

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION REGULAR MEETING MINUTES
7:00 P.M., COMMISSION CHAMBERS
JULY 9, 2013**

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

**AL HERNANDEZ, MAYOR PRO-TEM
JIM TALBERT, COMMISSIONER
MATT McNEILE, ASST. 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. Clerk Cantin announced there was a quorum present. Invocation by Pastor Vaden Gilloth and the Pledge of Allegiance was led by Mayor Pro-Tem Hernandez.

APPROVAL OF AGENDA

Commissioner Rentschler moved to approve adding the Addendum items to the Consent Agenda. Mayor Pro-Tem Hernandez seconded the motion. Motion carried with a vote of 7-0-0.

Mayor Pro-Tem Hernandez moved to approve the agenda. Commissioner Rentschler seconded the motion. Motion carried with a vote of 7-0-0.

PUBLIC COMMENT

A. Robert Callaway commented on the orange barrels:

- 1) Mr. Callaway is here on behalf of one of his tenants who had a water leak at the El Camino Restaurant at 1022 White Sands Blvd. beginning in early March. A leak had been detected and they called the city water department. A crew came out in a few hours and verified there was a leak when they checked the water meter. They cut the sidewalk to look for the leak which was on the street side of the tenant's meter. Mr. Callaway said it has been about four months since then and the yellow barrels are still there. The tenant has talked to people about getting this fixed because it is an obstacle course from the parking lot to the front door. He finally called Mr. Callaway and asked him to see if he could get anything done about it. Mr. Callaway told him he would present this to the City Commission. He asked the Commission if this could be resolved so the tenant could get his business back to what it should be. In the mean time, there have been some damages suffered because of this leak and he has filed a tort claim with the City. All that has been received is a response from their insurance company saying the City is not liable. Mr. Callaway has incurred considerable expense to repair the damage and he would like to meet with the Mayor, the City Attorney, a couple of Commissioners and maybe some Public Works people or the City Manager to see if anything can be done about this. He said his phone number, which is 437-2331 is in the book. In the meantime, he wanted to know if anything could be done about the obstacle course of yellow barrels (he corrected himself to say orange barrels).

Mayor Galea thanked him for bringing this item to the Commission's attention. She remarked this was the first time she had heard of this and said she would be in touch with him to arrange that meeting with the City Attorney and herself in regards to the damage. She asked Public Works Director Cesar to come forward and address a timeline concerning the barrels.

Public Works Director Cesar was not aware of this either, but said he would contact the Utilities Maintenance manager first thing tomorrow and then answer to the Commission. Mayor Galea told Mr. Callaway he would have an answer to this tomorrow.

Mr. Callaway said this wasn't the first time he had called this to the City's attention. He said he had been here many times and talked to Lisa Gonzalez in City Attorney Thies' office. She had assured him they would contact the proper people to get it taken care of, but here four months later it is still isn't resolved.

Commissioner Rardin said instead of an answer as to why it's not done, we just need to get it fixed by tomorrow afternoon. He said there was another situation like this one out by his shop a while back that sat there for months. He received numerous calls from constituents wanting to know when the holes would be filled and the barrels taken down. This seems to be a recurring problem around town, so instead of asking why, let's just get it done tomorrow or by the end of the week. He didn't think this was too much to ask.

Mr. Callaway added that during the four months one of the barrels fell over and it took about three weeks for someone to notice and stand it back up. It was an obstacle course getting into the building.

Mayor Galea thanked him again and assured him it would be addressed.

B. Mr. Espiritu commented on the Chamber of Commerce.

- 1) Chamber of Commerce CEO Mike Espiritu gave an update on some Chamber Events. He told them that this Thursday they would have the quarterly Chamber of Commerce Associate and Business of the Quarter Breakfast at Tia Lupes at 8:00 am, and he invited the commissioners. It will be sponsored by Pre-Check and Commissioner Sikes would be the guest speaker. Next, this Friday will be Fan Club which is a hosted breakfast at Tia Lupes at 8:00 am. He hoped the Commissioners would come out and meet some of the members and those in the business community. Then, he said, the Iron Hide Motorcycle Ride is coming up. There will be over 1,000 motorcycles from Ft. Bliss, HAFB and WSMR coming to Alamogordo. They are required to do an annual safety ride and through the great cooperation of the local law enforcement folks – Border Patrol, Sheriff's Office, our DPS and the State Police – a course has been mapped out. They will be in Alameda Park on Friday from about 10:30 am to about 2:00 pm. Chamber of Commerce CEO Mike Espiritu said he made special mention of this because Mayor Pro-Tem Hernandez and Senator Heinrich will be there to welcome them to New Mexico. There will be a few food vendors in the park as well as some new and old cars. The motorcyclists will rally at the Western Bank parking lot, head up the Relief Route going north to Hwy. 82, go across White Sands Blvd., go up Florida, turn right onto Scenic so they can get a beautiful view of our city, come back down Indian Wells to Alameda Park. They can participate in some skills events and there will be a dunking booth which Mayor Pro-Tem Hernandez can participate in. We hope this will set the stage for these folks to come back with their friends and family. They will leave at about 2:00 pm and go back to their home posts.
- 2) Chamber of Commerce CEO Mike Espiritu told the Commission he had heard from FRST and they had come to an agreement with the owner of the old Sears building on New York. They have come to terms and are ready to sign agreements. They are buying outright instead of leasing. They have already provided paperwork to the state and they have prepared a timeline. That timeline shows to start renovation as early as August and be done by October, start moving equipment in that time frame, start hiring the early part of the year and begin about March. This will provide 25 high wage jobs that will be good for our community.

CONSENT AGENDA (Roll Call Vote Required for item No. A-2)

- A-1. Approve the Second Amendment to the Cooperative Project Agreement between the City and the New Mexico Department of Transportation related to ADA Improvements at Tenth St. and White Sands Blvd. (Edward Balderrama, Project Manager)**
- A-2. Approve Resolution No. 2013-24 authorizing the City Manager to sign any documents and agreements with the New Mexico Non-Metro Area Agency on Aging and the Alamo Senior Center related to the Four Year Plan (2012-2016). [Roll Call Vote Required] (Matt**

McNeile, Assistant City Manager)

1. **Approve Minutes of the June 19, 2013 Special Meeting and the June 25, 2013 Regular Meeting.** *(Renee Cantin, City Clerk)*
2. **Approve statement related to the Executive Session of June 19, 2013.** *(Renee Cantin, City Clerk)*
3. **Approve an Intergovernmental Agreement with the North Fork Fresno Acequia related to the removal of vegetation on 12,500 linear feet of the North Fork Ditch.** *(Brian Cesar, Public Works Director)*
4. **Approve the Agreement with Otero County & the Village of Tularosa for Ambulance Service Dispatch Center and Dispatch Services.** *(Robert Duncan, Police Chief)*
5. **Approve the Agreement with the NM Economic Development District, Non-Metro Area Agency on Aging (NMAAA) for the Nutrition Incentive Program (NSIP).** *(Veronica Ortega, Senior Center Manager)*
6. **Approve the Agreement for Corporation for National and Community Service (E-grants) for the Retired and Senior Volunteer Program, in the amount of \$44,414.** *(Veronica Ortega, Senior Center Manager)*
7. **Approve the Agreement with the NCNMEDD Non-Metro Area Agency on Aging Grant for the Senior Center Programs.** *(Veronica Ortega, Senior Center Manager)*
8. **Approve the award of RFP No. 2013-005 for the Bonito Lake Sedimentation Analysis Services project, to Intera, Inc. in the amount of \$118,774.37, including NMGRT.** *(Bob Johnson, Contract Coordinator)*

Mayor Pro-Tem Hernandez moved to approve items # A-1, A-2, 1, 2, 3, 4, 5, 6, 7, & 8 of the consent calendar. Commissioner Baldwin seconded the motion. Roll call was taken for item #A-2. Motion carried with a vote of 7-0-0.

NEW BUSINESS

9. **Consider, and act upon, directing staff to request qualification based proposals for economic development services and in conjunction with or independent of that direction consider amending the threshold requirement for services.** *(Stephen Thies, City Attorney)*

City Attorney Stephen Thies told the Commission this item had come up during the budget meetings when they were discussing OCEDC funding. About three years ago, the City had increased the amount they paid OCDEC from the Economic Development tax from \$50,000 - \$70,000. At that time the threshold for professional services provided that anything over \$50,000 needed to go out for requests for qualifications (RFQ). RFQ's generally involve looking more toward the quality of the service and not necessarily the price. That doesn't mean you can't take price into consideration when doing an RFQ, but mostly you are looking for the ability to perform the requested services. Normally, you have a particular project, which in our case is usually for engineering services, for example the Pecan/Washington Realignment. The Commission directed the staff to look into realigning that intersection and the staff requested proposals from engineering firms that would show what they could do and provide for us. The proposals would be reviewed and an agreement entered into. It was brought up during the budget meetings that we had not done this when the amount had been increased, so that is why this is before you tonight. He noted in conjunction with that, the issue was voiced of perhaps raising our threshold of \$50,000 for professional services. Because we are a

Home Rule Charter City, we do not have to abide by the state procurement statute. The state procurement says \$50,000 is the threshold where you have to go out for competitive qualification proposals. We can opt out of that and set our own threshold. City Attorney Thies said in the agenda report he had put the ten largest municipalities in New Mexico and of those ten, seven are Home Rule Charter cities, and of those seven, six have opted out of the state procurement code. Alamogordo, Rio Rancho, Hobbs, and Santa Fe had set their thresholds at \$50,000, Albuquerque set theirs at \$75,000 and Las Cruces set theirs at \$35,000. Las Cruces has a different process where they scrutinize the services much more closely than we do. They have a panel that reviews and qualifies individuals and he said this would be one option for us. The Commission could ask the staff to bring back an ordinance increasing the threshold independent of the OCEDC issue, and you could still ask staff to issue an RFQ for economic development services.

Mayor Galea said we have two issues on this agenda item; to potentially increase the threshold for the procurement and the RFQ for economic development. She offered it would be good to increase the amount for procurement, but wasn't sure it would be good for all services across the board. She thought that since we are stewards of the taxpayer's money, \$100,000 might not be appropriate for all services.

Commissioner Rentschler felt we could not single out an entity for one level and the rest for another level. He thought it should be a level playing field for all.

City Attorney Thies said professional services are traditionally viewed as those operating under a license, like doctors, lawyers and engineers. Over time, the definition has been expanded to any type of specialty service. If the Commission wanted to, we could have one threshold for licensed individuals and one for non-licensed individuals having some specialized service they are selling to the City. Other than that it could be problematic.

Commissioner Rardin thought we should leave it at \$50,000. He mentioned that both he and Commissioner Rentschler were licensed and if we raised the threshold for licensed service, we would end up giving contracts to companies around town without a bidding process. He reiterated it should remain at \$50,000 and we put out an RFQ for this, or consider bringing it in-house.

Commissioner Baldwin said the Mayors comments of being stewards of this money were fitting. Raising it up brings a lot of gray areas within some of the professional contracts. He wasn't willing to raise it.

Commissioner Talbert said if we do an RFQ, he would like to see a requirement that the money has to be spent in Alamogordo. We don't want an outside entity winning a bid so the money goes outside of the City. There should be some means to keep the money within the City of Alamogordo.

City Attorney Thies said we can look at that but we can't totally prevent outsiders from coming in and making a proposal. You can give preferences to a local service provider and we do that all the time, unless it involves federal funds. Our local contractor preference is to give them 5% if their business is within the City limits. We could establish something like that. Normally you do a point system when you do RFP's/RFQ's and give a local company a set number of points. Mayor Galea asked if this meant a local company would receive more and City Attorney Thies agreed. He explained if there was a total of 100 points available you would give 10 points to a local company.

Commissioner Rentschler agreed with Commissioner Talbert's comments. He thought most of the \$50,000 was eaten up in project engineering design and they manage to stay under that \$50,000. He was concerned that if we raised it to \$75,000, all the project designs would go to \$75,000. We are charged with watching tax payer money and he didn't want to arbitrarily float that figure where we are automatically spending another \$25,000 on every project.

Mayor Pro-Tem Hernandez would like to keep the threshold at \$50,000, but restricting where and how the money is spent. We don't currently ask where every dollar is spent and it all isn't spent in

Alamogordo. Commissioner Talbert said he meant he didn't want a company out of the City of Alamogordo getting the bid. Mayor Pro-Tem Hernandez said if it's bid, it's bid.

Mayor Galea said now that we are speaking of companies outside of Alamogordo, she has met with Border Plex along with Commissioner Sikes and Commissioner Rentschler. This company does not accept any public funds and are an internationally recognized economic development firm. She had visited with Chamber of Commerce CEO Mike Espiritu as well, and OCEDC would have to form a partnership with them. Border Plex focuses on international trade, more infrastructure and military. She felt this would be a positive alliance and there would be more buy-in from the business community with that type of international reach. Where OCEDC isn't strong, Border Plex could step in.

Commissioner Rentschler said Border Plex was interesting to meet with and is not looking to compete with OCEDC. He hoped OCEDC would talk with these gentlemen and see what kind of alliance could be made with them. When it comes to this money and trying to keep it spent here, he said it was Alamogordo taxpayer money generated by Gross Receipts tax and we need to keep it within the City if possible. He felt we try to do this already, although engineering design comes out of Roswell and other places. If we choose to go out to RFP with OCEDC and look at economic development in that manner, we have to give them serious points for doing all they do. He would like to see us split this into two. The first would be the threshold, which he thought very reasonable and the second would be the RFP. He didn't know if it was proper to do these together, but maybe we should do the basic threshold first and then consider if we want to make an exception for OCEDC or if we want them to go through the RFQ.

Mayor Galea believes the consensus of the Commission was to not change the amount of the procurement threshold of \$50,000. She mentioned Commissioner Sikes had suggested during a previous meeting that if we went to RFQ for OCEDC, than all services should do so, including public transportation.

City Attorney Thies said yes we would do this. Currently the only other service provider exceeding that threshold that we have not gone out for RFQ's/RFP's is Zia Transportation. It is a similar situation in that the dollar amount crept up over the years and we didn't stay on top of it. It should have gone out for RFQ's/RFP's as well when it went over the threshold.

Mayor Galea said if we are playing by the rules, anyone who provides a service over \$50,000 should go through the RFQ process, and the city attorney agreed. The Mayor asked City Attorney Thies if he would bring back the RFQ. City Attorney Thies said he looked at the thresholds of different communities and came across an RFQ that Rio Rancho currently has out for economic development services. It isn't totally what we want but is a good working example. He said he could distribute copies to the Commission for their feedback. Once the RFQ/RFP is done, it goes to Purchasing where they publish it and set up a timeframe in which the responders should submit their proposals. We review and score those proposals and possibly call in the top three people or the top person and interview them. If someone is selected, we come back to the Commission to have them award the contract and then we negotiate the final terms. We can deviate from that somewhat, such as having some Commissioners on the scoring and reviewing of proposals.

Mayor Pro-Tem Hernandez mentioned that when he had previously been on the Commission, there was a situation concerning contractors. Mesa Verde and Jobe were the two entities and the situation had to do with the point system and locality. Mesa Verde had a home office but their actual field office was in the county, and Jobe had a county office. We need to follow the rules by what they are and not try to alleviate anything when we have a hometown person. These people can't come into town and set up house and say it's their business in order to get a preference. We need to be very careful with this because it has happened before.

Mayor Galea asked City Attorney Thies if any action was needed at this meeting and he told her they just needed to direct staff to work on the process.

Commissioner Baldwin said when this came up a few months ago we requested if it went to RFP/RFQ, the scope of work OCEDC is currently engaged in be put in there as well. He wanted this to be done. City Attorney Thies told him that the current contract with OCEDC has a very detailed scope of services they will provide. In an RFP/RFQ you aren't necessarily going into that much detail. You give a general direction of what you are looking for and they submit their proposal of what they will offer and at that point, you make a selection. Commissioner Baldwin remarked, 'Generally', and the City Attorney agreed. Commissioner Baldwin said his request still stands. He said it doesn't have to be word for word, but there are a lot of services OCEDC provides that an outside agency can't even come close to, especially when it comes to the networking in the community and those who volunteer their time. The hundreds of people who volunteer their time for OCEDC needs to be considered. The City Attorney said we could give points for community involvement.

Commissioner Rentschler said you have to look at the board of directors of OCEDC which is a 'Who's Who' of the top business people in Alamogordo. That is an invaluable asset to us. These are the people who know Alamogordo and we have to insure whoever does this has this same caliber of people. Alamogordo is a unique place when it comes to economic development, and we know ourselves best.

Commissioner Sikes said just for clarification, is OCEDC now working unfunded? Mayor Galea said no. Commissioner Sikes said since they are funded, will the RFQ not begin until next year? Mayor Galea said we look at the contract annually and she asked the city attorney when we are due to do that. City Attorney Thies told her a new contract is normally prepared after the first of the year and brought to the Commission for approval. At times it has been done as late as September because of discussions concerning goals and objectives and scope of services. The Economic Development ordinance states we can spend up to 10% for those services regardless of when the contract is entered into. We have that amount of money available in the fiscal year.

Commissioner Rardin thought the contract went from July 1st to June 30th. His issue was the time between July 1 and now, since technically the contract expired on June 30th. We budgeted the money, but are they currently working for free? The City Attorney told him it would be for this fiscal year and would go out for RFQ. The effective date would be whenever the contract is approved and on June 30th. We could prorate the payments however you deemed appropriate. For example, if it was \$70,000 paid over a nine month period, we could structure the contract that way.

Commissioner Rentschler said we are who we are. Both OCEDC and Zia Trans need to understand when we approve the money in budget hearings, that is the way it is going to be. If we are going to try and do this quickly, we may trip over ourselves or have unintended consequences that we weren't prepared for. At this point in time, we need to have the new contracts approved for next July 1st. He felt we should stick with what we have approved and during this year develop this RFP and have it ready to go out by next March or February.

Mayor Galea said we knew in May we needed to go for RFQ and we still need to go out for RFQ because it would be against our procurement code to fund any service beyond \$50,000 without it. Commissioner Rentschler asked her if she was willing to pull the funding at this point and she said no but we need to go out for RFQ. Commissioner Rentschler agreed but felt we couldn't do it next week or next month. Mayor Galea said the Rio Rancho RFQ for economic development will be in our box for us to go over. Commissioner Rentschler said we can certainly look at that, but we need to have some time with it to try and figure this out. Mayor Galea asked him how much time he needed and he told her until next March. She felt this was inappropriate. He said both Zia Trans and OCEDC have already laid out their plans and we assured them they would be receiving these funds during the budget hearings. She agreed, but said we have not approved the contract for OCEDC. Commissioner Rentschler felt we needed to do this slowly and right. Mayor Galea agreed it needed to be done right but didn't think government must always be slow. Commissioner Rentschler didn't know if the Rio Rancho document would fit our foot, and the Mayor said we could adapt it. He said he didn't know how much of it we could use because we are in a much different economic environment than Rio Rancho ever thought about being. We are limited in taxes we receive and right now

economic development is a tough thing because there is only so much to go around. His concern was to do this right.

Commissioner Rardin asked City Attorney Thies how long it would take to get out an RFQ. Could it be done in 30 days? City Attorney Thies told him in about 30 days, but the review process would take a little longer. Potentially, if we pushed it, we could have a contract for Commission review the first meeting in September. Commissioner Rardin said that would be about the time we normally approved their contract, and the city attorney agreed. Commissioner Rardin said we are knowingly violating our procurement code if we go ahead and fund them this year. We budgeted for it but didn't guarantee the money just because of this issue. He felt torn on this because it needed to be done, but do we violate our procurement code for another year?

Mayor Galea stated she didn't have any intention to remove funding from any organization, but felt we should adhere to the procurement code and go out to RFQ for all services over \$50,000. Commissioner Baldwin said let's go.

Mayor Galea said the direction of the Commission is that we will not increase the procurement ceiling of \$50,000, and we will proceed with the RFQ for all services over \$50,000, by September 1st.

Commissioner Rardin asked the city attorney if that was enough time and City Attorney Thies said he would diligently work on it. Commissioner Rardin asked Purchasing Agent Pyeatt, who was in the audience, if that was enough time for her. He asked the date of the first meeting in September and the Clerk told him September 10th.

City Attorney Thies said there was no need for action on this tonight, because they only needed to direct staff to begin the process. Mayor Galea said the direction of the Commission was to begin the process of an RFQ so that by September 10th meeting there would be a contract for services for OCEDC on the agenda. Commissioner Rentschler asked if this would include Zia Trans and she said yes. Commissioner Rardin asked that Zia Trans be notified of this.

10. Consider, and act upon, a voluntary residential property demolition program. *(Stephen Thies, City Attorney)*

Mayor Galea said there are many variations of demolition plans from across the country. She asked for input from the Commission.

Commissioner Talbert said the Kissimmee, Fla. document had some very good points. He liked the idea that if the city paid for demolition, there has to be a new building contracted. Another point was demolishing a structure and the property owner would pay the amount agreed upon which might not be exactly what the cost was, within the next six months or there would be a lien on the property. He thought this was backwards. We should have the person pay up front since if we demolish a building and put a lien on it the city then owns it. He liked the one that says we will do the reduced demolishing price if there is a procedure that begins in the next 90 days, and the other where they pay first to just demolish the property.

Mayor Galea said Huntington wanted to charge \$100 administration fee up front and \$100 per sq. ft. She wondered how many would be able to afford this. Maybe the incentive to demolish at no cost but must begin building within three months on the property so the new building would become more valuable would be better.

Commissioner Talbert said there is the idea to remove the building because it is an eyesore or dangerous, without putting something in its place. He didn't think it was right to say a structure has to be built, because sometimes just the removal of a building is an improvement.

Commissioner Rentschler asked how many properties we currently have liens against. City Attorney Thies said there were about 50. Commissioner Rentschler asked how many we have foreclosed on

and City Attorney Thies said there were two on tonight's agenda and there were four the Commission approved previously. These six are the only ones that we have pushed foreclosure on during his five and one half year tenure. Commissioner Rentschler asked how many have been completed and the city attorney answered zero. Commissioner Rentschler said this was his concern. A demolition cost of \$2,000 on a \$20,000 lot isn't going to sit very well, and if the building is dilapidated there are ordinances in place to do that. He agreed there must be a way to incentivize existing ordinances, but he didn't know the City should be in the position to take the properties. If you had a dilapidated property that you couldn't afford to demolish, what would be the chances you could start another? The other thing was if we do this at a reduced rate, do we get into the Anti-Donation Clause when we improve the value of a property at a reduced rate. He had some pause with this.

Mayor Galea said the Kissimmee criteria stated it must be an economic development targeted industry project, so not every dilapidated building would qualify. If they were not able to rebuild in three months time, the city would not put a lien on the property. They would assess the value at 25% over a four year period so the property owner would pay the total cost of the demolition. Either way, she said, the city would have a new development on property or they would be refunded the total cost of demolition.

Commissioner Rentschler asked the Mayor if she was considering one particular piece of property. She told him no. He noted the criteria stated properties must be asbestos free and pointed out just about every property that needed to be demolished here had asbestos and lead. It was very problematic.

Commissioner Rardin expanded on Commissioner Rentschler's comments by saying if it wasn't built within three months it was 25% per year until paid back. We have no way to collect that money except by putting a lien on the property, and if that lien is there longer than four years it becomes uncollectible. If the owner could afford to tear it down they probably would.

Mayor Pro Tem Hernandez said he has a lot of concerns with this. He felt a lot of these properties would be in his neighborhood. He said one of the properties that needed to be demolished was his neighbor to the south and he actually did it himself. There was a White Sands Construction sign in front for a few days and they were going to tear it down. More than likely they would have ended up with the property and Mayor Pro Tem Hernandez might end up with a halfway house hotel next to his house. This is all possible through this process. He suggested the United Way Day of Caring time or the Big Give project. Perhaps people could have buildings torn down without the tipping fees, because that's where the expense comes in. He was going to do one this Saturday in his neighborhood and charge \$1,500, but the tipping fees were \$6,800. So perhaps if we went with the United Way Day of Caring without the tipping fees, we could clean up some of these properties while allowing the owner to keep the property and sell them to family members who would build something there.

Commissioner Rardin said a few years ago the City did a community wide clean-up. We put our roll-off dumpsters in strategic locations and manned them with city staff. It was free to anyone in the community to come and dump, and many of us walked around town picking up trash. Maybe we could open the Convenience Center without the tipping fees and have the guys at HAFB tear down some of these buildings during their Big Give project. Maybe some of the local construction companies could come in and help with this. He is afraid if we tear down buildings we will be stuck with a lot or liens on which we cannot foreclose.

Mayor Galea said if we could do it at cost and have them pay up front; for example the \$100.00 administration fee and \$1.00 per square foot to be torn down. Commissioner Rardin said we won't get our money out of that. If you charge \$100.00 administration fee and \$1.00 per square foot it won't cover our fuel costs or manpower. We either have to have city staff do it or bid it out to someone, and contractors will not do it for free. Why wouldn't they simply pay a contractor to tear it down instead of paying us? Mayor Galea felt you have to look at the cost benefit analysis of a dilapidated building as opposed to a new building on that lot. Commissioner Rardin said this has been talked about

numerous times and it never seems to pan out.

Commissioner Baldwin said the whole idea of this is to clean up Alamogordo, and get businesses in prime areas while tearing down what just doesn't look good. He didn't want to say no to it, but didn't want to stop the progress the City Commission has made in the last six months of really cleaning up the City. None of these works perfectly for us, but we could take things out of each that would work. It might not be the perfect plan but if we provide options that won't take business away from others in Alamogordo, he would be for that. If there are people in town who do this for a business, he would be hesitant to offer doing it cheaper and better.

Mayor Galea said that makes sense, and asked what he thought of a targeted zone such as White Sands Blvd. Commissioner Baldwin said he was for the concept and didn't want to keep saying no to things that will help Alamogordo look nicer.

Commissioner Rardin asked why we don't have the city manager and attorney, who both have a lot of experience, pick some things out of these plans and put something together in 30 days. The City Attorney said an outline version could probably be done in 30 days. Commissioner Rardin said that's the way we used to do it where we could look at it, pick through it and then approve. Actually, the previous Commission had set up a list of properties of which White Sands had a lot, and we were making good progress getting properties cleaned up voluntarily. One of the big ones was the old railroad depot that had burned down. It had been a mess after it burned and finally got taken care of. We put pressure on property owners and they voluntarily cleaned up their properties.

Commissioner Rentschler said it's like Morris Machine Shop. He tore down the hotels and we were looking at a demolition and asbestos abatement cost of around \$50,000 - \$60,000 to tear it down, haul it off and get it tipped. Mr. Morris managed it somehow with pressure from the City, and he was in these chambers at least four times asking for extensions. Commissioner Rentschler said the title of this was voluntary residential and the Kissimmee one talks about economic development incentives for targeted areas. He wondered if this had something to do with targeted industry projects in particular, and wondered what the industry would be. Would it be tourist industry or maybe restaurants? Or are we looking at the older buildings on White Sands that we already have our teeth into?

Mayor Galea said that if the City Manager were here he would talk about a zoning overlay along the industrial parks we would like to see developed. She thought it would be great for the city manager and the city attorney to work on this and bring it back to the Commission. She thought she was hearing from the Commissioners that we don't want an ordinance that will add more property to the City. Commissioner Rentschler said we don't want to be property owners.

Commissioner Rardin said we need to have the city attorney look at the ordinances on the books for something similar that we might be able to tweak. He felt most of the ordinances are not enforced anyway.

Mayor Galea said there isn't currently an incentive for demolition. Commissioner Rardin didn't know how we would do that. The property tax abatement is next to nothing so how do we pay for this. Mayor Galea again stated the points of the Kissimmee plan, and Commissioner Rardin said you still have to have a builder come in to build on that property.

City Attorney Thies said he was aware that Habitat for Humanity had some seed money and they are trying to get a program together where they find lots in the older part of the community and build residences on those lots. It might be possible to work with them and develop a program that identified properties needing to be demolished. Habitat might be able to buy the lot from the owner and look at those demolition costs. Commissioner Rentschler said that is something he could get behind it. His concern was if the construction had to begin in 90 days or whatever, they would already have the plan and would use the City to do the initial amount for demolition. Whereas, if Habitat for Humanity does it, he felt he could get behind that.

Mayor Galea said if Habitat or a private property owner wanted to build on a lot, it would improve the property value of the lot and neighborhood. She thought it was great the Commission wanted this to come back as an ordinance to be fine tuned.

11. Consider, and act upon, the Request for Authorization to Foreclose on unpaid liens.
(Stephen Thies, City Attorney)

City Attorney Thies said he had brought four liens to the Commission previously to request foreclosure. After Commission approval he started the process on these and all four agreed to pay the outstanding liens. We did file the action with the court and that prompted them to pay the liens. If they are not all paid in full, they are on the way to do so. There are two additional liens being brought back to you for request for authority to foreclose primarily because the four year statute of limitations is going to run out soon. We would have to write these off if not completed in time. Based on our first go-around, we have modified the process by making more of an effort to contact the property owners prior to us bringing the action to Commission. These owners have been contacted and one is making arrangements to pay off the outstanding liens, while the other will likely be filed with the court in order to get some type of response. He felt that person would then come in to make payment arrangements. If you approve these two, our plan is to continue bringing liens to you prior to the time of expiration. We have in excess of about \$60,000 in unpaid liens that are older than four years and will be brought to the Commission to have them written off and the liens released. This program will prevent that amount of liens from being written off in the future.

Mayor Galea said the direction of staff is to give authority to commence on foreclosures of the unpaid liens.

Commissioner Rentschler asked the city attorney if he had talked to both these owners. City Attorney Thies said he had spoken with one and the other had been communicating with his paralegal. Commissioner Rentschler wanted to make sure the appropriate paperwork had been sent to both owners, and letters weren't being sent to the incorrect address. He hoped all avenues of addressing the owners had been explored.

Commissioner Rentschler moved to approve the Authorization to Foreclose on unpaid liens. Commissioner Talbert seconded the motion.

Commissioner Rardin asked the city attorney why he waited four days before the expiration date to bring these to the Commission. City Attorney Thies said all the paperwork is almost ready to go and will be filed in the next couple of days. He simply needed authorization from the Commission. He said they wouldn't cut it as close next time. Commissioner Rardin asked again if the City Attorney had spoken to both these and payment arrangements had been made, and City Attorney Thies said yes.

Motion carried with a vote of 7-0-0.

12. Consider, and act upon, the final publication of Ordinance No. 1443 related to the Drinking Water State Revolving Fund Loan (2881-DW) with the New Mexico Finance Authority in the amount of \$1,140,425 to design a Mobile Desalination Facility and Supporting Infrastructure. [Roll call vote required] *(Renee Cantin, City Clerk)*

Commissioner Rentschler moved to approve the final publication of Ordinance No. 1443 related to the Drinking Water State Revolving Fund Loan (2881-DW) with the New Mexico Finance Authority in the amount of \$1,140,425 to design a Mobile Desalination Facility and Supporting Infrastructure. Mayor Pro-Tem Hernandez seconded the motion. Roll call vote was taken by the City Clerk. Motion carried with a vote of 7-0-0.

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

Mayor Galea did not appoint anyone at this time and asked to have this added to the next agenda.

PUBLIC COMMENT

None.

CITY MANAGER'S REPORT

1) Assistant City Manager Matt McNeile thanked all staff and the public for attending the 4th of July Parade and Fireworks. Everything went off without a hitch and it was a great event. He thanked DPS and Fire Services, as well.

2) The Assistant City Manager noted he put a memo in the Commissioners' mail boxes today and he reported on the articles in the newspaper concerning the Capital Outlay and what staff is doing to try and get that figured out. DFA has said our audits are late and that is not true. Mayor Galea asked him to address what the problem is. Assistant City Manager McNeile asked Finance Director Johnson to address this. Mr. Johnson told the Commission that in looking at the Bond Report, there were three projects. One of them was deemed ineligible due to audits. The Executive Order signed by the Governor said you are either late or you didn't submit your audited financial statements. Our Finance Dept. has submitted our audited financial statements as well as our three independent audit reports, and they have been accepted. Finance Director Johnson said he had called and talked with the State Auditors Office and they told him they had provided information to DFA that Alamogordo was in compliance. He saw no reason why we have not been granted eligibility for that particular project. He had also spoken with a DFA representative and they are having staff look at that issue. He hoped that within the next week he would hear from them and then be able to proceed with that project.

Commissioner Rentschler said that was the telling part of the finding that said we were eligible for two and ineligible for one when they were withholding all of it if your audits were not on time and everything had not been done properly. He noted that Alamogordo is squeaky clean when it comes to that. For some reason they just held the one. He felt somewhere in the State they have a problem causing Alamogordo to not receive its proper funding at this point.

3) Assistant City Manager McNeile asked Fire Chief Ward to give an update on our Fire Fund Grant Application. Fire Chief Ward reported the Fire Fund is one of the larger budgets they have. It is the money collected for insurance proceeds at the state level, distributed out to fire departments in the state and is the money we use to purchase equipment and vehicles. This had been talked about briefly during budget hearings. He said the Fire Fund is based on the City's ISO classification and the certification for the different fire stations we occupy. We sought some additional funds for this year and were successful in getting an inspection date at the end of last year. That inspection was successful and some of our stations were reclassified from sub-stations to main stations. This enabled us to offset a loss. We lost the main station in the transition and the DPS was going to reduce our funding by about \$80,000. We sought the classifications of the four stations to improve that and were offset by about \$199,000. We started out with a projected Fire Fund amount of about \$400,000 for this year with the changes and approval of the state. We should be looking at a distribution of about \$512,000. Mayor Galea said that was very good news.

REMARKS AND INQUIRIES BY THE CITY COMMISSION

Commissioner Rardin commented on the following:

1) He asked about Florida Avenue at Tenth & 16th and wondered when is it would be done. That road is so bad and he thought this would be done when the cutler repaving was done. It is so bad that his daughter's head bounces around when he drives on the road.

City Engineer Thomas responded to his question saying you have probably seen the holes we put in it a few weeks ago as well as on Washington. That was part of the design of the new cross section on North Florida. We were surprised to find that on most areas of North Florida there was 2" of pavement over 2" of base stone, and that was it. There isn't much roadway there and the history of main breaks through the years didn't help things. It's in pretty bad shape. We hope to be rebuilding that road before the end of the summer. It will probably be done in conjunction with the Washington Ave. Project between around Mt. View to 10th St.

Commissioner Rardin asked how much cost increase will be incurred. City Engineer Thomas said we are working on a capital project budget for that, as well as for Washington. We took a lot of samples and one of our technical engineers is running those to determine the strength of the sub grade. We will basically design a new cross section with the traffic counts we collected. The cross section will be redesigned and then we can get a tight budget number on what it will cost.

Commissioner Rardin asked what happens if the price is way higher than we have budgeted for. City Engineer Thomas said we have a couple of different funding options. The project budget itself has not been completely allocated out of the different transportation funds, but if you look at the funds as a whole, there should be adequate funds to do that on Florida. That money would come out of Fund 118. Commissioner Rardin said there was half a million dollars left unallocated. With Juniper Dr., Pecan, Fairgrounds and First & Washington the amount was creeping up and we will run out of money. He wanted to make sure a close eye was kept on this. He had seen this happen in the past and didn't want this to happen again. City Engineer Thomas shared his concern and said they were looking at Fund 44, 109 and 118 and all related projects as a group.

Commissioner Rentschler said utilities on that road are already done, and the City Engineer agreed. Commissioner Rentschler said we had talked in the past of additional funds needed on an overlay at Fairgrounds between White Sands and Florida while at the same time doing the pulverize and pave on Scenic. This is one place we might be able to go for funds. He told City Engineer Thomas he had expected to see Juniper on this agenda, and he wondered if it would be on the next agenda. City Engineer Thomas told him it would be. Commissioner Rentschler told him that at this point in time he would like for them to not put a lot of effort into pursuing that.

Mayor Galea noted she had overlooked Mr. Duane Brown to say a few words concerning the New Mexico Finance Authority.

Mr. Duane Brown told the Commission he was here to talk about the Finance Authority Loan they had approved earlier. He updated them by saying the transaction is going forward and he had been negotiating the documents carefully with the Finance Authority lawyers. They had neglected to integrate that loan with your prior loans. They are also payable from your joint utility revenue systems. We have been working with them to make sure it all matches up. You had done a big loan with the Finance Authority in 2011 for improvements of your water treatment program. We have been making sure it all fits together and think we have that done. The Loan is scheduled to close on August 16th. He would like to set up a meeting with the Mayor and any others to sign the closing loan documents sometime during the last week of July and also have Mr. Harrigan from RBC Capital Markets, who is your financial advisor, come down to meet with you as well and go thorough the overall financing plans you've had in place with Mr. Johnson and the new city manager.

Mayor Galea said she would be here during that last week in July.

Mayor Galea commented on the following:

1) She reported she would be heading to Ft. Bliss with the Airport Advisory Board tomorrow to meet with General McFarlin. The issues discussed will be the scheduled Environmental Assessment which takes about a year to complete. We want a friendly meeting to let them know we are open for business and they can pursue their assessment. The helicopters are still welcome to land and take off from there. Besides Ft. Bliss, there will be others who would like to utilize our airport. Some of them feel hesitant to do so during the Environmental Assessment, but we want them to know our airport is open for business.

2) She thanked the Commission for signing a card for Felicia the Fighter who is battling leukemia in a hospital in El Paso. The Mayor will visit with her tomorrow, as well.

3) She is on the Otero County Commission agenda on July 11th to visit with them about Spot Zoning. She had addressed this with Lincoln County but they felt Spot Zoning would infringe on the rights of property owners. Our local senators are looking to pursue Federal Buffer Zones that are put up near

flight space areas, and then the Counties do not have local options. Windmills would still be an option for those landowners in the future. Commissioner Sikes will be meeting with Senator Heinrich on our behalf at HAFB on Friday and then on Saturday with Public Works Director Cesar and the Senator at Bonito Lake.

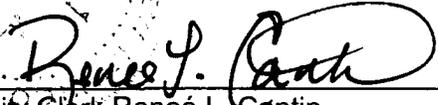
4) She said to save the date of October 26th for a Mayor's Ball in Alamogordo. It is still in the planning stages and will be brought to the next Commission meeting.

ADJOURNMENT

Mayor Pro-Tem Hernandez moved to adjourn at 8:23 p.m. Commissioner Sikes seconded the motion. Motion carried with a vote of 7-0-0.



Mayor Susie Galea


ATTEST:


City Clerk Reneé L. Cantin

*(Prepared by Nancy Jacobs, Deputy Clerk)
Approved at the Regular Meeting held on July 23, 2013.*