

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION REGULAR MEETING MINUTES
6:30 P.M., VIRTUAL MEETING
April 13, 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 6:30 p.m. Roll Call was taken by the Deputy Clerk. Deputy Clerk Gutierrez announced there was a quorum present. The Invocation was given by Deputy Clerk Gutierrez, and the Pledge of Allegiance was led by Commissioner Rardin.

APPROVAL OF AGENDA

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

PRESENTATIONS

1. Presentation of Purple Up Day for Military Kids Day Proclamation. *(Richard Boss, Mayor)*

Mayor Boss presented a Proclamation to LaurieAnn Goodier of the 49th Fighter Wing proclaiming Friday, April 16, 2021 as Purple Up! Day in Alamogordo and urging all citizens to wear purple on that day to honor youth impacted by military deployments.

CITY MANAGER'S REPORT

City Manager Cesar stated that he did not have any comments or reports to give tonight.

REMARKS AND INQUIRIES BY THE CITY COMMISSION

Commissioner Payne made the following comments:

Commissioner Payne said she wanted to take a few moments to talk about someone very special to our community who we had lost. This iconic person was Teresa Ham. Some of the many causes Teresa was involved in was the formation of the first ophthalmology clinic in Alamogordo. She was an RN at Gerald Champion Regional Medical Center. She was also involved in the creation of the Flickinger Center and the Patrons Hall. She served on Habitat for Humanity and was also a Rotarian. She belonged to 100 Women Who Care Alamogordo and was on the COPE Board. She received the Service to Mankind Award, which was the highest award given to a non-Sertoman. She was a Woman of Merit and was selected as the Citizen of the Year in 2018. She was a great presence in our community and would be greatly missed. On behalf of the City Commission, she felt it was safe to say all our thoughts and prayers went out to her family, her daughter Joanie, her husband, children, and her many grandchildren. She was going to be missed.

Mayor Boss made the following comments:

Mayor Boss said it was brought to his attention that LaurieAnn Goodier from Holloman AFB was in attendance, and he wanted to thank her for being present tonight. He especially wanted to thank the military children and the military, he asked her to please pass onto them that we were thinking of them.

CONSENT AGENDA

2. Approve the minutes for the March 23, 2021 Regular meeting. (Rachel Hughs, City Clerk)

3. Approve the statements related to the Executive Closed Session held on March 23, 2021. (Rachel Hughs, City Clerk)

4. Consider, and act upon, Ordinance 1627 Case Z-2021-0001(A) for adoption and final publication for a map amendment to change the zoning designation of the property located at 911 Mescalero St. from MH-1 Manufactured Housing Subdivision to MH-2 Manufactured Housing Park. (Stella Rael, City Planner) (Roll Call Vote Required)

5. Consider, and act upon, award of IFB 2021-01 Sodium Hypochlorrite 12.5% to DPC Inc. in the amount not to exceed \$160,000. (Larry Garner, Public Works Director)

Commissioner Wright moved to approve items 2, 3, 4, and 5 of the Consent Calendar.

Commissioner Rardin seconded the motion.

Roll Call Vote was taken.

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

PUBLIC HEARINGS

6. Consider, and act upon, a Winegrower Liquor License for St. Clair Winery & Bistro VI, LLC application 1180494, located at 261 Panorama Blvd. (Rachel Hughs, City Clerk and Rebecca Lescombes, Applicant)

(*Commissioner Baldwin lost his virtual connection and was not present when the vote was taken.)

Commissioner Rardin moved to approve.

Mayor Pro-Tem Sikes seconded the motion.

Motion carried with a vote of 6-0-0*.

Mayor Pro-Tem Sikes said she was very excited for this establishment to be coming soon. She asked what an approximate date for opening was. Ms. Rebecca Lescombes said they were hoping to open in mid-May. They were excited to be coming to Alamogordo. She invited the Commission to their VIP opening; please send her their email address and she would add their names to the invitation list. Mayor Boss said everyone was very glad they were finally here.

7. Consider, and act upon, a Restaurant Beer and Wine Liquor License with on the Premises Consumption Only for IHOP application 3330 Alamogordo, INC, located at 1413 S. White Sands Blvd. (Rachel Hughs, City Clerk and Teodoro Regalado, Applicant)

(**Commissioner Baldwin rejoined the meeting.)

Commissioner Rardin moved to approve.

Commissioner Payne seconded the motion.

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

Mr. Teodoro Regalado said they had been in Alamogordo for ten years now, and they loved the City.

NEW BUSINESS

8. Consider, and act upon, Award of an Engineering Services Agreement to Smith Engineering Company related to the CDBG Sidewalk Improvement Project. (Nancy Beshaler, Project Manager)

Project Manager Beshaler reiterated that this was a CDBG project, and they would be doing ADA improvements in the portion of town between New York Avenue to Texas Avenue and from 2nd Street to 8th Street. They were putting in sidewalks where they were missing, putting in ADA compliant ramps, and putting in concrete drive aprons where all the alleys were in those blocks. It would be a nice improvement to that portion of the City. The award was to go to Smith Engineering Company. Staff did an RFP and got several proposals, but Smith was the highest scoring firm. They had done other ADA improvement and design projects for the City before, so they knew the City, knew what they were doing, and they did a good job.

Commissioner Payne asked when it was supposed to start. Project Manager Beshaler said this was the beginning of the design process, which was about a four-to-five-month process, so it was probably a year out to actual construction.

Commissioner Rardin asked how much money we were spending on this. Project Manager Beshaler said \$50,000 was the estimate for the proposals. For engineering services, you could not base on price but had to base on qualifications. Then once the design was awarded, they would negotiate the cost of the engineering services, which was per State Procurement Code. The \$50,000 was a good ballpark number of what it would cost us. Commissioner Rardin asked if it would come back to the Commission for approval so they would know exactly what the cost was. She said she could inform the City Manager so that he could put it in his report. Commissioner Rardin said they were right at \$50,000 now, but if it came in at around \$60,000, they should at least know about it. Designing sidewalks and ADA ramps was not really that difficult, so it seemed like a lot of money. Project Manager Beshaler said that also included survey work to make sure that it was within the City's rights-of-way.

Mayor Pro-Tem Sikes asked how much the CDBG Grant was. Project Manager Beshaler said the Grant was \$500,000. Our match was \$50,000, but then they were requiring a leverage amount of around \$700,000. All total, we had budgeted about \$800,000 for the construction portion.

Commissioner Payne moved to approve.

Commissioner McDonald seconded the motion.

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

9. Consider, and act upon, request by Lucy Sanchez-Braswell, citizen, for removal of liens and fines at 806 Jefferson Avenue. (*Lucy Sanchez-Braswell, Citizen*)

Ms. Braswell requested that liens and fines be removed for her property at 806 Jefferson Avenue, a total of \$705.44. She read the following statement, "I have had a utility bill at 1309 Charlotte Lane for fifty-one and a half years, so I am easily found in the City's utility billing system. There was no utility service at 806 Jefferson Avenue, and there had been no service at that address for over thirty years, when the City started billing for the water meters on empty lots. I never received notification of this change. In April 2017, a change of address notification for 800 Jefferson Avenue, which included 806 Jefferson Avenue, was submitted at the post office. The post office was not forwarding all my mail, and I did not receive the two certified mail notifications of lien on 806 Jefferson Avenue sent by the City's utility billing/collections clerk. I started receiving utility bills for 806 Jefferson Avenue, at 1309 Charlotte Lane, early 2020, with a past due amount. I immediately contacted Mr. Mark Threadgill, Customer Service Manager, to make arrangements for a payment plan for this bill, and I was set up with a payment plan. I requested an adjustment of this bill from the City Manager because I had never received a bill, and the City Manager adjusted my bill, and have had credit on that account since August 2020. I was never advised that I had liens on 806 Jefferson Avenue from the utility department or Mr. Threadgill. A lien on someone's property is a very serious matter, and more than one source should be used to locate a property owner, since the County Assessor is not always a reliable source for an owner's address. A lot of time and money could be saved by both the City, and the property owner/taxpayer if a more efficient and updated system were in place. The payment of this lien is a financial hardship for me at this time since I am on a fixed income of social security."

Mayor Boss said he was going to make the comment he always made on cases like this. The Commission was not in a position to make a decision on these types of items as staff was because staff had lived it and

breathed it. He asked why there was no recommendation from staff. City Attorney Bengoechea said because this was the resident's item. As far as a staff recommendation, she would request that they did not get rid of all the liens. If they were to forgive all the liens, then the Commission would be inundated with requests. Her office received requests all the time to just completely release liens. The City Manager often worked with people. They put them on payment plans and worked with them on the interest and administrative fees, but the only body that had authority to just wipe away a lien was this Commission. Staff received requests to abate fines and fees at least four to five times a week. If they just released this lien, then she would guess that they would start seeing items like this one on every agenda.

Commissioner Payne asked Ms. Braswell if she had other properties. Ms. Braswell said she owned the property at 806 Jefferson, and then also she had her personal property. Commissioner Payne asked what the payment plan was for. Ms. Braswell said that was for the 806 Jefferson property when the Utility Department finally notified her and started sending her a bill for it. That bill was paid up and she had credit on that account. This request was for the liens and the fines to be removed. City Attorney Bengoechea clarified that once an account was not paid, the account was closed and sent for collections. Once it went to collections, it went to her office and they placed a lien. However, the account was then reopened because the customer still had to pay the base rate. So, Ms. Braswell had taken care of the most current, but there were two liens for the same address that were on there. The reason the mail was sent to the address it was, was because we had to send it to the legal address. It was always sent certified, but sometimes people would not accept service, or it just came back to the City not accepted. We could not look through the water billing and just make a judgement because that was not legally sufficient. If she took that into court on a lien, she would get kicked out every time. She sympathized, but our hands were tied because we had to send mail to a legal address, which was what the County Assessor had. Commissioner Payne said she was trying to figure out where the disconnect had happened in Ms. Braswell's case.

Commissioner Rardin asked how much the liens were for and what exactly were they for. There really was not a whole lot of information in this packet for the Commission to make a decision based off of. City Attorney Bengoechea said there were two liens. The total Ms. Braswell had given was incorrect because there was statutory interest on them. The payoff on the liens, which was good through this Friday, April 16th, was \$962.38. Lien No. 1734 was put on the property in 2018. The lien amount was \$405.88. In there was an administrative fee for \$200 pursuant to the Ordinance. There were \$50 in filing fees, which were hard costs for her department, and then there was the statutory interest amount of \$114.89. Lien No. 2106 was put on the property on 2/14/2020. The lien amount was \$299.56, which meant the water bill was for \$99.56. There was \$50 in filing fees, and then there was statutory interest of \$42.05. Those two liens put together was \$962.38, which was payable through this Friday, April 16th. She had an account which we closed for nonpayment. We opened a new account for base rates, but when that was not paid, it was closed, and a lien placed on it. On the next account we opened for her, the base rates were paid. In May 2020, the City Manager had met with her and had abated part of the account for her because she said she was not getting the mail. The amount was \$216.68, and it went down to \$166.78. Commissioner Rardin asked exactly how much money they were talking about releasing. City Attorney Bengoechea said she was now requesting to release everything which was a total of \$962.38 as of 4/16/2021.

Mayor Pro-Tem Sikes asked if this 806 Jefferson was in her name. Ms. Braswell said it was in her name. Commissioner Rardin asked if the house was occupied. Ms. Braswell said it was not a house, it is an empty lot for around 38 years. Mayor Pro-Tem Sikes said she did not like to set precedence. This situation seemed a little extraordinary and based on the fact that Ms. Braswell was not receiving her mail she would like to make some concessions. That was her suggestion.

Commissioner Rardin said this was the base rate issue they had had in the past which kept popping up. Here was a piece of property which had been vacant for over 30 years, and it was being charged for a meter that was not even being used. He kind of agreed with Mayor Pro-Tem Sikes on this one and maybe staff had not tried hard enough to get in touch with the owner. It seemed that \$1,000.00 in fees on an empty lot was kind of ridiculous. City Attorney Bengoechea said the fees were about \$350 to \$400 in water, and the rest were for costs.

City Manager Cesar suggested they not go down this slippery slope and just release it because everyone else from this point on would want the same thing. As staff, we did not have the ability to fully release a lien. But what he would suggest is that they not forgive the lien, and instead that staff work with her on filing fees

and administrative fees. Mayor Boss felt that would be a great compromise. That should take the amount of nearly \$1,000.00 to down somewhere nearer \$400.

Commissioner Rardin asked if the certified letters were returned "undeliverable". City Attorney Bengoechea said they were returned "unknown". Commissioner Rardin said basically, then, we had proof that the constituent never received the mail because it was returned. He was okay with staff working with her, but perhaps they should look at her terminating the water service to this property if she had no plans to develop it in the future. That should ensure them avoiding this problem in the future. She could pay the fee to terminate that meter and then she would not have a base rate bill. Over four years ago the Commission was fighting this thing where vacant lots were being billed for a service they were not utilizing.

Commissioner Payne said she understood what Commissioner Rardin was talking about, but she always went back to the fact that there was the capability of having water on that lot. The citizens all had a responsibility to maintain their water systems. Those fees were all used in part to maintain our water system, which was the rationale behind this. Even if you had a vacant lot, you could decide tomorrow to build something on it, and the ability was there to hook up to our system. And as long as that ability was there then she felt we all had that responsibility as property owners. As the owner of that lot, Ms. Braswell had the responsibility to make sure addresses were updated. If Ms. Braswell did not pay her taxes on the property because they had the wrong mailing address, then there would be a lien put on her for that. This was no different. Everyone was aware of the great amount of infrastructure that needed to be repaired and the only way to do that was for all of us to have buy-in as property owners. She was in favor of staff working with her, and not in favor of setting a precedent of releasing liens.

Ms. Braswell said everything was updated and it was not something she was negligent in. She kept her property up and paid her bills. This was something she had no control over.

Commissioner Rardin said he had multiple properties around the City and all his property tax bills that came from the Assessor's Office went to his primary residence. He was sure Ms. Braswell's was the same. We had had problems with this in the past where we did not do our homework trying to find who owned the properties, and then we wound up being the bad guys with the liens. He felt in the future staff needed to take a little more time in trying to find these owners. City Attorney Bengoechea said if we sent notifications to Ms. Braswell at a different address because we knew she got bills there but that was not her legal address pursuant to the Assessor, when she took it forward into court to pursue foreclosure on the lien then she was likely to lose the case. It was not legally sufficient service at that point. Water Billing would print the day they sent it and the Assessor's sheet. She had all these documents, and everything was checked because staff wanted to be able to prove that they checked and re-checked the Assessor's listing. She had four sheets on this case which showed that 806 Jefferson was the correct address for this one. Commissioner Rardin said when we sent certified letters to subdividers, it was sent directly to the subdivider's address and not to the vacant lot. City Attorney Bengoechea asked if they wanted to do a PSA which notified people that they needed to keep their address updated with the Assessor because they could be receiving legal mail based on what the Assessor had. He said if they went into court and the Judge saw where they had sent a certified letter to a vacant lot, he felt the Judge would see why the person did not receive it at a vacant lot. He felt we could do a better job at locating the people who were responsible for the bills.

Ms. Braswell felt the Assessor's Office may not have kept the information updated and as Commissioner Rardin said, she did not get mail at 806 Jefferson because there was not anything there.

Mayor Boss said this could go on all night. He thought a good option would be to turn it over to staff and they could negotiate it with Ms. Braswell. If they just released it, then they could become inundated with other requests to release and that was not fair to staff nor to the City.

Mayor Boss moved to direct staff to work with Ms. Braswell to get her amount due down.

Commissioner Rardin seconded the motion.

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

10. Consider, and act upon, approval for water services for a County residence at 907 S. Canyon Road. (Larry Garner, Public Works Director)

Public Works Director Garner said this was a request for a County residence to get City water. The original address of the property was 3 Canyon Draw. City staff met with the owners and talked with them about the possibility of extending a 6-inch feed and about them connecting to our 6-inch main located in Canyon Road. The connection would require a 6-inch tee with a cluster of three 6-inch valves and a 6-inch line installed, per current specifications, past the residents to be connected to a flush point which is usually a fire hydrant. This would permit further extension of the utility in the future. The roadway may or may not have legal description of easements for utilities. He understood that tapping into that line on Canyon Road would be easier, but that would limit the access to the additional customers that may build onto those lots. They did change the address through the County to 907 S. Canyon Road which did allow the tap to come in off Canyon Road. However, typically the lines were brought in through the front of the house, and this would require it to be brought in through the side of the house.

Mr. Gerald Matherly, contractor for the homeowner, said this house would be facing kind of a southwest direction. On the northwest corner of the lot there was a fire hydrant and main which they were talking about tying into. This would be preventing this homeowner from having to drill a well. There was one other vacant lot in this subdivision. All the other homes in there were already on wells. These were 2 ½ acre lots, and there were five lots in there. So, they would have a large culmination of water wells all drilled in one little tight area. So, this would allow them to come off to a tap that was already in the utility easement of this property. The other option of coming off the water main and coming up on Canyon Draw and coming in with a fire hydrant and putting in a tap for any future users, would cost about \$20,000. They would be tearing up the road and having road patches on Canyon Road and on Canyon Draw. This other tap would be already off the road and would be an easy deal if it were accepted. Mr. Abe Moore, plumber for the homeowner, said they had an easy spot to do a tap in the northwest corner. There was already a main and a hydrant there.

Commissioner Rardin said according to the picture, they already had water mains running through the property. Public Works Director Garner said they were abandoned; they were transmission lines and not supply lines. The one on Canyon Road was the actual main water line. City Manager Cesar said those other lines were abandoned back in 2001. Commissioner Rardin asked if they did allow this tap off Canyon Road, how long of a service line would it be. Public Works Director Garner said they would put the meter as close to the main as possible. It would be the responsibility of the homeowner to bring it from the meter out. Commissioner Rardin asked how long of a service line would that be. Mr. Moore said three feet. Commissioner Rardin clarified that it would be a shorter service line than a normal residential service line on a regular street and asked was it going to be just a single-family home. Mr. Matherly said yes. And they were going to clear the brush off that by the end of the week. He told the dirt guy to try to stay away from those abandoned valves, but at some point, they were going to have to be dug up. So, he hoped they really were abandoned.

Commissioner Wright asked what the City's issue was with tapping the main on the northwest part of the property. Public Works Director Garner said the only reason the recommendation was to extend it down through Canyon Draw was for future use because it could limit the amount of people that wanted to tap in. City Manager Cesar said obviously right now this property was in the County, though at some point in the future it may be annexed into the City. The other improved properties in the area were off of wells. Costs to extends utilities were borne by the property owner or the developer. Staff was looking at what was coming down the road in five, ten, or fifteen years. As those wells failed, would the property owners then want to be hooked up to City water, and would they be looking at all these lengthy 1-inch services lines going down Canyon Draw. He was not saying that was going to happen tomorrow, but he had seen it happen elsewhere in the City. It appeared to him from the map that was provided, that the big lot was to be divided into two lots, with the home going onto the piece that was closest to Canyon Road. His question was for this other piece of the property that was not developed yet, was the plan to come back to the City Commission in the future and say that they now needed a second tap for that other side of the property. It was not to punish this homeowner, but to look at what was coming in the future. The City may at some point annex the property, but it was not on our radar today. However, it could be petitioned in the future for that. That was why staff requested that the 6-inch line go just past the improved piece of property with the hydrant. Then if the next property over wanted to hook into the City water and the City Commission approved it, they then would just need to extend the piece of main past their property. Was there anything wrong with the tap coming off Canyon Road for just the one piece; no there was not but down the road it could create problems for this other unimproved side of the property where it was being divided and for the other property owners in the area. Mr. Matherly said it was not fair for that one property owner to be providing the infrastructure coming

up into the entire subdivision. It would be tearing Canyon Road and Canyon Draw up. Then if in fifteen years those wells started drying up, then it should be a community effort of all those people who lived in that cul de sac to have that option to all split it evenly. It was way cheaper to just drill a well than it was to do all this work that the City was proposing. Mr. Moore said they had changed the address to Canyon Road to try and make it an easier decision for staff and the Commission. He clarified that this owner was building a house on both lots and everyone else had a well. City Manager Cesar asked for clarification that the property was not being divided into two lots. Public Works Director Garner said the yellow-dotted line on the map was where the two lots were being combined into one.

Mayor Boss asked what staff's recommendation was on how to act on this. City Manager Cesar said the recommendation on the agenda report was to extend the 6" line into the potential subdivision area. However, he had misunderstood and thought it was two lots, but it was combined into one. So, the 1-inch line coming off Canyon Road was perfectly acceptable and would work. However, it needed to be with the understanding that if in the future the requests started coming in for others to get this service, it would be a Special Assessment District to have the costs split up between the various property owners.

Commissioner Baldwin asked what the cost for putting it from the main to the meter was for the City and then from that point forward, what was the cost for the contractor. Mr. Moore said the contractor would bear that entire cost.

**Commissioner Baldwin moved to approve.
Commissioner Payne seconded the motion.**

Commissioner Wright said for clarification, they were approving a 1" meter set off of Canyon Road. Mr. Matherly said yes. Mayor Pro-Tem Sikes asked for further clarification that there would be no cost to the City. Mr. Matherly said that was correct; the cost would all be on the resident and the contractor.

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

**11. Consider, and act upon, Resolution 2021-10 to Increase Convenience Center rates on water bills.
(Larry Garner, Public Works Director) (Roll Call Vote Required)**

Public Works Director Garner said this item was to hopefully correct a problem they were starting to have with the Convenience Center rates. The rates had not been adjusted since 2016, and this Resolution would give staff the ability to raise the service portion of the water bills from \$2.20 per month to \$3.20 per month, and all commercial accounts would go up to \$3.30 per month. Then for all years going forward, the increases would be based on CPI. The landfill costs went up about 2 percent each year, and then with Covid, there was an enormous increase in the amount of trash which went to the Convenience Center. Right now, they would be lucky to break even with the budget, and a lot of times they were on the lower side. This increase would help to keep the budget up where it was supposed to be.

Commissioner Rardin said he had a problem with the CPI being in here. He felt it should always go to the Commission for increase approvals because a few years could go by and with new Commissioners coming on, before they knew it, they might be charging a \$10 fee which the Commission was not even aware of. He personally would like to see the CPI nixed out of there. With budget hearings coming up within the next couple of months, he would prefer to address it at budget hearings in order that they could have some hard numbers to look at. He wondered why we were looking at going up a full dollar now when previously it had only gone up 20 or 30 cents at a time. He would like some more information on how much we were spending, how much was coming in, etc. Public Works Director Garner said the reason they were bumping it up so much now was because they did not keep up with it since 2016 to follow all the increases at the landfill. So now they were trying to get it in line with the current charges that were increased every year. The City had to pay those tipping fees when the trash went out to the landfill, so he was trying to do a "catch up" and then keep it in line with the CPI thereafter. City Manager Cesar said the tipping fees had gone up 2 percent every year. Commissioner Rardin asked how much tipping fees were now per ton? Public Works Director Garner said he would have to look it up. Commissioner Rardin reiterated that we did not have to make money on this operation; it was a convenience for the citizens and if we broke even, that was all the government had to do. Public Works Director Garner said this would also help to build the fund, because

right now we were hitting the fund balance rather hard just to make the budget as we were currently at a deficit. This would help us pay the tipping fees as well as put money back into the fund for equipment maintenance or other costs. Commissioner Rardin said it would have been very easy in the agenda report if we had had some budget numbers in there to show what we were spending and what we were bringing in. We just did not have enough information to make the decision.

Commissioner Baldwin said his initial issue was everything that Commissioner Rardin said. He would like to table this item in order that we could see some budget numbers. And if they were going to raise it to cover equipment costs, he wanted to see the plan for the equipment as well. He was not comfortable moving forward until he saw those numbers.

Commissioner Rardin said the Convenience Center did receive a new backhoe and a new haul truck in recent years, so obviously we had paid for that equipment somehow. He also would like to see some more numbers before moving on this. Public Works Director Garner said he would get the numbers, but he wanted to point out that it was not just the vehicles, also the trash bins themselves that were falling apart.

Commissioner Rardin moved to table this item until the next Regular Meeting.

Commissioner Payne seconded the motion.

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

12. Consider, and act upon, approval of two new Meter Reader positions in the Utility Billing Department. (Evelyn Huff, Finance Director)

Finance Director Huff gave a PowerPoint presentation (included in agenda packet backup).

Commissioner Rardin asked how old this system was. Finance Director Huff said the original contract was approved in 2014 and the installation began then, but there were some initial problems, and the meters did not actually begin to be installed until 2017. So, the oldest meters were about seven years old, and the newest ones were four. Commissioner Rardin asked if we were already having problems at four and seven years old. Finance Director Huff said yes. Commissioner Rardin said he remembered this system costing around \$2 million to install. Finance Director Huff said it was \$2.5 million. Commissioner Rardin said prior to this system where we manually read 13,000 meters in Alamogordo, how many meter readers did we have then. Finance Director Huff said we had three to four readers, but at that time we were not doing terminations or billing cutoffs. So, if someone were put into cutoff status, the City would just leave the water on. Commissioner Rardin said we used to read 12,000 meters with four people and then we put in this system for \$2.5 million so we could have less readers, but now we were wanting to hire \$100,000 worth of people to help read meters and maintain the system. She said there had been no consideration of the fact that the system would need maintenance. Plus, we were not being strict with our shutoffs at all. Commissioner Rardin asked how many shutoffs they did per month. They had spent an enormous amount of money to purchase this system so we could streamline the system, and now staff was asking for an additional \$100,000 worth of employees per year to supplement maintenance on the system. Finance Director Huff said the estimate for cutoffs was approximately 1,300 per month. Commissioner Rardin asked if those were for nonpayment. Finance Director Huff said yes.

City Manager Cesar said what was not considered by previous employees when this system was originally put in was the factor for ongoing maintenance. That was an oversight on staff's part at the time. In the past we were using Public Works employees to do turn-ons, turn-offs, and shutoffs. Those employees were from a highly specialized area with water certifications, so we were using employees who made \$17, \$18, or \$19 per hour doing these meters reader functions which should be more of a function of water billing. The \$100,000 figure was with employees who would be at full benefits. However, it was rare that we got an employee in at the entry level who would want the full benefits. Bringing these employees on board would allow us to maintain that \$2.5 million system that was put in. One of the things staff had considered about six months ago when we had the last catastrophic failure was whether we wanted to make this system work, or did we want to look at a new system, or did we go back to the old ways of manual reading. It was not efficient to read them by hand.

Commissioner Payne said the manual way of reading meters was not sufficient, and she was way more in favor of hiring extra help than to go back to the old way.

Commissioner Rardin said come January 1, 2022, we were going to be bumping the minimum wage to \$12.00 per hour. He asked if that would that increase make the cost of these two positions go higher. Finance Director Huff said these were \$12.00 per hour positions, and at the first of the year they would be eligible for 50 cent per hour raises, which was going to be presented in the budget for all employees. Commissioner Rardin said that would mean they would go from \$12.00 per hour to \$12.50 per hour, which would increase that cost an additional \$1,040, or \$2,080 per year if they were at 40 hours per week for 52 weeks. He was not against needing to service the system, but this was an additional \$100,000 expense and every year it was going to go higher because of cost of living raises and insurance costs, etc. Finance Director Huff said every year our system was going to need more and more maintenance. Mayor Boss said the reason we had a deteriorating system was because we did not have enough staff out there to take care of it and asked what the difference between those dollars and the dollars we were paying the two individuals. Commissioner Rardin said basically because we had already spent \$2.5 million to put the system in and it had only been used for four years. So basically, it sounded like we got took when we purchased the system. Mayor Boss said he would not argue that. Commissioner Payne said she would not argue that either.

Commissioner McDonald said if they added these two people based on what they were seeing now with the failure and maintenance and asked was there any way that information could be tracked. Cost was important, but if the City could be more efficient with maintaining the equipment, we could make sure we did not have another catastrophic failure. Was it more expensive than \$90,000 to come back from that catastrophic failure, or no? Finance Director Huff said when we had a catastrophic failure, we had to bring Zenner in. The way our contract with them was written, every time we had to bring them in, they charged us more money. So as the system got older, it was going to cost us more and more money to do that. We wanted to now be able to do preventative maintenance, respond to failures faster, and install new updated equipment faster as well. So yes, we should be able to track all of that.

Commissioner Baldwin said in the graph presented where it showed the percentage drop due to a catastrophic failure and asked was the number on the left the percentage. Finance Director Huff said the number on the left was the percentage of readings they got in, so obviously 100 percent was always the goal because that meant that every ETR and MIU was reporting. Usually, 98 to 99 percent was what they could achieve realistically. Commissioner Baldwin clarified that catastrophic failure was when they got down into 14 to 15 percent failure. Also, his biggest concern was acquiring recurring costs. To give a perspective, when he joined the Commission in 2012, we had 317 employees. And how many employees did we have now? Over 400? City Attorney Bengoechea said the current number of employees was 345. That was a figure she had received from the Human Resources Department. Commissioner Baldwin asked if that was full time and part time? City Attorney Bengoechea said yes. Commissioner Rardin said that was post-Covid too. Commissioner Baldwin said we were over 400 employees a couple years ago. His point was that the City had acquired a lot more employees and those were recurring costs. However, he agreed with Commissioner McDonald that as long as this was trackable, he was okay with it. If we dipped down into the 86 percent reading level but got back up to a maintainable level once we brought these two employees on, then it was basically worth the cost. He did want to be able to track that as it would be easier to justify. He had concerns bringing on more employees. The City Manager had made a point that in the past employees from other departments had been pulled to perform the duties of the meter readers. That was something that he and other Commissioners had pushed for with cross training. As long as they could justify in a couple of years that the numbers were not dipping back down and the meters were being maintained, then he was not going to fight it too much. We had to be able to justify it. And the lesson moving forward should be that we learn from these mistakes. It was a \$2.4 million project, and yet nobody considered what the maintenance would be five or six years down the road.

Commissioner Rardin said typically when staff asked for new positions, we usually did it during budget hearings which were literally a month or so away. He was torn on this because it was a recurring expense, and it was a large amount of money each year. Our payroll was already going sky high because of the fact of the Governor raising the minimum wage. Also, when they had the dip in service because of the Covid there were a lot of staff working at home or were furloughed. He asked if that have anything to do with the fact of the dip in the maintenance. Finance Director Huff said no; the meter technicians were never

furloughed because they were considered essential employees. City Manager Cesar said these requests did normally come during the budget hearings, but this was important enough that if we waited for the budget process to occur and even if they were approved in the budget, it still had to go up to the State for approval and the earliest they could even start the hiring process would be after July 1st. The hiring process would take a minimum of 45 days. Regarding the Covid situation, we were now getting to the point where we were going to have to go out and start turning people off for nonpayment. That meant the existing Utility Billing staff would not be able to continue to perform the routine maintenance that should be performed on a daily basis. Because a lot of the routine maintenance had been put on the back burner in the past, that was the reason we had a lot of the issue we had. To get the system back up to where it was today, technicians from Zenner had to come in. Our meter readers and technicians were out working alongside Zenner and they had to also pull in people from Public Works to get the batteries installed and replace the units. For Utility Billing and Finance, they felt this was an important enough issue to bring forward, so we did not get into the position we were recently in where a good portion of the system had failed, and it was getting worse every day. Commissioner Rardin asked if in times like those it was possible to pull some of the Public Works guys in to help get the system back up to where it needed to be, rather than hiring additional staff. City Manager Cesar said he understood what he was saying, but then when they pulled staff from other areas, then they started getting the questions on why potholes were not being filled or water breaks were not filled. When the staff from Public Works was pulled previously, it was two less people in the shops and put them in a position to where they had to now go play catch up on their jobs. If it was something that happened every five years or so, then he would agree. However, this system was only getting older and as it got older, it would fail on a more frequent basis if it were not maintained. From a staff standpoint, there was a definite need. It was a need that could be easily justified and shown as they continued to go forward, that the investment of the two new positions was money well spent.

Mayor Boss moved to approve.

Commissioner Payne seconded the motion.

Motion carried with a vote of 5-2-0. Commissioner Rardin and Commissioner Wright voted nay.

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

Mayor Boss read the openings and appointed Monica Pflugh to the Senior Volunteer Programs Advisory Council for her first term. No one was opposed.

EXECUTIVE SESSION (Roll Call Vote Required)

14. Adjourn into Executive Session in compliance with 10151(h)(7) NMSA (as amended) to discuss threatened or pending litigation - Tommy Herrell threatened lawsuit. (Roll Call Required)

Commissioner Rardin moved to adjourn into Executive Closed Session at 8:38 p.m.

Commissioner Payne seconded the motion.

Roll Call Vote was taken.

Motion carried with a vote of 7-0-0

ADJOURNMENT

ATTEST:


City Clerk Rachel Hughes


Mayor Richard Boss

(Prepared by Teresa Gutierrez, Deputy Clerk)

Approved at the Regular Meeting held on April 27, 2021.