renee Cantin, City Clerk)*
4. **Approve the Public Celebration Permits and a Temporary Alcoholic Beverage Dispenser's License for the Tularosa Basin Wine & Music Fest sponsored by the Alamogordo, Tularosa, and White Sands Rotary Clubs for September 21 and 22, 2013 at Alameda Park.** *(Renee Cantin, City Clerk)*
5. **Approve Resolution No. 2013-28 to re-adopt the updated Community Development Block Grant Consolidated Plan. [Roll call vote required]** *(Ken Johnson, Finance Director)*
6. **Approve the award of IFB 2013-17 Brominating Tablets for the Central Receiving Warehouse in the amount of \$24,840.00.** *(Barbara Pyeatt, Purchasing Manager)*
7. **Approve the award of RFQ 2013-04 for Engineering Design Services related to the Reclaimed Water Line Looping Project to Bohannon Huston, Inc.** *(Jason Thomas, City Engineer)*
8. **Approve an Application for participation in the Fire Protection Fund Grant FY 2014 for the Alamogordo Fire Department.** *(Mikel Ward, Fire Chief)*
9. **Approve the Project Agreement for Community DWI Program.** *(Robert Duncan, Police Chief)*
10. **Approve the Lodger's Tax Expenditures for Tourism.** *(Jan Wafful, Community Services Admin. Asst.)*

Commissioner Hernandez moved to approve items # 2, 3, 4, 5, 6, 7, 8, 9, & 10 of the consent calendar. Commissioner Rentschler seconded the motion. Roll call was taken for items #5. Motion carried with a vote of 6-0-0.

Recessed at 7:51 p.m. and reconvened at 8:00 p.m.

Commissioner Baldwin joined by teleconference when the meeting reconvened.

**NEW BUSINESS**

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- A-1. **Consider and act upon the award of RFQ No. 2013-06 for Economic Development Services.** *(Stephen Thies, City Attorney)*

City Attorney Thies gave an overview of the RFQ. He went over the composite score sheet and pointed out OCEDC received a total vendor score of 437.84 and Tischler Bise received a total vendor

score of 278.6. He said the staff was asking the Commission whether they should enter into negotiations with the highest scoring organization for an Economic Development services agreement.

Mayor Galea stated usually staff evaluators look at proposals and bring back recommendations to the Commission. This time Commissioner Rentschler, Mayor Galea and a staff member were the evaluators. They were going into the interview process after that which may or may not have changed the scores. That process changed at the last Commission meeting when the Commissioners asked to be the evaluators. It then became public record which she felt created an unfair advantage. We were not able to interview these companies before it became a public record, so she felt we should begin the process all over again and go out for RFQ again. It would be fairer for the local economic development firm because of points given for being a local business. She felt there was politics involved and pointed out Evaluator 4 gave 100% of all points to one proposal and no points for the other proposal. She would rather staff be the evaluators and bring their recommendations to the Commission.

**Commissioner Rentschler moved to approve RFQ No. 2013-06 for Economic Development Services to the Otero County Economic Development Council. Commissioner Talbert seconded the motion.**

Commissioner Rardin said he is an opponent of OCEDC, and he would like us to hold their feet to the fire. This will be an opportunity to do this. He felt this RFQ had been rushed. He felt we should award this to OCEDC this year and see how they do. Six months down the road if they are not sticking with it, we should go back out for RFQ. He also had an issue with rewarding any money to an organization from out of town.

Mayor Galea said if we are going to discuss the strengths & weaknesses of the proposals, we should open up the discussion. Concerning the issue of sending tax dollars out of town, she pointed out we award other contracts to the best service for the best price, whether it be for a pipeline, a road, or whatever we are contracting for. One of the proposals noted there are about 13,000 Economic Development entities nation-wide that are scraping for about 1,500 projects. She pointed out Artesia has an Economic Development organization headed by an employee of the Artesia Chamber of Commerce, much like our set-up. Both the city and county fund \$100,000 each towards that organization, and she thought we should ask our county to contribute more of the share. Artesia is receiving more GRT's than the City of Roswell because of this. She did not note a marketing plan in the OCEDC proposal but did in the Tischler Bise proposal; she felt Tischler Bise had a better analysis, but OCEDC knew best how to close with incentives, although she did not think incentives were a means to recruit long-term, stable companies; Tischler Bise had a team/tag line to entice industry and use limited resources widely through web-based marketing, but she did not see this in the OCEDC proposal; Tischler Bise uses a sophisticated data base to do cold-calling; Tischler Bise builds with a collateral team much like the current OCEDC Board; Tischler Bise show the impact of proposed projects and have three levels of review before coming to the Commission and have multiple ways of communicating. Mayor Galea said she would have asked all these questions if they had gone through the usual process of scoring and interviewing. She wanted to know how OCEDC measured its outcomes; how do they evaluate dollars spent to outcome; their plan of action didn't state what their capabilities and goals were; she hadn't seen any new businesses attracted since 2009; board member experience was questioned when she noted Mr. Espiritu listed seven years of experience, but she said he had only been with OCEDC since 2009; they had a plan, but she wanted to know how it would be implemented and who keeps the projects on schedule. She would have asked all these are questions if the interview process had occurred.

Commissioner Rentschler stated some of the problems of these out-of-state companies were that we lose the Economic Development Department services from the State of New Mexico; Otero County had already cut their OCEDC funding in half to \$7,5000 and he didn't think there was a chance they would increase it; the \$200,000 the Artesia Economic Development group receives from the city/county is great, but to do it on a scale we would like to see here in Alamogordo would cost about

\$500,000 dollars and he didn't know where that kind of money would come from. He noted some of the successes of businesses that OCEDC had helped bring to the City, including ASC which became Xerox with 250 employees. Mayor Pro-Tem Hernandez noted they had come on their own but Mr. Espiritu had worked with them to keep the company here. Commissioner Rentschler mentioned the Cookie Factory and Western Baking and how long they had been here. We struck out twice before we got them, but economic development is a long haul process. OCEDC has funded several studies showing we are interested in technology companies and FRST is a perfect example of that. Commissioner Rentschler said we want to get all the Bill McMillan companies we possibly can, but he didn't know if we should pay up front. Economic Development in this country is tough. He felt OCEDC would do a better job of reporting to the Commission if we wanted them to. Commissioner Rentschler remarked we will have to go through the RFQ annually, but City Attorney Thies said it could be structured for three additional one year terms. Next year we could do the RFQ earlier. The reason he wanted this brought through the entire Commission was because voting on this item will be political, no matter no matter how we go about it because of the local entity involved. He reiterated bringing it to the entire Commission was the best way to do this.

Mayor Galea expressed it had been botched by doing it this way. Commissioner Rentschler said every elected official here is vested in the economic development of Alamogordo. There were several things that caused these two out-of-town companies to strike out; they were both out-of-state and we had a local entity. That local entity might not have lived up to the Mayor's expectation, and the Mayor interrupted saying they had not lived up to the community's expectations. She felt we were like the Whos in Whoville chanting, 'We are here. We are here.' The world doesn't realize Alamogordo is here and that we have amazing natural resources. She would like to see this contracted out and noted no one could be better ambassadors for our city than OCEDC and especially Mike Espiritu. We can promote and market our community a little bit better, she felt. Commissioner Rentschler agreed we could always do better.

Mayor Pro-Tem Hernandez agreed somewhat with Commissioner Rardin's statement and the fact we have the option of doing an RFQ every year. We can tell at the end of the year how they do. He didn't have an objection to sending money out of town, but would rather see it remain here as long as they are able to do the best job. Commissioner Rentschler agreed, but said the caveat to that would be to stay within the State, because the Economic Development Department could not work with anyone out of state.

Mayor Galea didn't think Marketing and Promotion services had to be provided within state, but Commissioner Rentschler disagreed saying the State wants to see our taxpayer money remain in-state. Mayor Galea said OCEDC had been awarded the last two and they were our local entity. Mr. Rentschler said he didn't have an argument with that, but he thought the whole idea was to choose one over the other. She felt we could create a hybrid of best services, and Commissioner Rentschler said that wasn't what the RFQ wanted. She said we rated task one and task two, and he said it was a competitive process. She countered saying the whole process was messed up.

**Mayor Galea called for a vote. Roll call vote was taken by the City Clerk. Motion carried with a vote of 7-0-0.**

Mayor Pro-Tem Hernandez asked for discussion. He noted this could possibly go out to RFQ again and hoped not to hear the same comments we heard this year and the year before about what has been done. He hoped to see more done this year and more information shared, or there would be changes. Commissioner Rardin agreed with Mayor Pro-Tem Hernandez and hoped to see more transparency. Mayor Galea said the past contract had not identified the lack of measurable outcome and expected this one would.

**11. Discussion, and possible action, on request by Ray Baca related to tenants water bills.**  
*(Armando Ortega, Customer Service Manager)*

This item was withdrawn and will be added to a future agenda.

**12. Discussion, and possible action, on request by Del or Ken Carpenter related to tenants water bill. (Armando Ortega, Customer Service Manager)**

Customer Service Manager Ortega explained Mr. Carpenter had come to him concerning the city ordinance requiring homeowners to pay an unpaid water bill if we cannot collect from the renter. He had a different interpretation of the State Statute and was expected to be here tonight to give that argument. Neither Del nor Ken Carpenter was present. Customer Service Manager Ortega said our policy for tenants is that if they do not pay the unpaid water bill, we approach the owner for payment.

Commissioner Talbert asked him about the high amount of the bill (\$1,200) and Mr. Ortega told him it was an accumulation of a lot of water bills. They wanted a ballpark figure of the total accounts due from Del and Ken Carpenter and this involved more than one home.

Commissioner Talbert asked Customer Service Manager Ortega whether he had asked Mr. Carpenter if he had a deposit on these rental properties and Mr. Ortega said he did as well as offering him an owner waiver form to sign which would exclude them from any fees if their renters go over. Del Carpenter did sign for all his homes, but Ken Carpenter had not yet done so. To do so would triple the deposit and he didn't know if his renters could afford that. Commissioner Talbert asked if this form was signed before or after the bill was incurred, and Customer Service Manager Ortega told him it was signed afterwards.

**Commissioner Talbert moved to deny the request. Commissioner Rardin seconded the motion. Motion carried with a vote of 7-0-0.**

**13. Discussion, and possible action, on a request by Desert Villa Homeowners Association to consider a Water Bill Abatement. (Armando Ortega, Customer Service Manager)**

Customer Service Manager Ortega stated he was approached by the Desert Villa Homeowners Association after they received a high bill. He had spoken with Mr. Otto Dusak and was told their association had to meet before anything could be done, thus explaining the lapse in time. The customer had a high consumption when the meter readers went out to read it and they were unable to administer a leak test because the water was turned off. They noticed crews working on a sprinkler system and so we contacted Mr. Dusak to discuss possibilities. Mr. Dusak took this information to his board and came back to Mr. Ortega to let him know there had not been a leak at this time. We offered to test the meter and sent it to Las Cruces in order to get an unbiased opinion. It came back reading within the AWWA standards which is 5% either way – a reading of 97%. This is within our guidelines.

**Commissioner Baldwin left the meeting by teleconference at 8:32.**

Customer Service Manager Ortega went on to say he gave a copy of this test to Mr. Dusak and they could not account for the high reading. Mr. Ortega pointed out the consumption history for this property that was in the Commissioners agenda packet, showing sporadic times of high consumption because of leaks. Mr. Dusak was very adamant there had not been a leak, but we couldn't approve an abatement because of the abatement policy which requires documentation of a repaired leak.

Commissioner Rentschler asked Mr. Ortega about the statement of the meter readers which said the water was off and they could not perform a leak test unless the water was on. They also stated work was being done on a sprinkler system at the time and Mr. Ortega agreed. He thought they were also working on the swimming pool. Commissioner Rentschler thought if work was being done it could be taken out of tier 5, and Customer Service Manager Ortega said according to the Leak Abatement Policy it has to be a documented leak repair. That would be a matter of interpretation and up to the Commissioners to decide.

Mr. Otto Dusak introduced himself as President of the Desert Villa Homeowners Association and also

introduced Mr. Glen Mainz as Vice-President. Mr. Dusak said the meter had been shut off from December 17, 2011 – January 15, 2012 and the billing was from December 20<sup>th</sup> – January 20<sup>th</sup>. He was trying to figure out how they could have had a 262,483 gallon water leak when the meter was shut off during that period. The meter was shut off because of winter and he began work on the old and faulty sprinkler system in January. The meter was turned off during that period. He said they were looking at a \$2,711.60 water bill and he didn't think this is correct for that period.

Mayor Galea told him the staff was trying to convey that even though the water was turned off, and Mr. Mainz interrupted to say the leak would have had to be ahead of the meter. If the meter was off, there is no way there could be a leak on their side. Maybe it was human error because this is an extreme amount, and they were asking for a little help with this.

Mr. Mainz said they had a meeting on January 19<sup>th</sup> and that's the day this bill was picked up. At that time Troy Wright with General Hydronics was working with the Association to install playground equipment. He and Mr. Mainz went to the meter and saw it was on but there wasn't any water running through it at that time.

Mayor Galea asked Mr. Ortega if the leak could have been ahead of the meter. Mr. Ortega told her the way the meters are engineered, they would have to have water flowing through the meter in order to turn the dial which turns the gears that register the amount. So the answer to her question was no. Mayor Galea asked how water would go through if it was turned off. Mr. Ortega was uncertain and said they check that meter once a month and it was turned off the day it was read and when the meter reader went to administer a leak test. He said he could not speak to how long it was turned off.

Commissioner Rentschler noted they used 21,000cft in December 2009, 27,000cft in July 2009, so he wondered if Mr. Ortega had given the Commission these billings to show that the Association at times uses a lot of water. He inquired what they use on the premises to use a lot of water. Customer Service Manager Ortega said that was correct and noted they have work orders where the City has been called on leaks. The Association has had problems with their swimming pool. Mr. Dusak said they did not have any problems with the swimming pool at that time, but even if they had it still would not have caused that much water to go through the meter. They have had several leaks at the pool but that was repaired before he began working on the sprinkler system. They were repaired in March or April.

Mayor Galea said for the leak abatement we would need a receipt documenting the repairs. Mr. Mainz said if we give you a billing for a leak we would be lying to you because we did not have a leak. The pool holds 40,000 gallons and that reading was enough water to fill the pool six times. Mayor Pro-Tem Hernandez asked if this was the club house and Mr. Mainz said this was the Homeowners Association Pool area.

Commissioner Talbert asked Customer Service Manager Ortega if he had the actual numbers off the meter, and he said he did. Mr. Ortega told him he had the meter read five to six times. Commissioner Talbert asked if they read the amount when it was shut off and Mr. Dusak said he had the reading on January 15<sup>th</sup> when it was turned on. Commissioner Talbert asked again if he had the reading for when it was turned off and Mr. Dusak said it would be the same. Commissioner Talbert told him it wouldn't necessarily be the same, and if there was a problem it would be between those two readings.

Commissioner Rardin questioned the reading when it was turned on and was told 245,210. Commissioner Rardin said the figures weren't adding up to which Customer Service Manager Ortega said he could only speak for what he had along with several work orders showing rechecks on that meter. Commissioner Rardin asked Mr. Dusak if the reading he had was taken when he turned on the meter on January 15<sup>th</sup> and Mr. Dusak told him yes. Commissioner Rardin said your reading on the 15<sup>th</sup> is higher than their reading on the 17<sup>th</sup>. Customer Service Manager Ortega said we've had several discussions on this. Commissioner Rardin said something doesn't add up and we have to back staff, but he had received readings on his own meter and when he checked the meter himself found the meter was covered with mud and unreadable. He commented that he wasn't knocking the

staff, but he did not know what to do on this issue.

Mayor Galea said this is a challenge and commended them for their honesty in not reporting a nonexistent leak.

Commissioner Rentschler said they have a history of using an awful lot of water a couple of times in the last four years, and Mayor Galea said yes but not that much. Commissioner Rentschler said one was in July and one in January. Mr. Mainz said one of those was when we had that bad freeze and we didn't see it until later on. That one was repaired and we asked for abatement. Commissioner Rentschler asked him if he could be absolutely certain no one had come along and turned it on. Mr. Dusak said no one turned it on because he is the only one who does this since he does all the maintenance. Commissioner Rentschler asked what the reading period was and Mr. Dusak told him it was from December 20<sup>th</sup> – January 20<sup>th</sup>.

Mayor Pro-Tem Hernandez reminded the Commission that a few months ago they had the same dilemma and policy is policy.

Mr. Dusak said we were told to either come before you to ask for abatement or we produce a letter stating we repaired a leak. We did not have a leak so we cannot tell you we had one. He said we would appreciate your consideration on helping us with this.

Mayor Galea appreciated their honesty. She said the leak abatement policy we have will not allow us to grant you a waiver outside the guidelines of that policy. She thought maybe we should look at this policy because there are these odd circumstances where we don't know where the water went to. Commissioner Rentschler noted this was the second time they had seen this exact situation in the last couple of months and we did not grant an abatement on the last one. He explained they have to understand that if the Commission helped the Association out this time, they would have to help the next one and be culpable for the last one. This Commission and the previous Commission have set a hard and fast policy that says a leak must be proven and we have to trust our staff as to the meter readings.

Mr. Dusak said they were advised to admit they had a leak, but they couldn't say this in all honesty.

Mayor Pro-Tem Hernandez said what makes this one difficult for him is we have trades people out here who know the situation. When he served as a Commissioner a few years back there had been a problem in the Associations area where people were stealing water. He understood Mr. Dusak had turned off the water, but unless you are standing guard over the meter, anyone could turn it on. This happens when places are vacant. Mr. Dusak said there are people living around the pool area who keep an eye on this, and he did not think any water had been stolen. Mayor Pro-Tem Hernandez said it is very difficult for him, but because of policy and what we have done in the past, we are held to a certain criteria we have to abide by.

**Mayor Pro-Tem Hernandez moved to deny the request because of policy. Commissioner Talbert seconded the motion. Motion carried with a vote of 6-0-0.**

- 14. Consider, and act upon, a preliminary budget adjustment request for the Revenues & Expenses related to Oktoberfest scheduled for September 13<sup>th</sup> and 14<sup>th</sup>, 2013. (Renee Cantin, City Clerk & Matt McNeile, Assistant City Manager)**

Mayor Pro-Tem Hernandez questioned the amount of \$50,000 for miscellaneous and asked what 'miscellaneous' incurred. Assistant City Manager McNeile said this was a lump sum of what the anticipated expenses would be for the event. We will be reimbursed by the German Air Force for everything.

Mayor Galea asked if we could get a report of the event after the money had been deposited back into that account. Assistant City Manager McNeile said this would be possible. He explained we have

some expenses we have to incur to get this going. City Clerk Cantin said the next budget adjustment resolution isn't scheduled until September, and because we need to purchase things for the event we are asking for it in this manner.

Mayor Galea remarked this could become an annual event hosted by the City, so would the Commission like to see a report after the event? Commissioner Rentschler said absolutely. Mayor Galea asked City Manager Stahle to do this and he told her he could simply supply a written report explaining how it went and what the revenues were for the City.

Commissioner Rentschler asked if we were under contract with the German Air Force (GAF) for them to reimburse us, and Assistant City Manager McNeile said we have a MOU with them. Commissioner Rentschler asked the city manager if this was close enough to a contract and City Manager Stahle said it was.

Mayor Pro-Tem Hernandez said this is not our event so why are we putting out this amount? He explained he didn't have a problem with it other than he didn't want to see us going into business with other events. He thought this was a great opportunity to bring folks into town, but when the Commission previously approved this he was not of the understanding the City would be providing \$50,000 out of our pocket.

City Clerk Cantin told him there were regulations that needed to be followed since the City's liquor license was being used for this event. First of all, we have to purchase the alcohol and the GAF will reimburse our expenses. With our budgetary regulations, we have to put this amount in the budget before we expend or receive any money. We picked \$50,000 as a ball park figure and we have an agreement with the GAF that we receive \$1.00 per ticket redeemed at the gate. They will reimburse the overtime for the Police Dept., and any Parks employees, as well as 15% of the alcohol sales. The GAF isn't in it to make money and the City is not in it to make money, although we put enough in the agreement that any damage to the field and City property would be taken care of. We are looking at about \$35,000 for liquor purchases and have estimated about \$15,000 for revenues coming in. Since this is the first time for us to host this event we are not sure what the exact amount will be, but feel \$50,000 is what we will need.

City Manager Stahle said he looks at this as an event that is part of the City. We didn't anticipate putting up \$50,000 to get it done, but he felt experience will prove this to be a good investment in building relationships with the military in general. Every now and then you will have to decide if an event is worth it. In this case, they are using our facility and liquor license and it is a camaraderie builder amongst the military. It is also an event worth doing for our citizens and we look to grow this. He agreed with Mayor Pro-Tem Hernandez about the idea of putting money up for another business to make money. In this case, any money earned by the GAF is going back to fund activities for their residents who live here. At the same time, it is helping the City with a worthwhile and fun event. He felt the City should advocate for more activities that would be fun and bring attention to this community. It is part of the quality of life issue they discussed at their recent retreat. This will be a test to see if this works, and he hoped it would.

Mayor Pro-Tem Hernandez remarked it was the GAF's 17<sup>th</sup> year to do this, and his problem was it was their event, not ours. He didn't have a problem with helping them get it kicked off this year, but next year it should be self-funded. The example he used was he couldn't sign up for City water and ask you to trust him; you would want a deposit. Next year he will not support \$50,000.

Mayor Galea said Oktoberfest is a non-profit event so any proceeds made this year will be hard to roll over to next year. They don't make money until they sell tickets, but they have the expenses now. City Clerk Cantin told the Commission they are not allowed to have any money left over when the event is over. Any money they have left over is to be donated to the community. Mayor Galea said it was done through MWR that is a resource through HAFB and other bases.

Mayor Pro-Tem Hernandez said it is hard for him to help fund this when we have other events like the

Cottonwood Festival coming up this weekend. It is basically self-funded and we don't provide \$50,000 up front.

**Commissioner Rentschler moved to approve a preliminary budget adjustment request for the Revenues & Expenses related to Oktoberfest scheduled for September 13<sup>th</sup> and 14<sup>th</sup>, 2013. Commissioner Talbert seconded the motion. Motion carried with a vote of 6-0-0.**

**15. Consider, and act upon, a request to unfreeze the Special Events Manager position.**  
*(Katie Josselyn, Human Resources Manager)*

HR Manager Josselyn gave an overview of the position. She explained this position was frozen in 2009 while we had our economic downfall and we chose to freeze some positions in order to balance the budget. There has been talk about trying to do more events for Quality of Life. We have built several events around our liquor license such as Oktoberfest, PupFish Games, 4<sup>th</sup> of July at the Zoo, and others. This has been building and the Staff recommends unfreezing this position to manage the growing number of functions. We envision this position would be filled by someone we could rely on for events outside the boundaries of the Civic Center and Rec. Center. This person would also be the one responsible for the administration and management of our liquor license services. This position would also provide a continuity of services within the Community Services Dept. She noted if we want to improve our Economic Development we must have events that draw people to our community.

Mayor Galea said the Space Museum would like to partner with the City for more events. She had spoken to HAFB concerning this and providing more events catering to singles.

Commissioner Rentschler said this was frozen in 2009 and he was not here at that time, but came in shortly there after. He asked her to name things the City quit doing as a result of freezing this position. HR Manager Josselyn said one thing was our Keep Alamogordo Beautiful program (KAB). It is not near what it used to be and that is evident. Other staff has tried to help but we can only do so much. In the job description we tried to build up the marketing aspect of the job. Hopefully, we can find someone to help bring more things in and tie into the economic development projects. Commissioner Rentschler asked if it would come straight from the General Fund and she affirmed.

Commissioner Rardin asked HR Manager Josselyn why this hadn't been mentioned at the Budget Hearings held earlier this year. City Manager Stahle said he had asked for this to be placed on tonight's agenda. Commissioner Rardin said he and Commissioner Rentschler had fought and fought over giving raises this year because the revenue wasn't going to be there next year. We created the part-time position in the Clerk's office, but he wasn't for filling this position. The PupFish have been here for three seasons and we haven't had this position. The Clerk's office does a good job of handling our liquor license so he didn't think we should fill this because it is an extra \$60,000 + benefits. HR Manager Josselyn said it was \$54,000 and full family benefits were figured into that amount. It would be about \$6,000 less if they didn't want these benefits.

Mayor Galea said it would be great to see our Clerk be a clerk and our Assistant City Manager be an assistant city manager and not have to work overtime at ball games. Commissioner Rardin said he works 14 hour days and he didn't want to hear that. He felt we have staff that can do this job now. We need to look at the bottom line and we may have to lay people off next year because of poor decisions we make today.

Mayor Pro-Tem Hernandez asked who was presently doing KAB and the things mentioned earlier. HR Manager Josselyn said it was being delegated in a number of places; the Parks Dept. was helping with the KAB program; Assistant City Manager McNeile has been managing a lot of the PupFish games; the City Clerk handling almost all of the liquor sales events. This has been very taxing and their jobs suffer for that. Mayor Pro-Tem Hernandez asked about 4<sup>th</sup> Fridays and the Cottonwood Festival, and HR Manager Josselyn said that was Assistant City Manager McNeile, City Clerk Cantin and Civic Center Manager, Raul Ruiz who helped with these events.

City Manager Stahle said he had put this on the agenda because he felt it important to build a bench strength for City Staff to have a go-to person for special events. He felt it important to address the issue of building our Quality of Life, and this will be a person with the vision to put together programs that otherwise would not be provided. That's what he would like to impress upon the Commission. He understood the concerns on our budget and was not going to propose an upcoming budget that would put us in the hole. Consistent with the goals expressed to date and given the current operational considerations within the City, this position is needed. We need someone who can do beyond what is already being done; someone with vision as to what is possible in all our facilities. Our parks are being under utilized and he would like to see this changed. He would like to see someone who could field the calls from outside our community from those wanting to bring in tournaments or other activities. This person could work with the County, Forest Service, Air Base, and anyone else with an interest in coordinating events. It would open doors of opportunity to better utilize our various facilities. He said he would do everything he could in the upcoming budget to keep the position there and not cost us in other ways. He felt it important to follow up on what the Commission had expressed was important.

Mayor Galea said he touched a lot on Economic Development. She said the Down Town Merchants would be interested in this. She suggested a Renaissance Festival. The Mayor thought this position would pay for itself, especially in our down town area. HR Manager Josselyn felt this position would become an in-house Economic Development person. Mayor Galea said they could work with the Chamber on events as a liaison or coordinator.

**Commissioner Rardin moved to approve keeping the position frozen. Mayor Pro-Tem Hernandez seconded the motion. Motion failed with a vote of 3-3-0. Commissioner Sikes, Commissioner Talbert, and Mayor Galea voted nay.**

City Manager Stahle asked if we can add this item to the next agenda, and the Mayor agreed.

**16. Consider, and act upon, the approval for the Mayor to travel to Washington, D.C. with the Association of the United States Army, to attend scheduled meetings with the Texas and NM Congressional delegation and DoD partners in the Pentagon to discuss issues of importance to the region.**

Mayor Galea explained she had been invited by an El Paso based group to go on this trip. She would work with them as the regional representative for Alamogordo and HAFB. The cost would be roughly \$2,900 and would cover all the travel and hotel accommodations.

Commissioner Rardin asked if the El Paso group could take care of this. Mayor Galea said it was a self-funded group who paid out of their own pockets. Commissioner Rardin said he doesn't have a problem with in state travel. He remarked he was questioned about his travel expenses to Santa Fe or Taos for \$200.00, and now we are asked for \$3,000 to go to Washington.

Mayor Galea told him she travels on her own dime every day, and he said they all do. She continued she represents Alamogordo and HAFB on numerous occasions and doesn't ask the City for reimbursement. This amount is more than she can afford at this time and she feels it important to represent our region at this conference. Commissioner Rardin asked the City Clerk if any former elected officials had gone to this conference, and the Mayor told him we had not been included in this conference in past years. Commissioner Rardin thought this was the role of the Committee of 50; they are local business people who pay their own way and could advocate for the City, HAFB and White Sands Missile Range. He was against us going to Washington on the City's dollar. He felt travel was justified within the borders of New Mexico.

Commissioner Sikes said as a Commission we elected Mayor Galea to be our figurehead and spokesperson. In times like this we can't be absent, we have to be represented. In the past, it has been well worth our while to be represented by our mayor at events such as this. She felt we should support Mayor Galea.

Commissioner Rardin reiterated he could not see spending tax dollars to go to Washington. He was against our County Commissioners going out of state and expressed his displeasure over President Obama flying all over the place and spending millions of dollars to do so.

Mayor Pro-Tem Hernandez disagreed with Commissioner Rardin a little bit. We are getting ready to give the Germans \$50,000, even though it will be reimbursed. \$2,900 is a small price to pay for what we get from Holloman every day, so he didn't have a problem with this. He felt Mayor Galea working with the Committee of 50 had been very helpful to the City.

Mayor Galea said the Committee of 50 wouldn't be able to attend this conference because they have other trips planned. The association that invited her was a big one and they wanted a HAFB representative there because they felt they would be stronger as a triad when it comes to opposing possible upcoming cuts. We don't want any missions taken from these three installations and would like to see more missions come in.

**Mayor Pro-Tem Hernandez moved to approve the travel. Commissioner Sikes seconded the motion. Motion carried with a vote of 5-1-0. Commissioner Rardin voted nay.**

Commissioner Rardin would like to create a policy that any out-of-state travel for any elected official be brought first to the Commission for approval. Mayor Galea said she had put it on the agenda because she agreed with him.

**17. Appointments to Boards & Committees. (Susie Galea, Mayor)**

Mayor Galea announced the Boards and Committees with current vacancies and said she would not make any appointments tonight because of her lack of time in the last two weeks to review the applications.

Commissioner Rentschler and Commissioner Rardin would like the Mayor to appoint William Dennis to the Public Library Board. She noted the Commission will appoint William Dennis to the Public Library Board.

Commissioner Rardin asked how many applications we had for the Parks & Recreation Board and asked how long these positions had been vacant. Mayor Galea did not know how long they had been vacant, and noted it would be Eugene Downer's first term if he was appointed. Commissioner Rardin asked how long the terms were and the Mayor said these positions were created by the retiring of two very active members. Commissioner Rardin suggested the Mayor appoint Eugene Downer since he was willing to serve. She noted the Commission appointed Eugene Downer to the Parks & Recreation Board. Commissioner Rardin noted Mr. Downer was a Master Gardener.

**UNSCHEDULED COMMUNICATIONS**

**Mr. Espiritu commented on the following:**

1) He had been to the AUSA meeting and it is a good meeting to attend. He noted the Association of the Air Force would be meeting in September and representatives from HAFB attend that every year.

2) He spoke to the Commission about branding our community. A few years ago a colonel out at HAFB coined 'The Friendliest Place on Earth', but it has kind of faded. The Chamber will be hosting a Community Branding Exploratory Meeting on September 12<sup>th</sup>, and would like the Commissioners to attend.

3) November 7<sup>th</sup> OCEDC & the Chamber will hold a VA Job Fair at the Mall from about 10:00-2:00.

**Commissioner Talbert commented on the following:**

1) He asked about the Atari operation at the old landfill. City Attorney Thies said he didn't know where they were in their exploration. We had received the \$25,000 that was required by the City.

## **CITY MANAGER'S REPORT**

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- 1) He congratulated Fire Chief Ward who went after and received \$150,000 to \$200,000 worth of equipment for the Fire Department from other agencies who were getting rid of it.
- 2) He noted several Commissioners and staff are going to the NM Municipal League Annual Conference in Taos. It would be a great opportunity.
- 3) He distributed notes and a summary from the Strategic Planning Retreat held a few weeks ago and he will be adding it to a lighter agenda in the future.

## **REMARKS AND INQUIRIES BY THE CITY COMMISSION**

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### **Commissioner Rardin commented on the following:**

- 1) He noted a police officer was standing in the middle of the intersection at 10<sup>th</sup> and White Sands looking for people without seat belts. He received several calls from constituents saying they had received citations for not wearing seat belts. Commissioner Rardin didn't agree with citing them for this; he thought once they put their seat belt on they were in compliance. He felt it was unsafe. City Manager Stahle said he would speak with Chief Duncan about this.
- 2) Commissioner Rardin brought up a previous plan created for Code Enforcement that they would follow in order to be more affective. He has not been receiving as many complaints since then, but he felt Codes has been falling down on this since the pressure was off. He has heard from a gentleman who was tagged for something minor while the lot across the street had multiple tall weeds. The City Manager said he would look into this.

### **Mayor Galea commented on the following:**

- 1) She remarked many of us are going to the New Mexico Municipal League Conference. She will be recognized as a certified MOLI officer.
- 2) She asked if Commissioner Rardin or Commissioner Baldwin could represent the Commission at the 11:00 event at Pepper's Restaurant where all the commanding officers from the triad of bases will be in attendance. City Manager Stahle said there would be some staff that would attend this.
- 3) She mentioned Oktoberfest needed volunteers.
- 4) The Mayor of Las Cruces texted her today saying a club in Las Cruces was going to build a ramp for a disabled citizen of Alamogordo on September 7<sup>th</sup> at about 8:00am. They needed volunteers to help with this.

### **Commissioner Rentschler commented on the following:**

- 1) He said the bicycle walking path at Washington and Aspen was damaged and had grass growing across it. The City Manager took note.
- 2) Commissioner Rentschler thanked Public Works Director Cesar and his crew for fixing water leaks, but he had one complaint on Shawnee Trail. Set up for work on that leak began at 2:00 am. Public Works Director Cesar explained what they did to fix these leaks. He told the Commissioners they had been contacted by a citizen at 2:30 am to report a leak.

## **EXECUTIVE SESSION** (Roll Call Vote Required)

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*Adjourn into Closed Session in compliance with Section 10-15-1.H, NMSA 1978 (2010 Cumulative Supplement), to discuss:*

- **Threatened & Pending Litigation (Premier Pellets)**
- **Threatened & Pending Litigation (150' x 50' tract in Section 30, T16S, R10E NMPM)**

**Commissioner Rentschler moved to adjourn into Executive Session to discuss Threatened or Pending Litigation (Premier Pellets & 150' x 50' tract in Section 30, T16S, R10E NMPM) at 9:40 p.m. Mayor Pro-Tem Hernandez seconded the motion. Roll call vote was taken. Motion carried with a vote of 6-0-0.**

## **ADJOURNMENT**

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*Renee L. Cantin*

City Clerk Renee L. Cantin

*(Prepared by Nancy Jacobs, Deputy Clerk)*

*Approved at the Regular Meeting held on September 10, 2013.*

*Susie Galea*

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Mayor Susie Galea