

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION REGULAR MEETING MINUTES
6:00 P.M., VIRTUAL MEETING
January 26, 2021**

**RICHARD BOSS, MAYOR
SHARON McDONALD, COMMISSIONER
JOSH RARDIN, COMMISSIONER
DUSTY WRIGHT, COMMISSIONER
SUSAN PAYNE, COMMISSIONER**

**NADIA SIKES, MAYOR PRO-TEM
JASON BALDWIN, COMMISSIONER
BRIAN CESAR, CITY MANAGER
PETRIA BENGOCHEA, CITY ATTORNEY
RACHEL HUGHS, CITY CLERK**

CALL TO ORDER / ROLL CALL / INVOCATION / PLEDGE OF ALLEGIANCE

Mayor Boss called the meeting to order at 6:00 p.m. Roll Call was taken by the Deputy Clerk. Deputy Clerk Gutierrez announced there was a quorum present. Invocation was given by Commissioner Payne and the Pledge of Allegiance was led by Mayor Pro-Tem Sikes.

APPROVAL OF AGENDA

Commissioner Baldwin moved to approve the agenda.
Commissioner McDonald seconded the motion.
Motion carried with a vote of 7-0-0.

CITY MANAGER'S REPORT

City Manager Cesar made the following remarks:

1. City Manager Cesar stated that for the current budget fiscal year, we had to revise the budget three or four times due to the Covid restrictions. Now with the new administration at the Federal level and the feedback we were receiving from the New Mexico Municipal League regarding legislation at the State level, there was a possibility of the minimum wage being raised to \$15.00 per hour. Right now, in New Mexico our minimum wage was \$10.50 per hour, and it was going to be increasing to \$12.00 per hour. If it passed at the Federal level and since it was a Covid relief bill, he was assuming that at the Federal level it was going to take effect within a relatively short order. What that meant was that we were looking at an increase of \$4.50 almost immediately for our employees. In running the numbers for the \$12.00 hour wage, for every dollar we went up across the board in wages, it equated to approximately \$1 million. So, if they were looking at all employees receiving a \$4.50 increase in wages, that would be closer to \$4.5 million which would be a serious hit on our operational budgets. That would likely result in reduced staffing levels and some City services possibly going away. If it did not pass at the Federal level, there was possibly a bill being introduced at the State level that would take the State minimum wage to \$15 per hour. The only saving grace was that if it were not passed at the Federal level but was passed at the State level, it would be phased in like the current minimum wage was over a number of years. Even enacting the remaining taxes the City had the ability to enact, which was a little over a quarter percent, it still did not fill in that gap. Staff was watching this, and it would be factored into the budget process if it did come to pass. Mayor Boss asked if they also considered what the effect would be on those that were currently making \$15.00 an hour and who would probably be expecting a raise because of that. City Manager Cesar said technically they could just take all employees who were below \$15.00 and just move them up to \$15.00, but that would create the salary compression. For example, a police officer position would start at \$15.00 hour, and a clerk at the Recreation Center would also start at \$15.00 per hour. With that salary compression, they would not be able to attract people to certain positions. So, they would propose, as had been done when the minimum wage went to \$12.00 per hour, the increases throughout the various levels of the City with possibly having to eliminate positions and close certain facilities down. They would also be

looking at restructuring management and consolidating in some areas. It was too early to tell anything because we did not know what was going to happen at either the Federal or State level. But if it were phased in, it would not be as drastic as an increase that started immediately.

REMARKS AND INQUIRIES BY THE CITY COMMISSION

Commissioner Rardin made the following comments:

Commissioner Rardin asked for an update on an issue he had brought up a few months ago regarding the jump in White Sands Blvd. City Manager Cesar said the Utility Maintenance Department had gone out to make sure there was not a water break on a fire hydrant service line, etc., and they did not find an indication of one. The street had not been opened up to take out that dip and be repaved, partially due to the lower staffing levels because of Covid. Also, Public Works currently had utility maintenance and utility construction staff tied up with the multiple number of water breaks we were having. Also, they were giving support to the contractor for the utility contractor for the utility relocations that were in the final phase up near Scenic Drive and Thunder Road. He would get with the Public Works Director in the morning and make sure they got out and took care of this dip. Commissioner Rardin said it was a dip that someone could actually get airborne on. City Manager Cesar said with the water breaks and having to patch behind the repairs, we did not have open segments of asphalt.

CONSENT AGENDA

1. Approve the minutes for the January 12, 2021 Regular meeting. *(Rachel Hughs, City Clerk)*
2. Consider, and act upon, Resolution 2021-03, Adoption of Required Community Development Block Grant (CDBG) Annual Certifications and Commitments. *(Debbie Osborne, Grant Coordinator)*
3. Consider, and act upon, Resolution 2021-04 requesting written approval from the Local Government Division of the Department of Finance and Administration, State of NM for the revised budget numbers computed as of January 26, 2021 *(Evelyn Huff, Finance Director)* (Roll Call Vote Required)

Commissioner Rardin moved to approve items 1, 2, and 3 of the consent calendar.
Mayor Pro-Tem Sikes seconded the motion.
Roll Call vote was taken.
Motion carried with a vote of 7-0-0.

NEW BUSINESS

4. Consider, and act upon, Case V-2020-0002(A) to allow the placement of a 14x46 manufactured home that has been placed in the rear yard of the property located at 818 8th Street, within an R-3 Zoning District (Two Family Dwelling District). *(Stella Rael, City Planner)* (Roll Call Vote Required)

City Manager Cesar said we had word from the applicant this afternoon that he needed to have this item moved to the next Commission meeting.

Commissioner Baldwin moved to table the item.
Commissioner Rardin seconded the motion.
Roll Call vote was taken.
Motion carried with a vote of 7-0-0.

5. Consider, and act upon, the budget process and documents for the FY2021 - FY2022 preliminary budget. *(Evelyn Huff, Finance Director)*

Finance Director Huff said this was the annual conversation they had at the beginning of the budget process each year to discuss how the Commission wanted to have the budget information presented to them. They always talked about the different options in order that staff could make sure they had the correct information before the Commission when the budget was brought forward. Normally for the past two or three budget cycles, they had presented each Commissioner with the summary budget pages from the summary book. These pages summarized all the different lines in the departments so they could see them in a one-page view. Then they offered the full presentation of the budget in three binders that they would leave in the Commissioners' office in order that they could at their leisure go through the budget page by page and line by line for every fund. It was planned they would have those books available by mid-April, which was two weeks before the Commission budget hearings scheduled for May. During those hearings, they would have the PowerPoint presentation with all the department information. They were always open for questions and they could delve deeper into things if they needed to. She was open to suggestions on whether they liked the way it had been done, or if anyone wanted to see something different, they had a lot of different options available. She hoped they would not be held virtually again because it was hard to interact virtually and to ask questions. Any feedback was welcome.

Mayor Boss felt it went well the way they had handled it last year and they had the entire budget available to them if they wanted to look at it. That would work for him again. Mayor Pro-Tem Sikes and Commissioner Baldwin agreed. Commissioner McDonald agreed and said she liked the summary pages.

Finance Director Huff said with the possible changes to minimum wage and if they had to update after the books were presented, they would get any updated information to the Commission up until the budget hearings. Hopefully, they would know by the middle of April pretty solidly what they needed to do. Commissioner Rardin asked if when they ran the numbers on the \$15.00 per hour potential minimum wage increase, could they possibly look at running \$4.50 for anyone below \$15.00 per hour and maybe a threshold of \$2.50 for anyone above the \$15.00? From a business standpoint, trying to give everybody a raise of \$4.50, which was \$1 million per dollar, it was a lot of money. Also, that \$4.5 million was a reoccurring expense year after year. If they could receive a couple different scenarios, such as \$2.00 or \$2.50 for anyone above \$16.00 to \$18.00. Finance Director Huff said she had met with Deputy Human Resources Manager Torres today and they reviewed the payroll projection system and talked about running different scenarios. It was something they were already planning for, so they would be able to bring the Commission a lot of different options. Commissioner Rardin asked if they looked at what potential services or jobs would be cut if this increase did happen? City Manager Cesar said they were starting to look at it, but nothing had been decided to be proposed to the Commission yet. Commissioner Rardin said the Commission would have to face the backlash that created whenever they had to make the hard decision on what services needed to be cut. City Manager Cesar said the City had the essential services it needed to provide, and they had the other services. Expect nonessential services to be the area where they would make the recommendations to be hit harder than the essential services.

Commissioner Baldwin moved to present the budget in the format it was presented in last year, and with the scenarios as requested by Commissioner Rardin.

Commissioner Rardin seconded the motion.

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

6. Appointments to Boards and Committees. (Richard Boss, Mayor)

Mayor Boss read the openings and reappointed Ryan Sanders to the Public Library Board and wished to thank him for the service he had given that Board in the past. Mayor Boss reappointed Kay Ekman to the Senior Volunteer Programs Advisory Council and wanted to thank her for the work she had put into this Council. No one was opposed.

ADJOURNMENT

Commissioner McDonald moved to adjourn at 6:25 p.m.

Commissioner Payne seconded the motion.

Motion carried with a vote of 7-0-0



ATTEST:


City Clerk Rachel Hughes


Mayor Richard Boss

(Prepared by Teresa Gutierrez, Deputy Clerk)

Approved at the Regular Meeting held on February 9, 2021.