

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION REGULAR MEETING MINUTES
6:30 P.M., DONALD E. CARROLL COMMISSION CHAMBERS
February 14, 2023**

**SUSAN PAYNE, MAYOR
SHARON McDONALD, COMMISSIONER
JOSH RARDIN, COMMISSIONER
STEPHEN BURNETT, COMMISSIONER
NICHOLAS PAUL, COMMISSIONER**

**DUSTY WRIGHT, MAYOR PRO-TEM
KARL MELTON, COMMISSIONER
BRIAN CESAR, CITY MANAGER
ASHLEY SMITH, CITY ATTORNEY
RACHEL HUGHS, CITY CLERK**

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

Mayor Payne called the meeting to order at 6:31 p.m. Roll Call was taken by the City Clerk. City Clerk Hughs announced there was a quorum present. Invocation was given by Pastor Marc Jones and the Pledge of Allegiance was led by Commissioner Karl Melton.

APPROVAL OF AGENDA

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

PRESENTATIONS

1. Mayor's Commendation to Trenton Odom. (Susan Payne, Mayor)

Mayor Payne recognized Trenton Odom for his accomplishment in becoming an Eagle Scout and gave him the Mayor's Commendation.

2. State of the City Address. (Susan Payne, Mayor)

Mayor Payne said that the Mayor gives the State of the City Address every year. She thanked her fellow Commissioners and said that they get things accomplished together.

She addressed comments she received concerning School Super Intendant Ken Moore. She said there will always be ignorant people, but Alamogordo is different. This community has come together in times of need. She said she rejected what Ken Moore said and was disappointed with it.

She continued with the State of the City Address. She said the City has ten departments and ten directors, and we have 355 employees as of today. As with many other cities around the country, we struggled with staffing, exasperated by COVID-19. We began the year with a comprehensive salary study. This much-needed study was the first in our City since 1998. Based on the recommendations from the final report, the Commission passed a budget resolution that included raises for almost every position. We began 2022 with over eighty vacancies, and today our vacancies are below thirty-five.

The Police Officer count is rising; currently forty-four and six more are incoming. We would like to see that number reach fifty-nine so they could be considered fully staffed. Police Service Aides were created as a new position. The Police Department received a boost from the General Fund after the Commission voted to unanimously designate GRT proceeds from marijuana sales to the Police Department, to be used at their discretion with the approval of the City Manager. We also saw other staffing changes in 2022; Public Works was split into two departments, and Community Services was

also split to create the new Department of Parks and Recreation. By separating these, the City will be able to emphasize quality of life issues, activities, and amenities provided to our citizens.

Another major accomplishment was the establishment of the Public Safety Access Point, or PSAP. With the establishment of PSAP, we will now have one Dispatch Center that will essentially be its own entity. The County will fiscally administer this entity. This could not have been possible without the cooperative partnership between the City and County.

Several projects were started or completed in 2022, most notably Bonito Lake. While not yet fully operational, the major cleanup and removal of debris have been completed. While the Lake was down, City staff utilized the opportunity and a grant to complete various enhancements. Visitors may resume day use activities this summer. City staff are negotiating with the New Mexico Fish and Game Department to restock the Lake. The campgrounds will remain closed until further notice. The Scenic Extension Project was completed in late 2022. This project extends Scenic out to the Mesa Verde area. It will allow for easier access to residents living and working in that area, as well as local economic development projects. While the City's part is complete, the road will be opened once PNM approves the plans and can complete the electrical extension needed for Union Pacific to operate. The cost of this project was just under \$4,000,000, paid through local funding. The Alameda Park Irrigation Renovations project includes replacing and upgrading sprinkler irrigations from the north end of the Zoo to the Toy Train Depot. Work is underway and is scheduled to be completed in July 2023. The cost of this project was approximately \$879,000, and also locally funded. ADA-Compliant Sidewalks is a \$1,700,000 project that will install projects, curbs, gutters, ADA-compliant ramps and driveways, and asphalt patching between 2nd and 8th Street in the area of New York Avenue and Texas Avenue. The design is completed, and the contract has been awarded. A \$500,000 Community Development Plot Grant was obtained to help fund a portion of this project.

Mayor Payne said the City is cleaning up properties, including tearing down dilapidated properties. We want to ensure citizens that we are working on enforcing the ordinances currently in place and putting property owners on notice that we will take action. In 2022, we successfully tore down five properties in various parts of the City. The cost to the City to tear down those five properties was \$235,000. We plan to continue to move forward, so that abandoned and dilapidated structures are no longer a health and safety issue for our residents.

Our Community Service Department has created a Community Master Plan. This comprehensive plan is a vision of what we want our community to look like. This plan is based on several factors, including economic trends, demographics, housing, transportation, and land development. Other Master Plans are being created for critical areas, such as water. The Water Master Plan was last updated in 1986, so this was long overdue. Once completed, citizens can know we are being proactive instead of reactive. Along the same lines, we are updating and revising the Master Plan for Sewers. The last revision to that plan was back in 2005. We are excited to announce we are creating a Drainage Master Plan to address the City's current and future needs. Up to this point, there has never been a Drainage Master Plan. The Street Maintenance Plan is on hold pending the creation of a Transportation Master Plan that will focus on evaluating existing roadways to determine conditions and how to move forward with repair and replacement. Once this is done, we can resume work based on those results. It is important to know that all the plans mentioned were made in consideration of all the other plans, so they will all work together. An assessment and preliminary design are underway for a Community Swimming Pool with a cover so citizens can enjoy it year-round. Options will be presented to the Commission at a future date. A design in Ed Brabson Balloon Park is underway to make it a more usable event venue, with many options being explored. When finished, this space will be available for public rental and use. The Great Blocks Project focuses on New York Avenue, begins on the north side of the intersection at 10th Street, and extends south to 8th Street. A portion of 9th Street between

New York Avenue and White Sands Boulevard is also included in this project. The contractor will provide, install, and decorate pavements, including colored concrete paving, specialty finishes, vehicular and non-vehicular conditions, asphalt paving, striping, regulatory signage, decorative monuments, concrete curb and gutter, accessible curved ramps, site furnishings, planting automatic irrigation systems, decorative lightbulbs, and associated electrical work.

Various ordinances were adopted that focused on being as business-friendly as possible. As part of our ongoing commitment to our community, we are now beginning a comprehensive review of all of our building standards and City ordinances to ensure that we are using best practices and delivering fair and equitable treatment as efficiently as possible. Our current focus includes the Tech Standards done in 2022, where the City contracted with an outside company to gather input from citizens and builders. We have assembled a manual of the industry's most up-to-date standards. Plans include a revision schedule to ensure that going forward, our City will always follow best practices and the latest industry standards. Code Enforcement is conducting a comprehensive review of its ordinances and procedures. This review is only the 3rd since its inception in 1960, with the last review done in 2008. When completed, this will allow our citizens to easily determine what is acceptable or a violation. It will also ensure no grey areas and that all property owners are held to the same standards. While pieces of the water ordinance have been revised many times, there has never been a comprehensive review of this entire ordinance. This created confusion as changes were made without considering how this would affect other parts of the ordinance. The latest review will include the rates and the most up-to-date State and Federal regulations and standards. In addition, staff will present recommendations for a path going forward, including an actual plan to ensure this ordinance is reviewed every three years.

Lastly, she thanked City Staff for all their research and dedication to make the Commission's jobs easier and for everything else they do.

PUBLIC COMMENT

Sandy Rodrick spoke under item four.

CITY MANAGER'S REPORT

City Manager Cesar made the following remarks:

1. City Staff is in internal budget meetings this week to prepare the budget that will be presented to the Commission in a couple of months.
2. Regarding the old Holiday Inn Express that caught on fire, he said he finally signed the \$260,000 contract with Southwest Abatement yesterday. They will come in to remove the burned portion, not the entire complex. We are still awaiting the final proposal for the rest of the hotel. That is not budgeted for in our abatement line item, but we have the \$260,000. As soon as we have the information for the remaining structures on that property, we can hopefully incorporate it into the upcoming budget. It is going to be a very expensive project. There is asbestos throughout, and no way to go in and do a traditional abatement.

REMARKS AND INQUIRIES BY THE CITY COMMISSION

Commissioner McDonald made the following comments:

She said she attended the New Mexico MainStreet Winter Conference in Santa Fe with some people from Maintstreet. It was an excellent conference; she recommended others to go if they could.

Mayor Payne made the following comments:

She said she is going to the Municipal League training this week. She also went to Santa Fe for their opening session, where she was able to watch the Senate side. After this week's training, she will try to head over and watch the House side. She will go up another time in March.

CONSENT AGENDA

3. Approve the minutes for the January 24, 2023, Regular Commission meeting. (Rachel Hughs, City Clerk)

4. Consider, and act upon, the adoption and final publication of Ordinance 1666 repealing Chapter 23, Article 23-02 Lodgers Tax, and Chapter 2, Article 4-80 thru 4-110 relating to the Promotions Board. (Stephanie Hernandez, Assistant City Manager, and Evelyn Huff, Finance Director) (Roll Call Vote Required)

5. Consider, and act upon, the adoption and final publication of Ordinance 1667 Case Z-2022-0005(A), a map amendment to change the zoning of the property located at 1408 Black Street from R-1 Single Family Dwelling to M-2 Industrial District. (Stella Rael, City Planner) (Roll Call Vote Required)

6. Consider, and act upon, the adoption and final publication of Ordinance No. 1668 repealing Sections 24-13-010 and 24-13-020 of Chapter 24 of the Code of Ordinances relating to Resident and Mobility Disabled Parking only. (Nancy Beshaler, Public Works Director) (Roll Call Vote Required)

7. Consider, and act upon, the adoption and final publication of Ordinance 1669 Case Z-2022-0006(A), a map amendment to change the zoning of the property located at 1218 Michigan Ave. from R-3 Two Family Dwelling District to R-4 Multiple Family Dwelling District. (Sean McGranaghan, Assistant City Planner) (Roll Call Vote Required)

8. Consider, and act upon, the adoption and final publication of Ordinance 1670 Case Z-2022-0007(A), a map amendment to change the zoning of the property located at 2500 N Florida Ave from R-1 Single Family Dwelling District to R-4 Multi-Family Dwelling District. (Sean McGranaghan, Assistant City Planner) (Roll Call Vote Required)

9. Consider, and act upon, the Investment Report for the quarter ending December 31, 2022, in accordance with the City of Alamogordo Investment Ordinance. (Sue Ashe, Accounting Manager)

10. Consider, and act upon, Resolution 2023-10 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 February 14, 2023. (Evelyn Huff, Finance Director) (Roll Call Vote Required)

11. Consider, and act upon, the award of IFB 2023-01 1" Base Course to RD Blankenship Dirt Work in the amount of \$91,828.95. (David Nunnolley, Utilities Director)

Mayor Payne removed item 4 from the Consent Agenda.

Commissioner McDonald moved to approve the Consent Agenda as amended.
Commissioner Melton seconded the motion.
Roll Call Vote was taken.

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

ITEMS REMOVED FROM CONSENT AGENDA

4. Consider, and act upon, the adoption and final publication of Ordinance 1666 repealing Chapter 23, Article 23-02 Lodgers Tax, and Chapter 2, Article 4-80 thru 4-110 relating to the Promotions Board. (Stephanie Hernandez, Assistant City Manager, and Evelyn Huff, Finance Director) (Roll Call Vote Required)

Sandy Rodrick made the following comments:

She said she was here to share her concerns about getting rid of the Lodger's Tax. She said she was told the City feels there are too many restrictions on how these dollars were spent. She read the ordinance emailed to her and did not see the restrictions. She said she was wondering if the restrictions could be amended. Tourism could be affected without these dollars being used to help the City. She said she had not done the research but understood the City had already done away with the tourism position. These dollars were used for ads placed in magazines in our neighboring states and beyond. As people arrived, they were greeted with great cards and brochures to share about our town, these were also picked up in hotel lobbies and campground registration areas. She said their operating budget did not allow them to print these materials, but they do their best to share verbally with folks. Not everyone is tech-savvy, so having these brochures is very important.

Assistant City Manager Hernandez said that before she stood for questions, she wanted to address some false information circulating throughout the community. She said she wanted it on the record that we are not getting rid of tourism. We had one person doing Tourism, Marketing, and Communications. We pulled out Tourism and now have a separate position for it in addition to herself and Finance Director Huff. Where we had one, we now have three. The position went to Finance in September 2022. We have not hired that person because we wanted to look at the tourism program and revamp it, but we do plan on hiring. She said they have been looking at a comprehensive five-year plan, so this isn't something new, just something needed, especially for our tourism. We are refocusing our tourism efforts on what suits Alamogordo. We don't like the cookie-cutter advertising that has been done. We are not cutting waste from all departments just to fund the position or marketing, tourism, or advertising. The City Manager told all directors to look at each line item and the policies to see if they make sense, are business-friendly, and are conducive to our citizens. We have come up with better plans in all our areas. As the Mayor said, we split up two very big departments to be proactive instead of reactive. When departments get that big, all you do is put out fires. We took out all the licensing requirements and fees associated with that. We are looking at all our ordinances. The Lodger's Tax is just one of the hundreds of areas we looked at and are making changes. Again, we are not getting rid of tourism; we are making it inclusive of all businesses within the City. She said they did not want to bring this half-heartedly and put forward a lot of research and thought. She said neither Finance Director Huff nor herself could find any correlation between the advertising spent and the Lodger's Tax. We could see a correlation between what happens on Holloman Air Force Base, the best example being the refugees. All the advertising that happened through the Lodger's Tax was to put heads in beds. We discovered that many programs were shot down by the former Tourism Liaison and the Promotions Board, because the programs promoted day trips and not overnight heads in beds. We believe this is fundamentally flawed. We want people to come to our City, whether it is a day trip or overnight trip. Come visit our zoo and parks, we have Fourth Fridays, Christmas on Mainstreet, and so many events. She said she was sure everyone in this room had gone to Cloudcroft or Ruidoso and spent money and time but still came home to sleep in their own beds. That is why we believe it is flawed. The majority of the advertising was to promote businesses outside the City limits. If money is spent outside of City limits, it does not help us; we do not get any GRT from that. It is hard for us to justify spending that much money on businesses outside the City when you can drive right through the

bypass, never set foot in Alamogordo, and never spend a dollar in Alamogordo. That does not help us at all. She said she understood that some things they are doing and saying offend people, and she can promise that is not their intent. The City Commission directed us to ask these hard questions and analyze the data. We must look at the spending patterns and come up with good solutions and data to make informed decisions. We should not just be doing things because we can or spending money because it is there. In the previous meeting, we talked about waste, such as the time constraints on the State statute and those restrictions on funding. She said she also wanted to discuss other considerations they had. We asked if the Lodger's Tax was double taxation, and their opinion it is because both GRT and the Lodger's Tax are charged. She said they believed their vision and plan to revamp the tourism program would successfully allow GRT to grow naturally. It'll help all businesses and the City. She said she is sure everyone remembers the detrimental effects of COVID, but at one point, the lodging industry had to go down to twenty-five percent capacity, and then they slowly crept back up afterward. At least one struggling local hotel had come to the City and asked us to waive the Lodger's Tax and let them keep the revenue. Per ordinance at the time, they could not do that. They are still struggling with some of the effects of COVID. For years we have been hearing that we lose people to Las Cruces who come to visit White Sands. She said that if you spend the night in Las Cruces, taxes come out to sixteen percent. If you go to Ruidoso, the taxes come out to fifteen percent. If the Commission repeals this tax in Alamogordo, our tax will be eight percent. That makes our town the more affordable choice for a traveler where every dollar counts. If you google White Sands National Park, you get Las Cruces, not Alamogordo; that is true. Las Cruces pays for that top spot. There has never been a developed plan to change that narrative by using the Lodger's Tax. It has been a complaint and talking point, but it has never been a real plan. She said that she is working with Finance Director Huff and Marketing Specialist Orwoll to flesh out a plan to be inclusive of all businesses in the City. We have a tentative solid plan that we will include in our Five-Year Plan, but we think it should be up and running in twelve months. It includes a website; we purchased the domain WhiteSandsNationalPark.com. That will be inclusive of all our business partners within Alamogordo. Should the Commission repeal this tax, our plan will include sports tourism. She said she had wanted that plan for a long time, and it had never come to fruition until now. We spoke to JD Wood and hope to have a market analysis/market opportunity plan to include sports complexes and opt-in tournaments. We will promote everything Alamogordo; restaurants, businesses, local attractions, events, and our lodging industry. Consider that our zoo, on a bad week, brings in seven-hundred visitors, but on a good week, brings in upwards of two thousand five hundred visitors. November's Gus Macker event had eight hundred and eighty participants from five states and sixty-six cities. The Civic Center recently hosted a karate tournament, including six New Mexico cities, three Arizona cities, and two Texas cities. Fourth Fridays average eight hundred people, the Fourth of July event had about four thousand, and Zoo Boo had about four thousand. None of these were promoted the way they should have been. We need to get our events back into the City. Alamogordo is unique. Although we like to compare ourselves to neighboring communities, we acknowledge and pride ourselves on being small enough for a hometown feel but big enough to encourage and host events and unique experiences.

Finance Director Huff said she wanted to talk about what they have been doing and who they have been working with regarding tourism. As Assistant City Manager Hernandez said, we are not doing away with tourism. Either way the vote goes tonight, we will have a tourism program. You are just determining how we will fund it and what parameters to operate that program within. We want to be able to open those parameters and embrace everything that goes on in our community. She said she grew up here, and until this Christmas, she had not shopped locally. She had been involved with tourism for about three months and visited The Local Bodega, the Road Runner Emporium, The Blue Stone, and the Gift Shop at the Zoo. She said she learned things starting with good tourism and what we needed to look at and push and thought that we needed to consider trends and fill them out. If people are going to come up here for a day, they will have a meal and shop at local stores. We need

to encourage their feet on the street just as much as their head in a bed. We still plan on participating in the Co-op Grant by the NM Tourism Department as part of the New Mexico True Program. That is what you see and what they promote nationally. It is a great program, and we don't want to move away from it. We just want to fund it differently. We want to finish the development of the White Sands Partnership Program, where we sign people up, push things through the website, and talk about White Sands to give local information about visiting that Park. We want to develop a program to help compete for travel groups, small to medium-sized bus tours, and develop the literature and items necessary to compete at trade shows and get our name out there. If you are coming with a group for the weekend, we are a perfect place to be for a couple of nights. We can tie that in with our partnership with the Tularosa Basin Historical Society and La Luz Pottery. We want to look at day trips and develop a robust local tourism program. We want to continue developing relationships with local organizations to support their events and develop day trip itineraries and campaigns to go out to nearby drivable communities like El Paso and Las Cruces. Let's try to get them to come over here. We also need to consider having our sports programs flexible enough to tailor them to the season. It is hard to encourage someone to stay in the community if there is a big construction project at White Sands and nowhere to stay. She said auditors had come in and could not get a hotel room. We've had IT contractors unable to get a hotel room. When that sort of situation is happening, we need to be able to quickly turn our program around and push day trips harder because you may not be able to get a hotel room in Alamogordo. We want to work more one-on-one with social media influencers, and they do some amazing stuff. They come in, have a good time, and can make communities look beautiful and open to the people they follow. Our biggest thing is that we want to work with all businesses continuously. Assistant City Manager Hernandez and herself talked about the first three years of the tourism program. One of the benchmarks for that program is meeting with at least five to ten local businesses a week. They will need to go, sit down, hear their concerns, and hear what they are doing, meeting with MainStreet and the Center of Commerce monthly, and not in big committee meetings, but one-on-one. No matter how you vote tonight, we will have a tourism program. We are just asking to try something unique and different. We have been asked to look at ordinances through the lens of what we want to do, not what we have done. You will start seeing this more; it is not the first or last time that you will see us bring an ordinance to you that is pretty different from what we have now.

Mayor Payne said that Ms. Rodwick asked about the brochures. Are we still going to have that kind of information? Finance Director Huff said absolutely. We print and distribute ten to fifteen thousand brochures at a time. The content will probably be different, and we may do them in smaller batches to keep them more current and seasonal.

Mayor Pro-Tem Wright said that some people see this as a five percent tax we are doing away with, so we are not bringing in that money from an outside source. As a City, how will we make up that five percent, and asked what is that dollar amount. Assistant City Manager Hernandez said that what we have is going to be beneficial to everyone in Alamogordo. We believe that we can bring people to this community. The path we are still hashing out is going to increase GRT. Our GRT right now is eight percent, whereas the Lodger's Tax is five percent. We believe we can make that up easily once this gets going.

Mayor Payne asked Assistant City Manager Hernandez to talk about the CoOp Grant. Assistant City Manager Hernandez said the CoOp Grant is a matching program that the State put forward for travel communities, governments, businesses, and 501(c)(3). You put your interest, develop an advertising or marketing plan, and then tell them how much you want. This year, we got approximately \$300,000, and our match is \$100,000 due to a two-to-one match. Through that, there are print and digital ads, social media, and billboards. There is just so much. We plan on keeping this grant because of how much it helps the City, and the flexibility to change and market the content. We do not need the Lodger's Tax to participate in this Grant. Mayor Payne said she had a meeting with Finance Director

Huff, Director of Tourism Adam, and both our State senators, and we asked if we could do this. The answer was hesitantly yes because it is new and different. It is thinking outside the box. The answer was definitely yes, we could do this.

Mayor Pro-Tem Wright said the perception he got from calls was that they were not having outsiders pay tax into our community, and we would have to pull it out of local taxes. Finance Director Huff said they will still be paying the Gross Receipts Tax. Mayor Pro-Tem Wright said yes, but we are not bringing in the Lodger's Tax. Finance Director Huff said that is correct. We know that it will decrease the Lodger's Tax revenue. Our goal is to increase the Gross Receipts Tax to the point where it will even out. Will that happen the first year, no. It will take some time to get everything implemented. We have to look at cost saving and using our money wisely towards benefits, not just spending it because it needs to be spent.

Mayor Pro-Tem Wright said he believed the Lodger's Tax pays for Civic Center operations. If we are not bringing in Lodger's Tax to pay for that, will that just be coming out of the General Fund? Finance Director Huff said that was correct; it would operate out of the General Fund. Right now, it is considered a building that brings in overnight stays. That is probably not the greatest definition of the Civic Center. This is one of those things that has always been that way. In previous years, up until getting things back from COVID, it has been receiving money from the General Fund. It has not been substantiating itself. This year was good because we had money from the refugees, which helped their cash balance. In previous years, especially in 2019, we cut their budget substantially and subsidized them from the General Fund. Mayor Payne asked if the tourism or advertising portion was about \$250,000. Finance Director Huff said that for a normal year, for Fund 16, it is about \$250,000, but it goes up and down depending.

Mayor Payne asked if there was a limit on the grant they were talking about. Finance Director Huff said it depends on how much the State allocates to tourism. When we first started with the grant, the State had a small tourism budget. The match we got then was like \$30,000. They have been pro to the New Mexico True program and tourism in recent years. The legislature has been allocating more and more. This year was the highest amount that we have put in. Mayor Payne asked how much that was. Finance Director Huff said we put in about \$150,000, and then they matched it two-to-one. Everything you do through there goes through their Brand Resource Hub. The total value of the grant this year was \$323,370. New Mexico Tourism pitched in \$215,580, and we committed \$107,790, and we got an additional FLEX program that gave us another \$11,000.

Mayor Payne asked if by not using Lodger's Tax dollars for that, will we have more liberties with our advertising. Finance Director Huff said not through this program, no.

Commissioner Rardin asked that in the event we don't repeal the Lodger's Tax, where do we go from there, and what do we do? Finance Director Huff said we will still have a tourism program and a tourism position. We would have to approach it by answering those four questions from the money used in the Lodger's Fund.

Commissioner Paul asked if we could do a hybrid approach where you use the Lodger's Tax, but then we supplement to advertise for day trip ideas. Assistant City Manager Hernandez said yes, we could make that happen. Right now, our focus is 100% local. If we go to a hybrid, we will have many requirements to keep up with. It will take away from that, and make us put more effort, time, and energy into ensuring we stay up on those statutes and guidelines. We can do it if that is the Commission's direction, but several restrictions prevent us from doing what we want.

Commissioner Melton asked if we have ever returned unused money to the State after two years or did we just spend it. Assistant City Manager Hernandez said we have never returned it; we just spent it. Commissioner Melton asked if we had a rough estimate of the money raised via the Lodger's Tax, and how much of that is actually for necessary items and how much of that are we forced to spend to get rid of it. Assistant City Manager Hernandez said that, roughly speaking, we wanted to tear back the spending and see what we need to survive. It varies throughout the years, so it is difficult to give a number overall from the past five years. Just taking this last year, a good \$100,000 was spent that benefits Alamogordo. She said the other in her opinion, wasn't wisely spent. As far as the Civic Center, it is questionable if we should have been using it for that. Mayor Payne asked if that was per year. Assistant City Manager Hernandez said more or less, it fluctuates. Mayor Payne said that you are saying that \$100,000 a year is all that was spent on advertising Alamogordo. Assistant City Manager Hernandez said wisely. Commissioner Melton asked if we are using this effectively. Mayor Payne said not on water bottles and t-shirts. Assistant City Manager Hernandez said we worked hard to get the General Fund in a great position, which is why we feel it will benefit the hotel industry and Alamogordo. It is a win-win.

Commissioner Rardin asked if we decide to do this tonight, will we start doing things like the Cottonwood Festival and promote them? Assistant City Manager Hernandez said yes. When we get the person in, it will be about benchmarks. Along with those same benchmarks, we need one event we haven't had, we need to have one event per quarter we haven't had before, and we need to bring back events that once existed. Finance Director Huff spoke about the Cottonwood Festival and pins that could be used.

Commissioner Burnette asked how far outside of Alamogordo do you plan on advertising? Assistant City Manager Hernandez said everywhere we can, as long as it benefits Alamogordo. We keep the CoOp Grant where we can and do local and national stuff. Finance Director Huff said we should be peppering El Paso and Las Cruces with our events. She gave an example of an event that got her attention due to advertising. She said the NM True program is huge for getting people from other parts of the State, but we need to focus on pulling people who can drive an hour-and-a-half to attend our event too. Commissioner Burnette asked if we were doing that before. Finance Director Huff said no. Assistant City Manager Hernandez said our plan allows that flexibility to do it all.

Mayor Payne said she met with Special Events Manager Josh Sides, and he said he was doing fourteen to seventeen events between now and May. Finance Director Huff said that in talking with this position, we don't want to put more events on Special Events Manager Sides. He has plenty to do, and other responsibilities to the Civic Center. We want this tourism position to come in and focus on doing one or two more things that are more tourist-driven than the stuff that Special Events Manager Sides does, and the position can also help Special Events Manager Sides as well. Assistant City Manager Hernandez said part of their White Sands partnership is having a calendar of events. She said the Center of Commerce also has something like that, but if you Google White Sands, you don't see anybody except Las Cruces.

Commissioner Paul said he thought all the ideas were great, but he had calls from people saying to not repeal this tax. He asked why we haven't done these things in the past. The marketing approach has to be multi-pronged, we can't just rely on the Lodger's Tax and what that allows us to generate tourism in our community. He said he was hard-pressed to think that all of a sudden, we are going to change and bring all this in-house, then wait however many years until it is truly successful. If we looked at it from the perspective of, we are going to increase GRT in the community, well at eight percent, hypothetically speaking, at \$3,000,000, that would generate \$240,000. If we do not keep that full eight percent, we would have to generate an additional \$3,000,000 per year to make up for what the Lodger's Tax on a bad or average year brings us. Assistant City Manager Hernandez said we are

doing this now because we were tasked with doing this now, to look at everything we are doing and spending. It hasn't been done in the past because it wasn't part of the Promotion Board's ideals or best practices. There was a lot of pushback when people wanted to use the Lodger's Tax. We didn't realize this, but it was shot down because it didn't promote heads in beds. As to making up the revenue, she said she challenges anyone to tell her how the Lodger's Tax has benefitted them. She said it really hasn't been successful in the fifty-plus years. We would have been as big as Las Cruces or Albuquerque if it was. Commissioner Paul asked if other communities in the State have done away with the Lodger's Tax, and if so, what communities are they? Assistant City Manager Hernandez said that we were told this is the first, which is why we are getting a lot of pushback up north. We are not northern New Mexico, we are southern New Mexico, and we are not even anything like Las Cruces. City Manager Cesar said that not every community in New Mexico with a Lodger's Tax uses it as Alamogordo does. Many uses can be put to the Lodger's Tax. Some communities use it to fund, build, construct, design, convention centers. Other communities use it for surety money, for regional jet service; it can have nothing to do with advertising. Commissioner Paul said that Alamogordo is working towards that jet service, but if we do away with this tax, that eliminates that other potential source of money to make up for those things too. Finance Director Huff said she could see a path where we repeal it now, we establish a tourism program not based on Lodger's Tax. If we are closer to regional jet service two or three years down the road, then you could reinstate it knowing that you will not have to redo your tourism program, because the tourism program is not based on the Lodger's Tax. It will free you and the rest of the Commission to come back later and look at one of the many uses that City Manager Cesar spoke about. Assistant City Manager Hernandez said repealing it today doesn't mean we can't bring it back. It would give us local control, instead of being tied to what state statute says. We don't get the amounts that Las Cruces or Albuquerque gets. As the state statute stands, it doesn't give us the flexibility to go towards regional jet service or anything, we don't get enough to utilize it that way. Commissioner Paul asked if having a hybrid approach would allow for that. If we repeal this now, and in two or three years are asking for it again, Commissioners may change, and we don't know where people will stand. You would potentially have more pushback then. Assistant City Manager Hernandez said that is a valid point they thought about, but they still believe this is the best path forward. If a future Commission wants to change things, they can.

Mayor Payne asked what we have focused on in terms of advertising now. Assistant City Manager Hernandez said the majority of the advertising has been outside of the City. Mayor Payne asked what was meant by outside of the City, and what are we advertising. Assistant City Manager Hernandez said businesses outside of the City. She said she didn't want to drop names, but it has been a lot of White Sands National Park, and it was too much. Mayor Payne asked what else besides White Sands, other things outside the City? Assistant City Manager Hernandez said yes, businesses outside the City. At some point, we were even advertising stuff in Cloudcroft. Commissioner Rardin said we were looking at it, and we are advertising Tularosa, Cloudcroft, and Ruidoso. If we are going to spend that money to market ourselves, we don't want to market other entities around us that will take it. Assistant City Manager Hernandez said part of that is because those are tourist communities. She said she thought the logic behind that was to stop by Alamogordo while you were driving to those communities. Mayor Payne asked if there was no advertising of businesses inside our City. Assistant City Manager Hernandez said there are some, but it wasn't the main focal point. It was about tourist attractions, the definition of which can be debated. Mayor Payne asked if we could have used the Lodger's Tax to advertise stuff inside our City. Finance Director Huff said that the Lodger's Tax best practices say it should be at least sixty miles outside the City. You are not supposed to use Lodger's Tax to advertise within your City, because the purpose of marketing with Lodger's Tax is to turn round and increase the Lodger's Tax by having people stay in your facilities. Mayor Payne asked if we could have advertised stuff in our City. Assistant City Manager Hernandez said it depends, but it has to be considered a tourist attraction. It has to be geared at getting people here to stay the night. That is the

whole purpose of the Lodger's Tax. Christmas on MainStreet got pulled because it wasn't heads in beds.

Commissioner Rardin said that we are in a decent place with the General Fund right now, but things may change. Will we be able to sustain the advertising out of Fund 11 if things take a downturn? Assistant City Manager Hernandez said absolutely. You have two Finance Directors here that are all about data and numbers. We don't need to be here if we ever get to that point. We are in such a good position because we are very conservative when we budget. We under project and overdeliver. Commissioner Rardin said one of the biggest concerns is that we won't spend as much on advertising. Assistant City Manager Hernandez said that is their concern every single day. Commissioner Rardin said we have had to make substantial cuts for furloughs and layoffs in the past. Assistant City Manager Hernandez said that was the horrible year of overspending the year before, and we had to make huge cutbacks. As long as the three of us are here, that will not happen. Finance Director Huff said that unlike many communities, we do not project growth. Our philosophy is, if you project growth, and you don't make it, we will start having issues. When we first came into Finance, at one point, they were projecting three percent growth every year. That would be amazing, but it is not a thing. We use a three-year average and do not project, and because of that, we can continue to operate within our means. The tourism program can easily fit in there as well.

Commissioner Rardin called for the Question.

Commissioner Melton moved to approve.

Commissioner McDonald seconded the motion.

Roll Call Vote was taken.

Motion carried with a vote of 5-2-0. Commissioners Paul and Burnett voted nay.

NEW BUSINESS

12. Consider, and act upon, the first publication of Ordinance 1671 Case Z-2023-0001(A), a map amendment to change the zoning of the property located at 451 Michel St. from MH-2 Manufactured Housing Park to MH-1 Manufactured Housing Subdivision. (Stella Rael, City Planner) (Roll Call Vote Required)

She said that the property owners are trying to start the process of splitting up property among their family. The proposed plat was presented by a surveying company here in Alamogordo. When she reviewed it, she denied it, because that area is a manufactured housing park subdivision. By splitting that section into three different parcels, they were not going to meet the ordinance requirements for a manufactured housing park. She said she met with the property owners and made a few suggestions. At this time, they want to take it from MH-2 Manufactured Housing Park District to MH-1 Manufactured Housing Subdivision District, because that will meet the requirements. In the future, they may come in and do something different, but this is the only thing that will work for them at this point to split it three ways. She further detailed their processes and timelines.

Commissioner Rardin said they are taking these four acres here and will divide it into three different properties. How will that work with how these buildings are set up? City Planner Rael said they would meet setback requirements. Commissioner Rardin asked if this was an existing trailer court, and City Planner Rael said yes.

Commissioner Rardin moved to approve.

Mayor Pro-Tem Wright seconded the motion.

Roll Call Vote was taken.

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

13. Consider, and act upon, the first publication of Ordinance 1672 amending Chapter 32, Article 32-01 concerning the disposition of Real Property. (Ashley Smith, City Attorney) (Roll Call Vote Required)

City Attorney Smith said this ordinance includes updates to align with State Statute section 3-54-1. The proposed language is taken directly from the state statute.

Mayor Payne said she was asked to mention the airport. City Attorney Smith said we are aware of that question. She said this language comes directly from the state statute, which does not address an exception for airports. City Manager Cesar said he believed the concern was, with grant agreements or transfers of properties, the City enters into an agreement with that party. Part of that, dependent on what it is, in that agreement, it will have a provision that says, if the City at some future time sells or gets rid of the property, that it will have to go back to that entity. Or we have to repay the improvements that were made over time. We have this at the airport with our FAA and state money. We have it at Bonito Lake with the EPA, state money, and FEMA money. We have it on various pipelines, tanks, various roadways, box culverts, etcetera. It is standard, but we don't talk about it a lot. It is in a lot of the agreements that this Commission has approved. This change to the ordinances doesn't allow the Commission, City Manager, or staff to violate those agreements. We would still have to pay; that is part of the consideration. We have to follow state statute. City Attorney Smith said the statute doesn't just cover the sale; this is also all of our leases. The State requires us to lease everything at fair market value. That is what this statute is. Commissioner Rardin said you could go out and get an appraisal from various appraisers, which is usually very high. He said in his eyes, the value of that property is only what someone is willing to pay for it. How are we going to get around that? City Attorney Smith said this ordinance has language from the state statute that addresses that. It says that we have to write why we are not doing it at the fair market value. We just have to justify in writing, which should be enough.

Commissioner Rardin asked when they changed all these laws at the State, making us redo all of this. City Attorney Smith said this statute was redone in 2018, and the ordinance was done in 1984.

Commissioner Rardin asked how we would determine anything under \$25,000 value without an appraisal. It doesn't state in Section A that we have to have an appraisal done. City Attorney Smith said it doesn't say that in Section A, but it does go in other ordinances. You have to look at the ordinance as a whole at times, and this is one of those where it doesn't explicitly state that in Section A, it does state further down that it has to be fair market value, and it is supposed to be appraised. We would have to get an appraisal, and the City is working on getting all City property appraised.

Commissioner Melton moved to approve.

Commissioner Burnett seconded the motion.

Roll Call Vote was taken.

Motion carried with a vote of 6-1-0. Commissioner Rardin voted nay.

14. Consider, and act upon the first publication of Ordinance 1673 amending Chapter 32, Article 32-02 concerning the disposition of Personal Property. (Ashley Smith, City Attorney) (Roll Call Vote Required)

City Attorney Smith said this is similar to Ordinance 1672, this is updating it. The proposed language is taken directly from the state statute.

Commissioner Rardin asked if this will be to cover our auctions where we sell real property like used cars or tools. City Attorney Smith said correct. Commissioner Rardin said we do this online every so often. City Manager Cesar said it has been online for quite a number of years. There are normally items from Alamogordo anytime you go to that site. Commissioner Rardin asked if it was basically ongoing. City Manager Cesar said ongoing, but there could be a couple of weeks where you won't see something from Alamogordo, but it is pretty constant. It includes evidence collected from the police if it is not, for whatever reason, returned to the original property owner.

Commissioner Melton moved to approve.

Mayor Pro-Tem Wright seconded the motion.

Roll Call Vote was taken.

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

15. Consider, and act upon, appointing members to serve on the Charter Committee. (Rachel Hughs, City Clerk)

City Clerk Hughs said the Commission passed Resolution 2023-03 Establishing a Charter Committee. The committee is formed to review the effectiveness of the City Charter. The resolution stated the committee will consist of no less than seven residents and no more than fourteen residents of the City. Each member of the Commission may nominate two residents of the City. There were seven applications turned in that were nominated by the Commission. She said she verified the applicant's party affiliation per state statute with the voter registration list the County Clerk provided. There are four Republicans, one Democrat, and two were No Party/Independent. There was one application that was self-nominated. However, according to the resolution, the Commission had to nominate the applicants.

Commissioner Rardin asked if they had to appoint them individually or do we have to do it as a group. City Clerk Hughs said they can do that and state their names for the record.

Mayor Pro-Tem Wright asked if they don't approve all seven today they have to start over or how does that work? Commissioner Melton stated it is a minimum of seven. Mayor Payne asked how many they have. Commissioner Rardin answered seven and one self-nomination. City Clerk Hughs said the eighth application was a self-nomination, and according to the resolution, it had to be a nomination by someone on the Commission. Commissioner Melton stated we are only selecting from the seven. City Manager Cesar said if they do not select all seven that were nominated, they need to bring it to the next Commission meeting and bring additional nominations. City Clerk Hughs said that is correct and they would have to give her the nominations by the following Tuesday to be submitted in the following agenda.

Commissioner Rardin asked if staff had already scheduled a city charter meeting. City Clerk Hughs said yes, but she could cancel that meeting if they need to because if they don't have the seven per State Statute, you won't form a committee. Commissioner Rardin said basically they only have seven nominees because in order to be nominated the Commission had to nominate that person, so the eighth one they have to kick out and have seven right now on the table.

Commissioner Rardin asked who the staff liaison was going to be. City Manager Cesar said he would be there also, but the staff liaison would be City Clerk Hughs.

Commissioner Rardin made the motion to approve the seven members that were nominated by the Commission to the Charter Committee. He asked City Clerk Hughs if they needed to state their names

for the record. City Clerk Hughs said yes. Mayor Payne stated their names, Benjamin Luna Jr., Tim Mills, Elise Barela, Marjorie Schulze, Shannan Wright, Vesta Edmond, and Vincent Jones.

Mayor Payne stated they have Nadia Sikes here in the audience and she is self-nominated. Mayor Payne said she had mentioned it to Nadia as a backup, but her name was not on the application. She told Nadia she really didn't nominate her because she did not put her name on there and you were really only a backup. Nadia Sikes said she would like to know the party affiliations because it stated clearly who can't and can be on there. Commissioner Burnett answered four Republicans, one Democrat, and two Independent. Mayor Payne stated they can't have more than a simple majority. City Clerk Hughs said that was correct. Mayor Payne stated that would be a simple majority and the Commission agreed.

Commissioner Rardin made the motion to approve the seven members that were nominated by the Commission to the Charter Committee
Commissioner Burnett seconded the motion.
Motion carried with a vote of 7-0-0.

Commissioner Rardin moved to adjourn at 8:51 p.m.
Commissioner McDonald seconded the motion.
Motion carried with a vote of 7-0-0.

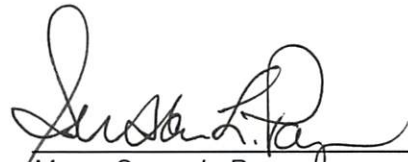
ADJOURNMENT



ATTEST:



City Clerk Rachel Hughs



Mayor Susan L. Payne

(Prepared by Dylan Aleshire, Deputy City Clerk)
Approved at the Regular Meeting held on February 28, 2023.